

**Report of the**

**STUDY GROUP ON WOMEN  
AND CHILD LABOUR**

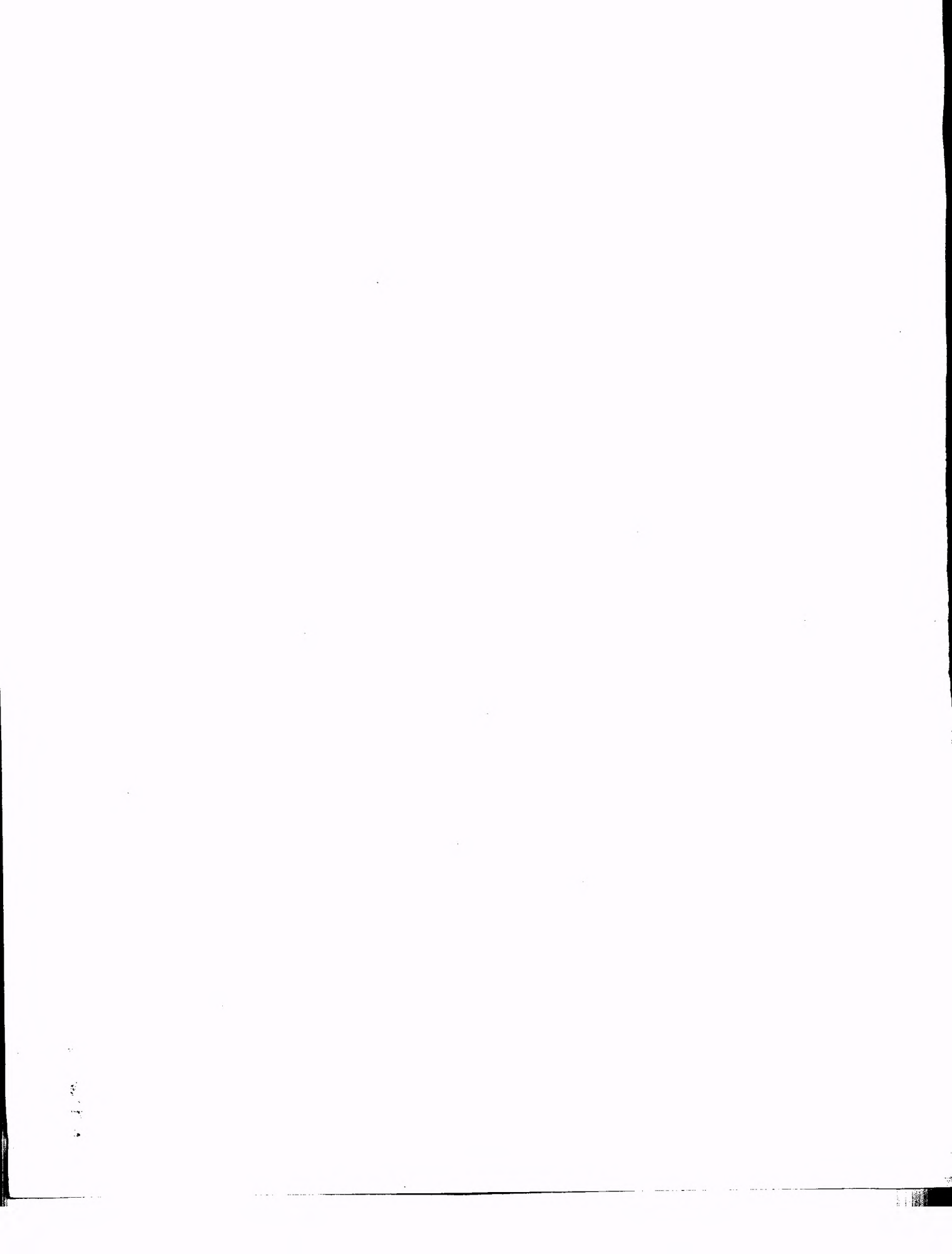
**National Commission on Labour**

September 2001

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The views expressed in this report are solely that of the Study Group constituted by the National Commission on Labour and are not necessarily that of the Commission.

**This report consists of five parts. Part I is the main report, Part II contains the annexures to Part I, including the Sector Studies and the References. Part III is a compilation of all the studies commissioned by the Group while the Reports of the two workshops organized by the Group are included in Part IV. Part V contains the proposed new Child Labour (Prohibition and Education) Bill.**





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## Executive Summary

The Second National Commission on Labour has been set up at a time when economies world wide have undergone major changes, and when India is facing the effects of globalisation and liberalisation. The economy is changing rapidly, as are the rules and regulations, and the effect on workers has been particularly drastic. The worker is, however, still the centre of the economy, whose labour and enterprise create the wealth of the nation, and whose hard work leads to national growth. The worker needs security, a decent life, a share in the prosperity of the nation and the dream of a good life for her children. In a way, the change in the economy has brought about a visibility for the woman worker and child labour, which did not exist before. The term "Feminisation of the labour force" is now widely used and women are becoming visible in many areas of work, which was traditionally barred to them.

The terms of reference of the National Commission cover many topics—the liberalisation of the economy, the suitability of labour laws, the minimum required protections etc. We believe that these questions should be examined keeping the Indian woman worker in the centre. The issues of women workers and child labour are very much interlinked. Both belong to the unorganised sector of the economy, and the children generally are forced to work when the parents are unable to earn enough for the family to survive.

So we must first start with who is the Indian woman worker. In our report we try to describe the women workers in each sector and also to give figures which will give us a qualitative and quantitative picture. In particular, we are concerned about the poorer, the weaker, the most vulnerable women workers who are in the unorganised sector. She is 18 year old Mary, a fish worker from Kerala. She is Kalibai, a forest worker from Madhya Pradesh. She is Prabhavati Devi, a street vendor from Bihar. She is Chitrabai, a small farmer from Maharashtra. She is Mariamma a bidi worker from Andhra Pradesh. She is Puriben, a skilled embroidery worker from Gujarat.

All these women are typical Indian women. Their main concerns centre around their families, and especially their children. In many ways, they sacrifice themselves continually for their children and for their families. They take the full responsibility for care of home, for the feeding of the family and for care of the children and the sick and the old and for carrying on the family obligations of rituals and ceremonies. They work long hours at difficult work for money and for subsistence and at household duties. For them all this work has only one aim- better lives for their families. However, it should be recognised that their work is very much part of the National Economy. Their work contributes not only to their own families but to the development of their villages and towns and to the country as a whole. The question is: what does society and particularly the economy give them in return?

The Indian woman worker lives and works under many constraints. She would belong to the poorer families in the village or town. She would belong to backward caste, schedule caste or minority. Being a woman she would have a lower status in her family. Her family would own few assets and have few opportunities for better work, and such assets or opportunities that exist would be for the males of the family and not for her. Often, she may be a widow or live alone with her children. She would face a crushing work burden—of work for income, work for subsistence, work for the household and care of children and the aged.

Today's Indian woman worker is more aware of herself and her surroundings than was her grandmother. She is more educated, she gets married later, she has more of a sense of self, she realises that she has some rights, she is more assertive. She is also more willing to take advantage of opportunities, of new skills, of new ideas.

The main question facing this Group is : What support can the State and Society give to the Indian woman worker contributing to her family and the Economy under so many odds? How can her burden be lightened, her productivity increased, her livelihood enhanced, her talents and skills increased and her basic needs looked after? How can her voice be heard at policy level so that the policies can be made to suit her conditions? How can her children be ensured a brighter future and saved from the hardships of child labour? Our task is to try and answer these questions in a way that is best suited to our economy, our conditions and our culture.

In this report we have tried to suggest an approach to the problems as well as concrete and practical recommendations along with their financial implications and the mechanism for implementation. The Group examined the issues of six inter-related issues: Employment and Income in a liberalising economy; skill development for women workers; social security for women workers in the unorganised sector; Labour Laws for women workers; organising women workers; and Child Labour.

### **Defining a woman worker**

A large portion of women's work remains under or non-numerated. The Group on women workers and Child Labour proposes a new definition of worker, which takes into account the entire range of work that a women worker does and includes her contribution to the economy. The new definition is as follows:

*A worker under Labour Law should be any person who contributes to the Gross National Product by his or her work. It includes work for market economy and for self or home consumption.*

## **Employment and Income in a liberalising economy**

The Group commissioned eleven studies to look at employment and income. These reveal that the impact of liberalisation on employment and income has caused an increasing inequality. Some sections of people and some parts of the country have been able to take better advantage of the opportunities offered by liberalisation than others. Those better endowed, with more access to skills, to markets, with more resources or with better links internationally have been able to benefit.

Economic opportunities created by liberalisation are highly unequal. For women at the upper- income, upper-skill end, the quality as well as opportunities for employment have improved. For most women however, the quality of employment is poor, without opportunities for skill development and moving up the ladder, and with very low income returns.

In our studies we come across many cases where liberalisation has caused loss of employment without creation of new employment.. In many cases there has been massive loss of employment being created without rehabilitation. Imports of products, or taking over of markets or raw materials by non-Indian companies creates this type of unemployment. Thousands of women silk spinners and twistors have been unemployed due to the import of China-Korea yarn. Fish workers are unemployed due to fishing by foreign vessels in Indian waters. Gum collectors lose their employment due to import of Sudanese Gum. Also, thousands of street vendors are displaced by liberalisation policies in cities.

**On the other hand, there have also been increasing employment opportunities for those at the lower income scales. New types of work, new markets have emerged. In crafts, there are new opportunities for all types of women craft persons. Health services, domestic work, work in the education sector have all created new opportunities for women.**

**However, the most common result of changes in the economy, seem to be the loss of one type of employment and the creation of another type. This seems to be happening mainly in two ways. New technology leads to a displacement of women in favour of better-paid but lesser number of men.**

**Informalisation of employment from secure factory jobs into informal work, has led to increasing employment for home-based women, contracted and casual labour. However, this work is very low-paid, insecure and unprotected.**

***The Group recommends that employment should be the centre of all economic policies.*** Each policy before being passed by the Ministry of Finance should evaluate how

much employment is going to be created especially for women. Where it seems that there may be employment loss, the policy should be reviewed and safeguards put into place. In situations where large numbers of people lose employment without anyone gaining, the policy will have to be examined very carefully as to whether there is some way of reducing or preventing employment loss. At the same time rehabilitation package should be part of the policy.

***In order to meet the continuous upgrading of technology, it is necessary to introduce large-scale skill upgradation for women workers*** as well as encourage new emerging markets for women in the unorganised sector by measures such as training, credit, market exploration and direct marketing links.

With the spread of work-informalisation, many workers, especially female workers—homebased and sub-contracted — gain employment but at extremely low rates and insecure work. We propose ***very strict implementation of the Minimum Wages Act and high penalties for breach*** in order to assure a minimum level of income and security to women workers regardless of where and under what employment relations they work.

All trades to be included in the Act, regardless of schedules. The Act should be expanded to include workers under piece-rates, regardless of whether employer-employee relationship can be proved or not.

### **New Laws and Policies**

Certain policies and laws recommended by previous commissions and committees need to be formulated and implemented. The proposed new policies are

- ***National policy for Home-Based Workers (in accordance with the ILO Convention. This policy was approved by Tripartite Conference.***
- ***Agricultural Workers Act (Bill was drawn up and introduced in Parliament earlier)***
- ***Domestic Workers Act (still to be finalised).***
- ***Manual Workers Act (on the lines of Gujarat or Tamil Nadu Acts).***
- ***National Policy on Vendors***
- ***Protective measures for Women Workers in EPZs must be in place.***
- ***“Umbrella” Legislation for the unorganised sector.*** The Group recommends that the special concerns of women and child labour should be addressed within the new “Umbrella” Legislation for the unorganised sector which the Commission will propose.
- ***Child Labour (Prohibition and Education) Act:*** The Group recommends enactment of a new law on prohibition of child labour.



Based on the studies conducted by the Group and the submissions made to the commission the Group has made sector specific recommendations.

### **Skills for the Majority**

We believe that development of a system for skills for women in the unorganised sector is the only way that these women can meet the challenge of liberalisation. Otherwise, unemployment, inequality and social discontent will continue to grow.

1. *Recognise existing skills by compiling a directory of skills of women workers at the local level as part of local area planning.*
2. *Find out market demand by an exhaustive listing of possible employment opportunities.*  
This should be:
  - a. Sector wise with special attention to growing sectors such as services.
  - b. Looking at possibilities of linking the organised and unorganised sector
3. *Build new tiers of skills through training.*
4. *Build the human infrastructure* — the teachers, by mixing the formal and informal methods of teaching skills
5. *Build the physical infrastructure* by multi-use of existing training facilities, use of public spaces like panchayat buildings, use of private space, on the job space etc.
6. *Recognition and Accreditation:* A system of accreditation should be developed to ensure a minimum quality as well as to increase the marketability of the skill.

### **Social Security for Women Workers in the Unorganised Sector**

It is the view of this Group, that for women workers Child Care and Maternity should be the main priority. Furthermore for the unorganised sector, Welfare Funds and tri-partite or multi-partite Boards should be the main mechanism for implementing social security for this sector.

#### **Child Care**

Child Care is a major developmental program. Our children are the future of the country. Consider the following facts:

- 35 per cent of Indian infants are born with low birth weight
- 53 per cent of children under five are malnourished.
- 40 percent of the world's total malnourished children live in India

1. *Make Child Care the responsibility not only of the woman worker, but also of the family and of society.*
2. *Create a flexible, autonomous Child Care Fund. We recommend starting with a Child Care Fund of Rs 2160 crores per year.*
3. *All labour legislation should include provision of a crèche where there are 10 or more workers irrespective of the gender of the worker so that whether the worker is a mother or father, the child can be brought into the crèche.*
4. *Strengthen ICDS schemes.*
5. *Recognise child-care as part of the education policy.*
6. *Low cost community-based approaches should be encouraged and multiplied.*
7. *The important role of child-care worker should be recognised and compensated.*
8. *Training of child-care workers and upgradation of their skills should be taken up as a large-scale programme.*

## **Maternity Benefits**

*Implement a National Statutory Scheme for the implementation of maternity entitlements. The scheme would cover all women under an income criteria and would provide financial support for child-birth and care in the first few months of the child's life. The funds would be multi-sourced including a combination of employer, employee and state contributions, through cesses and through community contributions. It will be linked with the maternal and child-health provisions of the public health system. The scheme will apply to all child-births and there will not be a limit on the number of children.*

## **Welfare Funds**

### **1. *Constitute New Funds***

We propose the following new funds to be set up:

- **Agricultural Workers Welfare Fund.**
- **Homebased Workers Welfare Fund.**
- **Construction Workers Welfare Fund.**
- **Forest Workers Welfare Fund.**

### **2. *Make the Funds more Women-sensitive***

3. **Remodel Funds: *Change the structure of the funds to make them more decentralised, provide more benefits and become more efficient.***

## **Pensions**

Pension scheme within the existing Provident Fund Act should be devised for women workers in the unorganised sector which would provide them coverage for old age, disability and widowhood.



## **Micro-insurance**

Decentralised systems of micro-insurance need to be devised to provide insurance to women in the unorganised sector.

## **Labour Laws**

We have made a number of suggestions for changes in various laws, to make them more positive for women workers and for workers in the unorganised sector. We have looked in particular at laws relating to child-care and to the Equal Remuneration Act. We have also suggested ways for better implementation.

## **Equal Remuneration Act**

1. The Act should be amended
  - to apply across units on occupation, industry and regional basis, not only within an establishment;
  - so that the phrase "same work or work of a similar nature" should be replaced by the phrase "work of equal value";
  - so as to intervene in the process of wage fixing, especially the need to remove incompatibility between piece rate and time rate.
  
2. The advisory committees under the ERA needs to be converted into an empowered committee and be given a role to oversee the functioning of the Act

## **Industrial Disputes Act, 1947**

Include all sexual behavior as defined in Hon. Supreme Court's order in both the parts of Schedule V(c) of the Industrial Disputes Act 1947.

## **Maternity Benefit Act, 1961**

1. It is suggested to expand the sphere of this Act to cover:
  - Shops and establishments employing fewer than 10 employees.
  - Unorganised workers who complete 180 days of work in a year.
  
2. It is suggested to authorise 15 days paternity leave of absence to accompany the leave of such female employees.

## **Minimum Wages Act, 1948**

1. It is suggested to have a "Common National Minimum Wage" for the schedule employment having home-based, unorganised female employees.
  
2. It is suggested that minimum piece rates be included as part of minimum wage and that mechanisms for fixing these wages be included.

### **Inter-State Migrant Workmen (R.E.C.S.) Act, 1979**

The Act should also cover any such establishments where not less than five migrant workmen from another state are working and who have migrated on their own.

### **Building and Other Construction Worker's (Regulation of Employment and Conditions of Service) Act, 1996**

1. To include crèches as an essential provision under the Act, regardless of whether workers are male or female
2. To extend the coverage of this Act to residential building projects of less than Rs. 10 lakhs as well.
3. To extend the coverage of this Act to contractors and construction projects involving less than 10 workers.
4. To directly extract the levy from contractors from their construction budget at the time that they submit it to the necessary authority (e.g., Municipal Corporations) for approval.

### **Factories Act, 1948**

It is suggested that crèches should be provided in factories employing more than 10 workers, regardless of whether they are men or women.

### **Nightwork**

*We recommend that night work be allowed on a case to case basis only if transport and adequate security are provided. The case of each industry for allowing night work would have to be examined by a committee to be nominated by the Ministry of Labour.*

### **Mechanisms for Implementation of Labour Laws**

The following mechanisms need to be put into place in order to ensure enforcement of labour laws:-

1. Strengthen the Labour Department
2. Widen the Enforcement Machinery
3. Create a Tri-partite and Multi-partite Systems of Enforcement
4. Recognise Organisations of Women Workers

### **Organising**

Organising is the process by which women in the unorganised sector can overcome their isolation and vulnerability and come together to make their voice heard. Although the Group focussed on the membership-based organisations of the women themselves, the recommendations are directed at Governments, organisations of civil society and the membership-based Organisation themselves.

### **General Recommendations:**

1. The Trade Union Act is very archaic and needs drastic amending to suit the needs of current times in the world of work since large chunks of women are part of the work force, in the unorganised sector. Besides amending Section 22, the changes are required with a view to give statutory coverage and protect the workers in the informal sector with the right to form union/association and right to bargain and to secure guarantee for job security and fixing of minimum wage.
2. There is a need for large-scale mobilisation and awareness of women workers. This mobilisation will have to be undertaken by all concerned especially NGOs, government, TUs and other organisations and individuals concerned with social change.
3. There is also a need for multi-activity, multi-organisation clusters which would intervene in the economy as well as in the social and political processes at various levels and would not confine their activities to employment and earnings of its members. Systems wherein the organisations can have Voice Representation must be created.

### **Governments**

It is recommended that the governments should

1. allow widespread registration of MBOs under the Trade Unions Act and prepare special guidelines for all Labour Departments;
2. promote Mutually Aided Co-operative Acts in each State and issue special guidelines for the registration of co-operatives of women workers;
3. frame and enact a special Act for micro-finance organisations;
4. ensure that the economic demands and struggles of women workers' organisations are not treated as 'law-and -order' problems;
5. issue identity cards to all women workers;
6. recognise MBOs as initiators and implementing agencies for Government schemes;
7. set-up Voice Representation systems for MBOs of women workers;
8. invest in training and research organisations for capacity building for MBOs;
9. recognize MBOs in EPZs to protect the women workers in this zone.

### **NGOS, Trade Unions and Other Organisations**

It is recommended that the NGOS, trade unions and other organisations should

1. play a promotive and supportive role for MBOs;
2. support mobilising efforts for MBOs, especially to increase awareness and membership;
3. support the setting up of capacity building systems including many types of training programmes;
4. support both the campaigns and the attempts of MBOs to enter markets; and
5. advocate and assist in the setting up of various forms of Voice Representations for MBOs.

## **MBOs**

It is recommended that MBOs should

1. try to aim towards financial and managerial sustainability;
2. recognise that growth and upscaling are important;
3. try to develop second- and third- level leadership;
4. take the support of Government and NGOs to build capacity; and
5. advocate for systems of Voice Representation.

## **Child Labour**

The approach of the Group on Child Labour is that the child, the child's welfare and the child's future should be central to our programmes, and to our laws. Children are the future of our society and also of our economy and every child should have the opportunity to develop his or her skills and potential, to participate both as a citizen and as a worker. In today's society, a certain level of schooling is necessary for each person to feel being an equal part of society. At the same time with the rapidly changing economy, to deny schooling to any group of children is to forever deny them an opportunity to earn a decent livelihood. *A child-centered approach to child labour is therefore not only to save the child from severe exploitation, but also to ensure that she or he has the chance to a future. So the task of eliminating child labour and universalizing elementary education become synonymous.*

### **1. Prohibition on Children Working for Employer/Contractor**

There should be a strict prohibition on children working for employer or contractor in factories or work sites such as quarrying, construction or small establishments outside the home. The employers/middlemen employing such children should be penalised and the fund collected should be used for rehabilitation of children.

### **2. Redefine Child Labour and Universalise Education**

All children under the age of 16 and out of school must be treated as child labourers or as those who have the potential to become child labourers. The Universalising of education has to be taken up by Governments as a priority

### **3. Provide Bridge-Schools for Children Rescued from Prohibited Child-Labour**

### **4. Enhance Quality of Education**

Along with the goal of universal education, adequate attention needs to be paid to the quality of education in schools, especially those run by government. Efforts must be made to ensure proper teaching in schools.

**5. *Provide Incentives to Increase Enrolment in Schools***

Incentives such as free textbooks and uniforms, scholarships and mid-day meals should be provided to encourage poor parents to send their children to schools.

**6. *Address Concerns of Girl Child***

A vulnerable category of child labour, her concerns can be addressed by provision of creches and anganwadis to relieve her from the responsibility of looking after younger siblings.

**7. *Promote Public Private Partnerships in Education***

**8. *Adopt Campaign Approach for Elimination of Child Labour***

Campaign approach needs to be taken up to bring about attitudinal change, spread awareness about ills of child labour, and popularise the importance of education, especially for girls.

**9. *Enforce and Periodically Revise Minimum Wages***

**10. *Involve Local Communities in Monitoring and Vigilance***

**11. *Promote Government-NGO Partnerships***

**12. *Converge Schemes of Different Departments***

**13. *Enact the Child Labour (Prohibition and Education) Bill***

- This Bill prohibits all children working for an employer or contractor.
- It defines all children out of school as child labour and requires the State Department of Education to provide for schools for them

## Section - I

### Approach of the Group

1

#### The Woman Worker and Child Labour Our Approach

The Government of India has set up the Second National Commission on Labour on 15<sup>th</sup> October 2000. The tasks of the Commission, as per the Terms of Reference, is to suggest rationalisation of existing labour laws in the organised sector and to suggest an 'umbrella' legislation for ensuring an optimum level of protection to the workers in the unorganised sector. The Commission is examining a number of issues for which it has set up five Study Groups. The Group on Women Workers and Child-Labour has been set up to examine the issues relating to women workers and child-labour.

In particular, the Groups have to develop a framework and make recommendations in the light of the criteria as given in the terms of reference of the National Commission. This includes the emerging economic environment involving rapid technological changes, requiring response in terms of change in methods, timings and conditions of work in industry, trade and services, globalisation of economy, liberalisation of trade and industry and emphasis on international competitiveness, and the need for bringing the existing laws in tune with the future labour requirements needs and demands. Within this context the Commission is required to study the minimum level of labour protection and welfare measures in a manner which is conducive to a flexible labour market; and adjustments necessary for furthering technological change and economic growth. It is also required to suggest measures to improve the effectiveness of social security; occupational health and safety, minimum wages, and linkages of wages with productivity.<sup>1</sup>

The National Commission has been set up at a time when economies world wide have undergone major changes, and when India is facing the effects of globalisation and liberalisation. The economy is changing rapidly, as are rules and regulations, and the effect on workers has been particularly drastic.

The most noticeably affected have been those workers whose employment, incomes and social security benefits had been protected — the workers in public sector and larger private corporate firms. Many industries have closed down, others have begun to sub-contract to small units and still others are using large numbers of unprotected contract labour. The security that organised sector workers had taken for granted now seems to be fading.

However, an even larger and economy-wide effect, is in a change in perspective on labour. Before the advent of globalisation and the rise of a flexible labour force, it was believed that the Indian economy as a whole would move rapidly towards protection of the workers as was found in the countries of the North. It was believed that the industrial economy would expand and that more and more workers would enter the organised sector and would then be covered under the existing protective labour laws and the social security provisions. Now, it is obvious that we are moving away from such an organised and protected economy, and



towards an economy where work is flexible and insecure, where social security is privatised, employment relations are multiple, there are no clear employer-employee relationships and even the workplace is no longer fixed.

The worker is, however, still the centre of the economy, whose labour and enterprise creates the wealth of the nation, and whose hard work leads to national growth. The worker needs security, a decent life, a share in the prosperity of the nation and the dream of a good life for her children. In a way, the change in the economy has brought about a visibility for the women workers, which did not exist before. The term "Feminisation of the labour force" is now widely used and women are becoming visible in many areas of work, which were traditionally barred to them.

Women workers are still a weak and vulnerable group within the work force occupying the lowest rungs of earning, skills and security. Even worse is the condition of the numerous children who are forced to work to contribute to the family income at an early age and are unable to obtain an education and lose their childhood and future opportunities.

Women and children in the Indian labour force have been a matter of concern to successive Governments. The first Commission on Labour in India — The Royal Commission on Labour (1931) had a section devoted to the exploitative conditions under which women and children work. A number of protective legislations were enacted on the recommendations of this Commission, including various prohibitions on women and children in the Factories Act, Mines Act etc. as well as social security provisions like the Maternity Benefit Act.

The first Commission on Labour after independence in 1969, also noted the miserable conditions of women in certain industries especially in mines, plantations and in the unorganised sector. The Report of the Commission on Women 1974 highlighted the conditions of women workers. It pointed out the undercounting of women workers, especially in the unorganised sector and suggested various measures to recognise and protect them.

The Report of the National Commission on Self-Employed Women and Women in the Unorganised Sector (1988) (Shram Shakti Report) first presented a comprehensive picture of women in the unorganised sector. It also presented a set of recommendations to improve their living and working conditions.

India has ratified various international conventions. Policy towards women and child workers has developed within a framework that responds to these. Important among these are the Convention on Elimination of all Forms of Discrimination Against Women (CEDAW), 1993; and the Beijing Declaration as well as the Platform for Action, 1995.

In our report we have drawn on recommendations of all these documents and in particular the Shram Shakti Report to guide our direction.

The Commission requires us to look separately at the questions of Women Workers and Child Labour. However, the two are very much interlinked. Both women and child workers belong to the unorganised sector of the economy. The children generally are forced to work when the parents are unable to earn enough for the family to survive. A large percent of child workers belong to families where the woman is the main earner; she may be a widow, deserted, or married to a husband in poor health or alcoholic. Most women would like their children to be educated, to earn well and to prosper in life, but due to circumstances the children are forced to work. If the woman could earn enough from her work, if she had regular employment, it is likely that the incidence of child labour will reduce.

So we must first start with who is she — the Indian woman worker. In our report we will try to describe the women workers in each sector and also to give figures which will give us a qualitative and quantitative picture. But here we want to place her firmly in our mind, to look at her as she lives and works in each corner of the country. In particular, we are concerned about the poorer, the weaker, the most vulnerable women workers.

She is 18 year old Mary from Kerala, whose family owns some land, but not enough to survive. Mary goes every year with other girls from her village with the contractor also from her village to the fish processing factories in Veraval.

She is Kalibai from Dewas in Madhya Pradesh. She has four children and all her thoughts are always about them and how to feed them and keep her house running. Her husband and she do not own any land, but they get work as agricultural labourers two or three months a year and intermittently throughout the year. They live near the forests and she and her eldest children gather firewood from the forest and sell it in the village.

She is Prabhavati Devi a street vendor from Bihar. She is a widow and lives with her 3 sons in a slum. Recently, the high court ordered the slum to be cleared. However, they have no where else to go and so they have to put up in makeshift houses in the same place.

She is Chitrabai a small farmer from Maharashtra. Although her whole family works hard on the land, the low prices for agricultural products means that they never earn enough to survive.

She is Anuradha Ghosh in Calcutta, a bank worker who has served for 20 years and is now taking her VRS.

She is Mariamma from Andhra. Her husband's factory closed down, and the family survives on her bidi rolling skills.

She is Puriben a skilled embroidery worker from Gujarat. Consecutive droughts force her family to leave their village and migrate to the ground nut fields in search of labour.



All these women are typical Indian women. Their main concerns centre around their families, and especially their children. In many ways, they sacrifice themselves continually for their children and for their families. They take full responsibility for the care of home, for feeding of the family and for care of the children and the sick and the old and for carrying on the family obligations of rituals and ceremonies. They work long hours at difficult work for money and for subsistence and at household duties and for them all this work has only one aim—better lives for their families. However, it should be recognised that the work that these women do is very much part of the National Economy. Their work contributes not only to their own families but to the development of their villages and towns and to the country as a whole. Their work contributes to the National Income and to the economic growth of the Nation. The question is : what does society and particularly the economy give them in return?

She lives and works under many constraints. She would belong to the poorer families in the village or town. She would belong to backward caste, schedule caste or minority. Being a woman she would have a lower status in her family. Her family would own few assets and have few opportunities for better work, and such assets or opportunities that exist would be for the males of the family and not for her. She would face inequality and exploitation in society. Often, she may be a widow or live alone with her children. She would face a crushing work burden—of work for income, work for subsistence, work for the household and care work of the children and the aged.

Today's Indian woman worker is more aware of herself and her surroundings than was her grandmother. She is more educated, she gets married later; she has more of a sense of self; she realises that she has some rights; she is more assertive. She is also more willing to take advantage of opportunities, of new skills of new ideas.

The main question facing this Group is : What support can the State and Society give to the Indian woman worker contributing to her family and the Economy under so many odds? How can her burden be lightened, her productivity increased, her livelihood enhanced, her talents and skills increased and her basic needs looked after? How can her voice be heard at policy level so that the policies can be made to suit her conditions? Our task is to try and answer these questions in a way that is best suited to our economy, our conditions and our culture.

## Profiles of Women Workers

### Kalibai: Struggling to Survive

Speaking at the inaugural session of the workshop on 'Women Workers: An Agenda for the Future', organised by the Group on Women Workers and Child Labour, National Commission on Labour, Kalibai had recounted her life.

'I am a resident of Kuti Manpur village in Indore district of Madhya Pradesh. I lost my mother when I was five. My father got married the second time, and my step mother treated me very badly. We were very poor, often didn't have enough to eat. When I was twelve, my father decided to sell me. When I got to know about it, I ran from my home and went to my uncle's place. I worked as a domestic servant for the next five years till I got married. I have never been to a school.

My husband works as agricultural labourer. He has no land and we live in a kuccha house with his mother. We have two goats. My husband spends all his money on drinking. Soon after marriage, I started working as a labourer in the soyabean fields in my village. My husband also works as an agricultural labourer. Some years he is a *sathi*, he works for the same farmer all year round. But for me the work is seasonal, for a few months in a year, I also collect *tendu patta*<sup>2</sup> from the forests and sell it. At other times, I sell fuelwood and *mahua*<sup>3</sup> too. I sell the firewood in the nearby town, while the *mahua* I sell in my village. Whenever I go into the forests, I have to leave at 5 a.m., because it takes two hours to walk reach there. I usually take my two elder children to help me.

Once I fell down from the tree while plucking *tendu* leaves. I was pregnant at that time. I was badly injured and miscarried the child. I had to undergo surgery but didn't have the money for the operation. My husband borrowed from the local moneylender on high rate of interest. He had to work for the moneylender as a bonded labour just to payback the loan.

When I came to know about SEWA, which has been working with women workers in *tendu* leaves plucking in Madhya Pradesh, I joined it as a member. Along with fellow workers, I collectively fought for higher rates. My confidence level grew. as did my income. Earlier I used to earn thirty rupees per day, now I earn fifty rupees a day. Of my four children, two go to school. My husband still drinks everyday but now he cannot beat me. I will not tolerate any injustice!

### Tied to the Golden Thread

My name is Shakila Bano. I am 18 years old. I have four sisters and two brothers. My younger sister and I do zardosi work. My elder brother works in a cycle repair shop, he

earns Rs 1000/- per month. My father used to sell vegetables but passed away recently. His untimely death worsened our already fragile economic situation. My mother keeps poor health and does not engage herself in zardosi work though sometimes she works in the field. We have a small plot of land – 2 *bighas* – but it has never yielded much. There is not enough water.

I get up in the morning at about 4 a.m. and after finishing some household chores start work at about 10 a.m. I work till midnight though working after sunset is very tiring. Lack of inadequate light often makes my eyes ache and water. I get a headache on almost all days. Sitting on the floor, doing intricate work causes cramps in my back and legs.

The contractor delivers the raw materials and collects the finished product from the house itself, without us venturing out. I do know that he employs other workers too, but am unaware about the rates he pays them; or even what on rate he sells the products embroidered by us. Sometimes, he gets orders from other countries too.

We have good relations with the contractor but getting a better rate from him is nearly impossible. He always turns down our requests for better payments, citing some excuse or the other. We have nothing to threaten him with, we do not know any other contractor. Besides, he has been of help to us in difficult times and calls my mother sister. When my father died, he had lent us some grains and some money. We are still repaying that loan. Also, the payment from my last work is still pending. Sometimes, I suspect that he keeps close contact with us or helps us to ensure that we do not start working for any other contractor.

### **Toiling Uphill With Multiple Burdens**

I, Sita Devi, live in Bikyasen village in Almora District of Uttarakhand. I have three sons and two daughters. My daughters are married, so are two of my sons. My elder sons have migrated to the 'plains' in search for work – one is working in Lucknow and the other one in Delhi. My two daughters-in-law, my younger school going son and one grandson stay with us. My husband was employed as a peon in a government office in Gorakhpur. He has since retired and returned to the village.

My family has 2 hectares of land but it is not fertile. Besides vegetables and occasionally some 'dal', it is only good for growing wild grass which is used as fodder. I also have one cow, two goats and three hens. My sons send us money but it isn't enough to sustain us. My daughters-in-laws and I often work as wage labourer. Work is not available round the year but only at the time of reaping and sowing –for about six months of the year. Occasionally we are employed to clean a cowshed or do other nurturing tasks for the livestock of our employers. When my two sons were in school and I needed money, I

worked as construction worker in a road building project near my village. The daily wages for working in the field is Rs 40, but we are often not paid the entire amount in cash. Sometimes, it is in kind – like grains, ghee or milk.

Besides the housework and cooking, I walk three to four hours everyday to collect fodder and fuelwood every morning and my daughter-in-law does the same every evening. We also have to save the fuelwood for the harsh winters. I carry large vessels of water from the river about 100 yards from my house. It is a steep climb from the river. Besides this, the cows and the goats have to be milked everyday and cow dung cakes have to be made. Once a month we grind the grains to make flour at home. My husband is no help, he is old and an alcoholic.

Walking uphill with heavy headload often gives us headache and backache. Bending down to work in the fields is back breaking. My poor daughter-in-law had to go back to work fifteen days after my grand son was born. We took the infant with us to the field. It was quite cold and we had to leave the child in a hammock. My daughter-in-law used to work for eight hours and the only break she took was to feed the baby and even then the employer shouted at her and threatened to throw her out. My feet are often swollen and very painful. Last year I got pneumonia and was ill for two months. There is no medical help in my village or nearby – we have to walk for two hours to reach the dispensary in a neighbouring town.

With our sons migrating for work, it is just us – the women - to carry the burden of child-care and eke out a living but it is not uncommon in our village. The young men from every household have migrated to the plains for work. Only the women, old and the infirm are left in the village. Their salaries are a help but are often erratic in coming and not enough. We have to manage on our own whether it is death, birth or illness. There is no credit facility in the village. When my daughter got married, I took a small loan from the local money lender, the interest was so high, it took me a decade to return the amount.

I work for long hours but my work is hardly ever recognised. My sons send money but have practically absolved themselves of all their responsibilities.

### **Unrecognised Service**

I am Kedi Bai, known as Kedi Mau, meaning mother in Mewari dialect. I am a traditional birth attendant in Dulavato ka gura village in Badgaon block of Udaipur district of Rajasthan. I was married at the age of 18 years. My husband is a farmer. Apart from my husband, and me the family consists of my parents-in-law and one unemployed brother-in-law.

I have five children - three daughters and two sons. My first child was born in my parents' house, while the rest were born in my own house with the assistance of my mother-in-law who is also a mid-wife.

I learnt midwifery from my mother-in-law and I have been working as a mid-wife for the last 10 years. I am paid about 50 rupees for each delivery that I assist. Some poor folk pay me in kind too. However, the earnings from this work is not enough to sustain my family. I also work in the fields as agricultural labourer and earn about Rs.150/- per day but this work is not permanent. My husband refuses to contribute anything to the family kitty and spends his entire earnings on liquor.

I also had to combat the scourge of untouchability in the village whereby the local scheduled caste members refused to come near me, let alone offer me any tea or blankets, even when I was working overnight in their houses. Despite facing so many odds, I continued with my humanitarian work and used to carry out about 40 to 50 deliveries of babies annually.

Last year, when Dhula from the neighbouring village ran to me for help, I was at a relative's place. Immediately, I rushed to attend to the patient. I have enough experience and I can always tell when it is a complicated delivery. His wife had delivered a baby but the placenta had not fully come out. I immediately put the newborn close to the mother and since a stretcher could not be arranged asked the family to bring forth a charpoy. They carried the baby and the mother on the makeshift stretcher in this manner for 4 kms to reach the main road and then rushed her to the hospital. I went with them. The doctors applauded me for saving two lives. This was an exception. Usually the hospital never acknowledges our experience. To them, I am just a nervous and ignorant assistant with no professional training. Don't they realise that I conduct most of the deliveries in my village? There are no doctors or hospital there! If only there was a system to recognise my expertise and experience and upgrade my skills.

My villagers look down on my work too. Though they acknowledge me as a good dai, they consider my work 'dirty'. I do not want my daughters to take up this profession. It is hard work and thankless.

I am the proud grandmother of a young boy. Besides providing maternal services to the village women, my other activities are similar to any other village woman: cooking, grazing the cattle, and working in the field with my son and daughter-in-law. The list of daily chores is long.

### **Caught In The Net**

I am Mariamma, eighteen years old, born in a poor family of Thiruvalla, in the Patnamthita District of Kerala.

I work in a prawn peeling factory in Veraval in Junagadh district of Gujarat. I came here with a contractor who got 15 other girls from my village. I was promised a monthly salary of Rs



1400 with free accommodation and food. In reality I am paid only Rs 1200 and food and other expenses are deducted from the amount. This means that at the end of each month I receive only Rs 200 – Rs 300. There are 50 other girls from Kerala working with me in the same unit.

The working conditions are inhuman and oppressive. The work hours are long — often beyond 12 hours — sometimes we start as early as 4 in the morning. The workplace is one large stretch of aluminum table and trays of water. For us in the grading and packing section, women have to stand throughout their working hours. Those in the peeling section spend their workdays squatting on floors covered with cold water dripping from icy raw material. My hands are often numb and my skin is also starting to peel. If we do not work one day, money is deducted from our salary. The supervisors are brutally strict — even about allowing workers to go to the toilet, although the low temperature environment makes the need for such visits more frequent.

I stay within the factory premises in over-crowded rooms – 10-12 girls are herded in a 15 ft x 12 ft room. The room is on top of the unit and we smell the leaking ammonia from the unit all the time. Extremely unhygienic conditions with very little sanitation facilities exist. Often I have to wait for an hour before I can use the bathroom. A daily bath is unthinkable although we smell of fish. Although seasonal viral infections are common, there is no medical help. The food is inadequate in quantity and poor in quality. We are often given only kanji. We are prohibited from going out — not even in groups. Humiliation and even sexual harassment is quite common. The supervisors use the threat of spoiling our reputation in our home village as a weapon to control us. Even when my child was ill I was not allowed to visit her.

Fatigue, malnutrition, separation from families, isolation, humiliation and hazardous working environment all combine to make my co-workers and me a very unhappy and often depressed lot.

### **Labouring Brick By Brick**

My name is Uashaben Jivanbhai Parmar. I live in a slum in the Sabarmati area of Ahmedabad. I am 30 years old. I have been married for the last ten years. Initially, we were living in a joint family and I was a housewife. My husband was still in his last year of college when I gave birth to our baby girl. With the birth of the child, there was an addition in our family. From two persons, we became three. But my husband was still studying, so he did not earn anything for the family. My parents-in-law asked us to live separately and start earning our own living. My husband and I joined the construction trade and started working as masons on construction sites. The main reason for choosing the construction sector was that we could get regular cash earnings. My husband tried hard to get a better job, but he could not find one. At present, I have three children.

My youngest child is around two years old. I have to leave my child alone at home. I cannot take the child with me to the work site because the contractor is against it. Once, when I took my child along with me, I was asked by the contractor to immediately leave the site. But, if I stay at home then how will my family survive? So, my elder daughter was forced to leave school and take care of her youngest sibling.

I have to meet with many different contractors every day, to get work. I earn Rs. 60 to Rs. 70 per day. But working on the construction sites demands great physical labour and hard work. We toil hard doing a full day's work and at the end of the day, we develop headache, pain in our limbs and hands. Despite this we have to do all our daily household chores.

Last year, I fell down while carrying a heavy load up to the second floor of a house under construction. I was badly bruised and broke my arm. It was such a bad time for us. I could not go to work and earn and the medical expenses were so high. My youngest child was only three months, my poor daughter had to take over the cooking and cleaning. Where is the question of compensation? I was grateful that the contractor took me in his car to the local hospital. Most don't even do that. Of course he did not bear any of the medical expenses!!

I get up early in the morning, cook the meals for the day, store water and then go out in search of work. I have to walk miles from one place to another, from one site to another, in search of work. In the evening, when I come back, I have to manage the children. Then I have to make the evening meals. In all, I only manage to get 5-6 hours of sleep in a day and then the same routine starts again the next day.

We construction workers assemble on the "nakas" i.e. street corners in search of work from the contractors. In the early morning, this often creates a traffic jam. Then, often the police manhandle us in order to control the congestion and avoid traffic jams. We workers are sometimes beaten up savagely. We are ill treated because we do not have any identity of our own and are from the informal sector. Nobody listens to the voice of us construction workers.

Often we do not get work for more than 20 days in a month. Many times we have to return home as the migrant labourers from other states are hired, because they agree to work for lower wages. Today, even though my husband and I are in our early thirties, we look as if we are fifty years old. Our health has already broken down at this age. I get frightened whenever I think about the future of my children. As they are not educated, they will have to do the same work as us in the coming years. But, if efforts are made to regularise this work and if policy reform for construction workers in the informal sector is implemented, then our children can secure their future. Otherwise, their condition will be worse than what ours is at present.

## A Place of my Own

I am Prabhawati Devi, 50 years old. I sell vegetables at the busy road crossing near the Secretariat of Bihar Government at Patna.

I get up at 5.00 a.m., clean the house and utensils by 7.00 a.m. and then set up my vegetable shop on the roadside. I sell vegetables till 10.00 a.m. and thereafter come home with the unsold vegetables. After brushing my teeth and taking a bath, I prepare food and have my first meal — lunch. At 2.00 p.m. I go to the wholesale market to replenish my stocks for the day's sale and try to return by 4.00 p.m. Again I set up my shop and continue to sell till 9.30 or 10.00 p.m. After coming home I prepare dinner and manage to go to bed by 12.00 a.m. If I work hard then I am able to earn Rs. 70-80 daily. However, there are many problems. For instance, since November the police is creating so much trouble that I am able to earn only Rs. 800-1000 in a month. I spend about Rs. 10 on myself, and another Rs. 5 on my grand children and if there is any guest I spend another Rs. 5-10. Some expenses also occur when I visit my daughters. Despite these expenses I manage to save Rs. 300 every month.

I have a working capital of Rs. 1000 with which my business runs. I came to Patna in the year of 'Nehru's death' (1964). At that time, I was twenty-two years old. I have three daughters and a son. My husband never supported me and later on died. I married all the 'children' and the son is settled in Orissa. One or the other daughter keeps coming to see me and even in my old age I support them financially. As I have been selling vegetables for many years, neither the police nor any goon troubles me usually. However, I intervene if any neighbouring vegetable vendor is being troubled. This happens almost daily. Further, carrying the commodities to and fro and setting up the shop twice in a day is problematic and takes lot of time. In case of rains, it is more troublesome.

All I ask is a place where I can sell my vegetables peacefully without any disturbance by the police or anybody else.



## Definitions: Looking Afresh at Women Workers

The National Commission has been set up at a time when economies world wide have undergone major changes, and when India is facing the effects of globalisation and liberalisation. The economy is changing rapidly, as are rules and regulations, and the effect on workers has been particularly drastic.

The most noticeably affected have been those workers whose employment, incomes and social security benefits had been protected — the workers in public sector and larger private corporate firms. Many industries have closed down, others have begun to sub-contract to small units and still others are using large numbers of unprotected contract labour. The security that organised sector workers had taken for granted now seems to be fading.

However, an even larger and economy-wide effect, is in a change in perspective on labour. Before the advent of globalisation and the rise of a flexible labour force, it was believed that the Indian economy as a whole would move rapidly towards protection of the workers as was found in the countries of the North. It was believed that the industrial economy would expand and that more and more workers would enter the organised sector and would then be covered under the existing protective labour laws and the social security provisions. Now, it is obvious that we are moving away from such an organised and protected economy, and towards an economy where work is flexible and insecure, where social security is privatised, employment relations are multiple—there are no clear employer-employee relationships, and even the workplace is no longer fixed.

The worker is however, still the centre of the economy, whose labour and enterprise creates the wealth of the nation, and whose hard work leads to national growth. The worker needs security, a decent life, a share in the prosperity of the nation and the dream of a good life for their children. The main question before us and before the Commission is that if the old method of protection and security through labour laws and the growth of an organised sector do not apply, then how do we begin to think of new methods of security.

In a way, the change in the economy has brought about a visibility for the woman worker, which did not exist before. The term "Feminisation of the Labour Force" is now widely used. It means both that more women are in the labour force but it also means that men are now working under many of the same conditions that women worked earlier—insecure work, low earnings and lack of social security. It has now become clear that the unorganised sector, in which most women worked, is the mainstream of the economy. The woman worker in the unorganised sector is becoming the prototype of the work-force replacing the industrial man.

We need to now look afresh at our workforce, to understand the characteristics of the worker, especially the woman worker, to understand what she needs and to formulate new policies which will suit the conditions in which she lives and works.

## **Who is a Worker?**

In the new situation, a worker can no longer mean an 'employee', one who is covered by an employer-employee relationship, but must include anyone who works. The term worker must include the white-collar bank worker as well as the woman who collects tendu leaves, it must include agricultural workers, farmers, rural artisans as well as nurses and IT workers. It must include contract workers, self employed, casual workers, migrant workers, home-based workers, family labour. In India we have a divide of organised and unorganised workers. Focusing on the unorganised sector is useful, because it draws attention to the workers who are poorest, the most insecure and the most vulnerable, but in fact we need to accord recognition and protection for all types of workers, regardless of industry, occupation, work status and personal characteristics, thus eliminating the existing divides.

The traditional definition of a worker is one who is linked with the market economy. Only income earning activities are called employment or work, whereas subsistence activities, i.e. production for own consumption or for exchange are disregarded. However, in India, since so much of the population, especially in the rural areas does produce for home consumption, subsistence activities have also been regarded as employment. Different statistical agencies have different definitions for a worker; for example, the census includes agricultural subsistence production as employment but excludes livestock rearing whereas the NSS also includes livestock.

For our purposes, recognition of a worker need not depend on monetary or subsistence activities. Those undertaking subsistence activities should also be included as workers. The differences would arise when we discuss methods of protection and social security.

One of the persistent discussions in the case of women workers is that often it is difficult to distinguish between 'house-work' and work for the economy especially in the case of subsistence households. Some people argue that housework is also productive work, and in fact should be added to the Gross Domestic Product. In any case, in India most subsistence activities are in fact included as part of the Gross Domestic Product, and the System of National Accounts has recommended that many of the activities that women undertake, such as collection of fodder should also be added to the GDP.

Our argument is that all workers do contribute by their productive work to the GDP and so all of them should be recognised as workers. However, for purposes of policy and legislation it may be necessary to exclude certain categories of people from coverage by protective or social security legislation. The categories of work which could be excluded are:

1. The workers who are in the higher income groups. An income level could be set for exclusion, which would be linked to the Consumer price index. These would include, self-employed professionals, employers, managers etc.
2. Workers engaged purely in house-work activity of cleaning, cooking and home child-care.

<sup>1</sup> From the terms of reference for the National Commission on Labour  
Leaves used in bidi rolling  
Wild flowers

## **Women Workers in India: A Macro Picture**

Women as a category of workers need special focus and analysis. In our society the contribution of women is systematically undermined. They are relegated to subordinate roles. Women usually handle tasks which are carried out from home or which do not earn monetary returns. According to the Shramshakti Report, the average hours of unpaid work done by married women outside the home vary between 6.15 and 7.53 hrs each day, with some women doing up to 10 hours each day. Nonetheless this back-breaking participation which includes managing the household, taking care of the elderly, infants, and livestock, collecting food, fuel, fodder and water remains invisible because it is not considered as an economic activity. While there is no doubt that ordinary women make substantial economic contribution and often work longer hours than men they continue to be counted as non-workers.

### **Problems in defining women's 'work' and gender bias in the existing data**

The term work, by its very definition, has inherent biases disavouring women's work. It carries social prejudices and patriarchal bias. It elevates certain categories of work and workers while down playing others. More often than not, it is the women's work which finds itself in an inferior position. Work generally refers to the participation in productive activities involving either payment in cash or kind. Women often do work which involves no payment because the individuals concerned are working for family enterprises, or are involved in production for self-consumption or caring for the family.

Women often combine both economic and domestic work. They help in family based economic activities like helping potters or weavers to prepare further manufactured products or do subsistence production for consumption like raising poultry, collecting fuel wood etc. Women also do housework and have a reproductive role to play. She is often the primary care-taker of children. Consequently, a large portion of women's work remains under or non-numerated. The women's personal contribution gets merged with the family and becomes invisible. She is at best seen as a supplementary or secondary income earner for the family. Even when she performs vital preparatory work in weaving, agriculture and pottery, she is called a 'helper'. In fact she is often termed as non-worker and excluded from the labour force. In contrast if an adult male performs the same work, there is hardly any reservation in reporting him as a worker. This under-valuation manifests itself in disparities in wages, in access to and control over resources, in lack of infra-structural support and above all in great disparity in work burden.

The Census of India and the National Sample Survey Organization (NSSO) are two main sources of data on women's employment. The Census of India 1991 defines work as participation in any economically productive activity, whether the participation is physical or

mental in nature. In addition to this, activities like cultivation for self-consumption and unpaid work for family enterprise are also considered to be work. The Census of India, 1991 divides the working population into three broad categories: Main workers, marginal workers and non-workers. A person involved in any work for more than six months of the year preceding the survey is a main worker. A marginal worker's work participation is for less than six months in the reference year. Non-workers are those who have not worked at all during the previous year.

The NSS has a broader definition of work. It encompasses all activities pursued for pay, profit or family gain. While both market and non-market activities for the agricultural sector are included in the definition of work, for the non-agricultural sector only market activities are included. The production of food grains or any other crop for self-consumption is also "gainful activity" according to NSS. The NSS employment surveys, conducted every five years, define three different levels of employment: usual status, current weekly status and current daily status. The corresponding reference time periods are: one year, one week and each day of the week.

None of these definitions have been able to fully capture the extent and degree of women's participation in the work force. The Census is quite insensitive to much of women's work. Up to the 1981 census there had been gross under-enumeration of their participation level. Work was defined as 'participation in any economically productive activity' and excluded a wide range of women's activities which produced a variety of goods and services for self or family consumption. The 1991 Census examines the periodicity of work in agriculture, and the informal sector, unpaid work, work in the farm or family enterprise and a gender wise data on household heads. But it still remains an inappropriate measure to realistically assess the economic and social value of women's work. NSSO has a broader definition of work and therefore shows a higher participation of women in the labour force than the Census. It includes activities for self-consumption (except the processing of primary commodities for self-consumption), and unpaid helpers in the farm, domestic workers etc. A large proportion of women get recorded as supplementary earners.

Although the definition of work has been refined and the extent of women's work which is not enumerated is less than in the past, capturing the data accurately is not easy. The assumption that the nature of economic activity for men as well as women is similar leads to problems. Women, more often than men, combine economic and domestic work. Differentiating the economic work of women from their domestic work poses problems. Taking the household as a unit of analysis also accentuates the inaccuracies, more so in the case of non-nuclear extended households. Besides the inadequate definition, the inaccuracies in data collection also lead to under-enumeration. Often men respondents speak on behalf of the women and may give inaccurate responses regarding the work done by women. The biases and perceptions of the surveyors/ enumerators may also lead to

inaccuracies in the information. Adding to the problem of inadequate definition are the difficulties in assigning accurate economic value to the non-market related work of women.

A good example of the enumerator's perception is highlighted in a small survey commissioned by UNIFEM India, which found that 98 out of 100 enumerators did not even put questions regarding work to women: it was simply assumed that women did not work. Out of the 2002 women in the 1000 households covered, only 4 women were asked about any work they had done in the past year.<sup>1</sup>

For this chapter, we have only looked at the NSSO data to examine the macro picture.

## TRENDS IN WOMEN PARTICIPATION IN THE LABOUR FORCE

### Numbers

Table 1: Estimates of usual status workforce (PS+SS), in millions, for 1999-2000

	Male	Female	Persons
Rural	198.6	105.7	304.3
Urban	75.4	18.2	93.6
All areas	274	123.9	397.9

Source: K. Sundaram, *EPW*, Volume 36, Number 34, August 2001

There are over 397 million workers in India, out of which 123 million are women workers. Only a small proportion, 18 million, are in the urban areas while 106 million are in rural areas (Table 1).

### Work Participation Rate

The participation of women in economic activity is much lower than that of males. Female workers constitute only about one fourth of the total workforce in the economy. The 55<sup>th</sup> Round of NSS shows the following as the work participation rate.. It is 29.9 per cent in rural areas and 13.9 per cent in urban areas. The Female labour force participation was 32.8 for rural areas and 15.5 in urban areas in 1993-94. We can observe a slight fall in both urban and rural but it might be too early to predict a trend. The participation rate for both male and female workers has remained more or less constant over the last four NSS rounds before the 55<sup>th</sup> round.



**Table 2: Workforce Participation Rate according to Usual Status during 1999-2000,**

Status	(Per cent)					
	Rural			Urban		
	Male	Female	Person	Male	Female	Person
Usual – ps	52.2	23.1	38.0	51.3	11.7	32.4
Usual – all	53.1	29.9	41.7	51.8	13.9	33.7

*Note: ps = principal status; all = principal status + subsidiary status (ss) workers.*

*Source: NSSO, 55<sup>th</sup> Round, (July 1999-June 2000), Report No: 45*

***Distribution of male female workers between broad industry groups***

*Primary Sector is the dominant sector as far as the employment of women is concerned. It accounts for nearly 80 per cent of women's activity. A comparison of NSSO estimates between 1983 and 99-2000 shows that the proportion of women employed in the primary sector has decreased.*

*In the urban areas, a large number of women are employed in the tertiary sector. Women's employment in the tertiary sector has increased over the period 1983-2000. The increase in the tertiary sector indicates that more and more women are joining the expanding services sector.*

**Table 3: Changes in the distribution of male and female workers between broad industry groups between 1983 and 1999-2000.**

Year	NSS	Male			Female		
		Primary	Secondary	Tertiary	Primary	Secondary	Tertiary
<b>Rural</b>							
1983	38th	77.5	10.0	12.2	87.5	7.4	4.8
99-2000	55th	71.4 (↓)	12.6 (↑)	16.0 (↑)	85.4 (↓)	8.9 (⇔)	5.7 (⇔)
<b>Urban</b>							
1983	38th	10.3	34.2	55.0	31.0	30.6	37.6
99-2000	55th	6.6 (↓)	32.8 (ó)	60.6 (↑)	17.7 (↓)	29.3 (⇔)	52.9 (↑)

(↓): Falling , (↓): Rising, (⇔): Less than 2% change. NSS as in Mukhopadhyay, 2001

Same trend for all sectors is seen for males too with varying rates of change. The male female differences in the industrial distribution are closing down relatively faster in urban areas, but in the rural areas the gap has been increasing. In fact, the direction of change has been identical for men and women, albeit with different rates of change.

### Labour Status Categories

The pattern of changes in labour status categories in the last fifteen years has not shown any difference between men and women workers in the rural areas. There has been a fall in self-employed and an increase in casual labour for both. In the urban sector, labour status distribution for women workers has undergone substantial changes. Regular employment has seen a sharp increase and casual labour has marginally decreased for urban females.

**Table 4: Changes in the distribution of labour status categories over time**

Year	NSS round	Males			Females		
		Self-empl.	Regular	Casual	Self-empl.	Regular	Casual
<b>Rural</b>							
1983	38 <sup>th</sup>	60.5	10.3	29.2	61.9	2.8	35.3
99-2000	55 <sup>th</sup>	55.0 (↓)	8.8 (⇔)	36.2 (↓)	57.3 (ê)	3.1	39.6 (↓)
<b>Urban</b>							
1983	38 <sup>th</sup>	40.9	43.7	15.4	45.8	25.8	28.4
99-2000	55 <sup>th</sup>	41.5 (⇔)	41.7 (↓)	16.8	45.3	33.3	21.4 (↓)

(↓): Falling , (↑): Rising, (⇔): Less than 2% change  
NSS as in Mukhopadhyay, 2001

The trends show distinct signs of casualisation, an increase in the number of casual workers for both male and female workers. In rural areas, while women are predominantly self-employed/family helpers, the proportion of casual employees is on the increase. Casual workers form a large proportion of women workforce as compared to their male counterparts. The trends of casualisation for both — females and males — has been more in rural areas. It is to be noted that women in rural areas are predominantly self-employed and/or family helpers. Kaur (May 1999) also points out that the share of casual labour among female workers is much higher than that among male workers. Unni(1999) points out a large proportion of semi-landless and marginal landholders work as casual wage labourers. The increase in landless households and precariously small holdings increases



the pressure on the casual labour wage market. She also highlights that while men in landless households were able to find other kinds of work, women in such households were confined to wage work. Options of diversification to non-agricultural employment, which is better paying, is increasingly limited for women.

### Distribution of women workers

Agriculture is the most important activity of women workforce in the rural area where the highest number of women workers is of agriculture labourers. However, the percentage of women workforce in agriculture is declining as shown earlier. Manufacturing and services are the other two sectors where women are employed in large numbers.

**Table 5: Percentage of Workers in various Industrial Categories**

Activity	% Female Worker
Agriculture	78%
Mining and Quarrying	0.4
Manufacturing	9.3
Construction	1.2
Trade	3.2
Transport, storage	0.3
Services	7.6

Source: NSSO as quoted by Neetha N, 2000

The top ten manufacturing industries which employ women in large numbers are listed in the table 6.

**Table 6: The top ten industries which employ women in large numbers**

- Tobacco
- Cashewnut Processing
- Matches, explosive and fireworks
- Drugs and medicines
- Garments
- Cotton textiles
- Machine tools and parts
- Clay, glass, cement, iron and steel
- Grain mill and bakery
- Coir and coir products

### Organised Sector

A little more than 44 lakh women were employed in the organised sector in 1996<sup>2</sup>. This constituted a mere 15.8% of the employees. The proportion of women was highest in what is possibly the most backward and low-paying segment of organised industry – agriculture, hunting, forestry and fishing. It was lowest in electricity, gas and water. In terms of absolute number largest concentration was in community, social and personal services. These are the occupations where the payments are low and the works are largely manual. The skill requirement is also low.

Of the entire women employees, 60% were in the public and 40% in the private sector. The proportion for males was 71% and 29% respectively. Within the organised sector employment of women grew much faster in both public and private sectors. The respective rate of growth is 5% and 1.8%. Organised tertiary sector, particularly, transport and banking

registered the faster growth of women's employment. However, the fact remains that women's share in organised sector employment has remained extremely low. Women are often employed in the low-paid assembly line work or works of repetitive detailing and precision work. The women workers in the organized sector remain located in the periphery (Table 7)

**Table 7: Women's Employment in Organized sector by Industry, 1995**

Industry	% Female Worker
Agriculture	34.2%
Mining and Quarrying	7.2%
Manufacturing	11.3
Electricity, gas, water	3.7
Construction	5.3
Trade, Hotels	8.3
Transport, storage and communications	5
Financing Insurance	12.9
Community, personal and social services	21.7

*Source: Ministry of labour as quoted by Neetha N, 2000*

### **Unorganised sector**

The unorganised sector is large in India and includes every sector of the economy including agriculture. Over the years, the organised sector has been shrinking and the unorganised sector has been growing, as it is doing globally. The unorganised sector is generally characterised by no formal working contract, irregular employment, no wage relation, uncertain earnings and uncertain hours, and no permanent employment and legal protection. Workers in the unorganised economy can be broadly distinguished into wage employment and non-wage employment. Non-wage employment consists of own account workers – employers/owners of informal enterprises with at least one hired worker. Wage employment consists of employees in the enterprises of informal employers: out workers or home workers, working to produce goods or services on a contract or order for a specific employer or contractor. It also includes independent wage workers not attached to only one employer and providing services to individuals, households and enterprises, e.g. maidservants and watchmen. Informal employment in formal sector enterprises where workers pay and benefits do not conform to existing labour regulations are also included in this category.

**Table 8: Employment in the Organized and the Unorganized Sector**

Year	Number of persons employed in %	
	Organized sector	Unorganized sector
1972/73	7.9	92.1
1983	7.9	92.1
1991	7.8	92.2
1999 - 00	7	93

Source: Pravin Visaria and Paul Jacob. *The informal sector in India: estimates of its size, and needs and problems of data collection. (based on NSSO data); and computed from NSS 55<sup>th</sup> Round/ Economic Survey for 1999-00.*

The 55<sup>th</sup> NSS survey had a special survey of 'informal' workers. The key results from this show that the total number of informal workers from non-agriculture enterprise is 79.7 million of which 30 million are home-based. As a percentage of the non-agricultural workforce, this is around 24%, and as a percentage of total work force around 7.5%. Manufacturing accounts for 59% of all the non-agricultural home-based enterprises, and trading and repair for 23.5%.<sup>3</sup>

### **Unorganized Sector's Contribution to NDP**

The Central Statistical Organisation has been calculating the share of the unorganised sector in the Net Domestic Product since the last 25 years. This calculation is done directly by estimating the value added per worker in each sector and multiplying it by the number of workers. In the unorganised sector the value added per worker is calculated by undertaking small studies in each branch of each sector and calculating the value added on the basis of these studies.

The unorganised sector contributes over 60% to the NDP. Table 9 shows the share in NDP of the informal sector over the last fifteen years by sector. The share has declined from 64.8% of total NDP to 62.2%. The main reason for this decline is that the major part of the unorganised sector is in agriculture and the share of agriculture in the NDP has been steadily declining.

**Table 9: SHARE OF UNORGANISED SECTOR IN NET DOMESTIC PRODUCT**

Economic Activity	1985-86	1990-91	1994-95	97-98
All sectors	64.8	63.8	62.2	60.5
Agriculture, Forestry, Fishing	95.4	96.2	96.5	96.4
Mining and Quarrying	9.6	7.7	7.3	6.1
Manufacturing	40	39.1	38.8	36.5
Electricity, Gas and Water Supply	—	3.6	2.4	6.0
Construction	47.6	55.5	52.4	53.5
Trades, Hotels and Restaurants	90.5	91.9	85.3	83.1
Transport, Storage and Communication	48.8	52.3	52.5	48.2
Financing, insurance, real estate	49.6	40.9	32.3	43
Other services	20.2	19.4	38.8	18.2

*Source: NAS 2000. Statement 76.1: Factor incomes by kind of economic activity (at current prices).*

### Unorganised Sector's Contribution to Savings

**Table 10: Contribution of Informal and Formal Sectors in Population, Income and Savings**

(in percent)

	Informal			Formal			All		
	Pop' tion	Income	Savings	Pop' tion	Income	Savings	Pop' tion	Income	Savings
Rural	68.2	48.2	41.24	6.4	7.5	9.39	74.6	55.8	50.64
Urban	14.4	19.5	18.45	11.0	24.8	30.93	25.4	44.2	49.36
All	82.6	67.7	59.69	17.4	32.3	40.32	100.0	100.0	100.0

*Source: Informal Sector in India : A Study of Household Savings Behaviour by Basanta K. Pradhan, P.K.Roy and M.R.Saluja, 2000*

The unorganised sector contributes over 60 per cent of the total household savings thus dispelling the myth that poor are the not-savers, not only consuming what they produce but also consuming from the national budget in the form of subsidies.

The average savings of the rural households in the informal sector was Rs.4464 and that of urban Rs.8720, while at all India level it was Rs.5256. The households in the informal

sector save more in the form of physical assets, while savings in financial assets dominate in the formal sector. This trend is more pronounced in rural than in urban areas. Thus there seem to be diverse patterns in utilisation of savings between the informal and formal sector, with the informal sector dominantly acquiring physical assets for self use and formal sector savings generally being transferred to other sectors.

### **Unorganised Sector's Contribution to Exports**

In exports, a substantial 39.3 percent (Rs 46 thousand crores) was the contribution of the informal sector to India's total export in 1996-1997. (Ghatate, 1999). While some products like lac, gum and vegetable sap, some textiles, ready made garments etc were produced totally by the informal sector, in some others like marine products, ores, jewellery etc a percentage of the total exports were attributed to the informal sector.

### **Women Workers and the Unorganised Sector**

Unorganised sector accounts for nine of every ten women employed outside agriculture. Women are further concentrated in the low end of the spectrum, in low paying and insecure jobs.

In non-agricultural sector, Own Account Enterprises have a higher concentration of women workers. OAEs provide women the freedom to organise their time such that they can undertake them with their domestic chores. Even under OAEs most women qualify as other workers. In rural areas they account for 35 per cent of all other workers.

**Table 11: Distribution of Workers by Gender, 1999-2000 (Percentage)**

Gender	Rural		Urban		Combined	
	OAE <sup>4</sup>	Estb <sup>5</sup>	OAE	Estb.	OAE	Estb.
Male	72.18	83.75	81.28	91.1	75.76	89.32
Female	27.8	16.2	18.7	8.9	24.2	10.7

Source: NSS 55<sup>th</sup> round

**Table 12: Percentage of female workers in different activities, 1999-2000**

Activities	Working owner		Hired worker		Other Worker/helper <sup>6</sup>	
	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
All Enterprise						
Rural	16.2	6.32	15.69	3.04	35.05	22.07
Urban	10.94	3.23	8.97	1.31	19.57	9.48
Estb						
Rural	6.93	2.06	16.6	23.7	23.11	6.84
Urban	4.73	1.21	9.04	1.18	7.28	3.73
OAEs						
Rural	16.77	6.58	7.33	9.16	35.73	22.93
Urban	12.79	3.84	7.63	3.92	23.11	23.11

Source: NSS 55th round

The percentage of self-employed women is higher in own account enterprises than in establishments. Interestingly, higher percentage of women are working owners in rural areas than in urban – in both establishments as well as OAEs. But the most significant form of employment for women is as other workers, i.e. unpaid family hands in OAEs, in rural as well as urban areas.

Within the unorganised sector, women have an overwhelming presence in agriculture, forestry, fishing, plantation and allied activities with the highest proportion working as agricultural labourers and cultivators. They predominate in certain industries such as garments, textiles, food and electronics. The seasonality of work in this sector and the lack of other avenues of work make them vulnerable to a range of exploitative practices. They remain the most vulnerable and the poorest. And yet they are economically active and contributing to the national economy.

### Time-use analysis

The time-use analysis significantly overcomes the lacunae of conventional methods of data collection which disfavours women. It captures the division of a day by men and women in paid and unpaid work. The marketed activities are valued at their market price while activities aimed towards self-consumption are valued either in terms of the opportunity cost of the labour time or vis-à-vis the price of the close substitute. This analysis is free from any socio-cultural bias. It simply records the various activities undertaken by the respondents in a given day.



The survey<sup>7</sup> reveals that on average, the time that men devote to unpaid family responsibilities and care labour is roughly one tenth of the time spent by women. Several studies have shown that the time women spend in unpaid work often varies through the life course, expanding and contracting in accordance with their responsibility for others – working mothers, husband, children, in-laws. On the other hand, almost regardless of their position in the life course, men’s weekly hours on unpaid reproductive work tend to be fixed.

The obvious inference is that women have restricted opportunities for public participation because their family responsibilities are organised around homes. These affect their chances of employment. They often have interrupted labour force participation and consequently suffer downward mobility and increased risk of poverty and vulnerability. The overall effect of these is lower lifetime earnings and less employment security which further increases dependency on a male “provider”. It is obvious that women’s work participation can increase if the supportive services for day care and maternity benefits are provided to women.



## CONCLUSION

Agriculture still is the major source of employment as far as women are concerned. The labour market trend towards flexible specialisation of production and casualisation has affected women adversely. Women's employment in manufacturing, especially within the household has declined drastically. Unorganised and informal sectors are emerging as the largest absorbent of women workers. This trend indicates clear signs of informalisation of the female work force. Acute gender discrimination exists in these sectors in the absence of regulations and proper enforcement of laws. Wages and working conditions are also distressing in these sectors and women are often found concentrated in the lower rungs of the hierarchy where the conditions are still worse.

The trends and patterns in female employment need to be analysed in the broader framework of social, cultural and historical specificity. Women's participation in the labour market thus is not only an economic issue but also a larger social question, which demands a multi-disciplinary approach. Women's economic activity is rooted mainly in socio-cultural, historical, physiological and economic considerations. Hence, looking at women's employment from the labour market point of view alone is not enough.

<sup>1</sup> Sudarshan, R 'Employment of Women: Trends and Characteristics', as in Haq and Haq, *Human Development Report*, 1998

<sup>2</sup> Shrivastava, N in Papola and Sharma, *Gender and Employment in India*, 1999.

<sup>3</sup> NCAER-UNICEF study on home-based workers, 2001.

<sup>4</sup> Own Account Enterprises (OAE): An OAE is generally run by household labour.

<sup>5</sup> Establishment (Estb): An estb uses at least one hired worker.

<sup>6</sup> Other workers generally includes unpaid family hands.

<sup>7</sup> The CSO Time Use Survey of six states (Hirway, 1999).

## Section - II

### Employment and Income

5

#### Women Workers in a Liberalising Economy

##### **What does Liberalisation mean for the ordinary person?**

The elements of liberalisation and globalisation have been explained and analysed in great detail in many places and will also be discussed by the Group on Globalisation. So here we will only mention some of the main features of liberalisation. In India, it has meant the opening of trade by reduction of import duties and removal of quantitative restrictions. It has also meant entering the WTO regime. Along with easing of restrictions on external trade, there has also been a removal of some internal restrictions on movement of commodities. At the same time, there has been a considerable loosening of the licensing systems, especially on the private sector firms, as well as lifting of reservations for many products, especially of SSI sector. At the same time there has been an integration of production globally, but also across the country internally. There has been rapid privatisation of Government owned companies, of State or community held resources, of hitherto reserved areas like banking and insurance. At the same time there has been deregulation of labour protection leading to massive growth of contract labour and sub-contracting.

We would like to look at what this liberalisation package means to the ordinary people, and ordinary women in particular. It is difficult to try and understand the impact of liberalisation on ordinary people because most of the discussion of the subject takes two opposing points of view. There are those who vehemently support it and show evidence that it has 'unleashed' the productive forces of the country, that it has opened many economic and creative opportunities, that it has vastly improved people's choices of life style and that overall it has reduced poverty. On the other hand many analysts and activists believe that liberalisation has affected people very negatively. They point to increasing inequalities, to large-scale unemployment, to deteriorating conditions of work, to a shrinking formal sector, and they show evidence that poverty has increased, not decreased.

We think that these contradictory views reflect the different ways that liberalisation has affected different classes of people. If we look at the effect on the Indian middle class, we find a positive story. But when we look at the evidence for the lower 80% the picture changes. The figures when analysed by different income groups show that on the one hand poverty has decreased and on the other hand inequality has increased. In a recent reclassification of official NSS data (Desai, Sonal 2001), the Indian population has been divided into four groups by income. The poverty line has been taken as the base. The first group is below the poverty line, the second group below twice the poverty line (poverty line x 2), the third group below four times the poverty line (poverty line x 4) and the top group is above four times the poverty line:

The Poor— Incomes below the Poverty Line

The Near Poor— Incomes above poverty line and below twice poverty line  
(Poverty line x 2)

The Lower Middle— Incomes below Four times poverty-line (Poverty line x 4)  
And above twice poverty-line (Poverty line x 2)

The Upper Middle— Incomes above Four times poverty-line (Poverty line x 4)

**Table 13: INCOME GROUP AND THEIR PERCENTAGE**

	1983	1987-88	1993-94
<b>Rural</b>	Per cent	Per cent	Per cent
Poor	53	48	33
Near Poor	37	40	51
Lower Middle	9	10	14
Upper Middle	2	2	2
<b>Urban</b>			
Poor	36	28	27
Near Poor	40	41	43
Lower Middle	19	24	24
Upper Middle	5	6	6
<b>Total</b>			
Poor	49	43	32
Near Poor	37	41	49
Lower Middle	11	13	16
Upper Middle	2	3	3

We can see from these figures that the Indian population is still poor. 81% of the population is below or near the poverty line. On the other hand we do see that there has been a major decrease in absolute and worst poverty, from 49% to 32% and especially in rural poverty from 53% to 33%. The middle class has increased from 13% to 19%, but most of the increase is in the lower middle class. <sup>1</sup>

The experience in India, in some ways, has been different than those of other countries. For the Asian Tigers, there was a rapid decrease in poverty and a rapid growth of the middle class. Whereas in much of Latin America and Sub-Saharan Africa, there has been a growth of absolute poverty as well as a growth of incomes in the higher levels. In India, poverty is still very much here. One-third of the population is still below poverty line and 80% is near it. However, there is a slow decrease of the numbers in poverty and a slow growth of the middle class.

The first feature that emerges is that there is increasing inequality. Some sections of people and some parts of the country have been able to take better advantage of the opportunities offered by liberalisation than others. Those better endowed, with more access to skills, to markets, with more resources or with better links internationally have been able to benefit. The majority of people, however, have not been able to take advantage at the same level. Here the evidence is mixed. Some sections of people have positively lost under liberalisation. The worst affected have been those who had secure jobs in public or private corporate sector. Their conditions of living have deteriorated as formal industries have closed down and contract labour and unemployment in the formal sector has spread. Workers in many small-scale industries have lost their employment as cheaper imports have undermined their markets and mechanisation in agriculture has led to less employment opportunities in the rural areas and more out migration.

There have also been increasing employment opportunities for those at the lower income scales. New types of work, new markets have emerged and many people who had no work or whose work was extremely marginal in terms of security and income have gained new employment. Thus there may well be a growth in employment opportunities for many groups of people, as well as a growth in income. So absolute poverty has decreased.

However, the types of employment that have been created do not have the kind of upwardly mobile opportunities like those at the upper end of the scale. These employments are usually low skilled and do not lead to much future opportunities. In other words the liberalisation has created exciting opportunities and work for the higher class and caste, but not much in terms of opportunities for others.

Among women this difference in opportunities comes out very clearly. Women with degrees from good universities in metropolitan areas, preferably from English-speaking families, have a large variety of possible job openings. Today these women are visible in many non-traditional areas, from television to IT. Women, from rural areas and poor families have less opportunities. And when they exist, are less appealing. For example, the new export markets in the fish processing industry has opened many new job opportunities for young women, and a new chance of income independence for them. But the condition of work of these jobs are appalling. And since these industries prefer young, unmarried women, they can only work for a few years.

The Group on Women Workers and Child Labour commissioned studies of certain sectors where there is a concentration of women workers, and where there was some preliminary evidence of links with globalisation. Within the primary sector, we looked at livestock, agriculture and forestry. In the secondary sector, women's employment and income was examined in food processing, textiles and garments, bidi rolling, crafts, home-based industrial sub-contracting in the manufacturing sector. Vendors, health workers and construction workers were examined under the tertiary sector.

One of the important findings is that there are major impacts in all these sectors, but that the impacts come through a variety of ways— through technological change, through flexibilisation of the workforce, through opening of new markets, through changing social norms, through growing pressures on resources etc.

### **Primary Sector**

The impact of Globalisation on the **forestry sector** seems to be first through the environment movement and secondly, through opening of international markets. There is strong evidence that the consciousness on environment has led to a growth of tree cover in the last decade. Also there has been an increase of imports of timber and pulp leading to a further conservation of our forest resources, while at the same time exports of minor forest produce is increasing. Unfortunately, there does not seem to have been much impact of liberalisation on the management of forests, with continued state control and monopoly. Major policy changes are required in the forest sector with reduction in state intervention and growth of access to resources as well as work opportunities for women especially in the areas of minor forest produce, nursery growing, fodder and tree planting and conservation. In short, there is scope for 'feminising our forests'.

**Livestock** rearing is particularly a women's activity, which is often confused with 'housework' or 'non productive' activity, as livestock products are both monetised and non-monetised, often the same milking being used partly for home consumption and partly for sale. As a result, we have few reliable statistics on women's work in livestock and their contribution is very much underestimated. On the other hand, 73% of rural households own livestock. India's livestock population is the largest in the world, and the prospects for larger markets for milk and milk products, both in India and abroad seem bright. The main policy implication in this sector, is the need to recognise women's contribution, to increase their skills and knowledge and most important to ensure their ownership of both the livestock assets as well as of institutional set-ups such as co-operatives.

Despite the fact that the maximum number of women work with land in the **agricultural sector**, they seldom own the resources. A majority of them work as agricultural labour or as unpaid workers on family owned land. Agricultural activity is characterised by a very strict sexual division of labour and tasks performed exclusively by women are usually the most back-breaking and low paying, e.g. transplanting, weeding, winnowing, threshing, harvesting and so on. These tasks are also monotonous and repetitive that involve harmful postures, wet conditions and handling of toxic materials. There is wide disparity between wages of men and women, with women being paid far less than men in most states. Recent technical changes have eliminated many jobs traditionally performed by women while out migration by men has imposed further burdens on them. Increasing commercial farming has often meant displacement of women workers from their villages and migration to urban areas in search of employment, food insecurity, coping with increased alcoholism and violence.



## **Secondary Sector**

From the 60s onwards the government of India has been promoting small-scale industries by giving subsidies, tax exemptions etc. With the emphasis now on large industries, workers, mostly from the unorganised sector, who are employed in these industries have experienced the adverse effect on their employment. The small-scale industries have lost the tax advantage that they had and there has been loss of employment due to cheaper imports as well.

**Bidi rolling** is a major employment for women, which however, remains low-paid, insecure and has health implications. Globalisation has affected this industry in two ways. Firstly, the international anti-tobacco campaign, is threatening to reduce the work in the industry, but on the other hand, bidis are finding a new international market. The main challenges here are to implement the existing legislation for protection and welfare of bidi workers as well as to begin the search and retraining for new avenues of local employment.

The **crafts sector** is already closely linked with the international markets with export earnings of over Rs. 8,000 crores. Women are concentrated in certain crafts like embroidery, weaving, cane, bamboo and grass products, costume jewellery, pottery, coir products etc. However, in recent years women have been entering male-dominated crafts like brassware. The market for craft products is expanding both in India and abroad and artisans have already begun blending traditional skills with new technologies and designs. For women artisans in particular, there is a need to promote skill upgradation along with a more market-oriented approach to production.

The study on **industrial sub-contracting** shows the extent to which major private sector and even public sector companies have resorted to outwork including home-based work in recent years. Although this has increased work opportunities for women, it is unfortunate that the earnings are very low, well below the minimum wage. The average monthly earnings in technical trades like electricals is Rs. 450 per month; no different from aggarbatti making or leaf plate making! Nor do they have access to social security systems. Due to the low piece rates in home-based work, the women have to take the help of their children, and the incidence of child-labour seems to be increasing in the home-based trades. The ILO has passed a Convention on Homework in 1996, and it is recommended that the Government of India finalise the National Policy on home-based work based on this Convention.

### **Food processing**

Within the food processing sector, the last decade has seen increasing marginalisation of the small scale and unorganised sector. It may be noted that a large proportion of food processing in the unorganised sector is carried out by women, using the traditional skills in many primary food processing areas. Extensive technological modernisation in the

organised sector is also displacing not only large numbers of unskilled workers (mostly women), but also many skilled ones whose skills would become obsolete for handling new technologies. Whereas Government is investing heavily in the organised food processing sector, there is practically no attention paid to the unorganised sector. This is one area where upgrading the skills and bringing modern technologies of food processing, preservation and packaging can create many employment opportunities.

**Textiles and Garments** are major employers of women. In particular the cotton textile handloom and to some extent powerloom industry, and the growing garments sector, both factory and home-based, employs women. Unfortunately, employment in handlooms is declining in spite of a growing market, because of lack of availability of cotton yarn, competition from powerlooms and lack of skill training. Improving cotton production and spinning of yarn required for handlooms as well as linking handloom weavers with market requirements, through skill upgradation will improve the quality of their employment. The garment sector, has become the fastest growing export sector in the country. Women are employed here, both in the export factories as well as in home-based work. In the factories they earn more than home-based workers, but require protection of the labour laws for social security. They also require continuous upgradation of skill for increased productivity and earnings. For home-based workers, immediate implementation of a National Policy on Home-based Workers is required.

### **Tertiary Sector**

In the **construction sector**, it is foreseen that the requirements of WTO, will bring in major changes in technology through prefabrication and labour replacing machinery, and will lead to a major reduction in employment opportunities, especially for women, who tend to do most of the manual work. The present day construction industry does offer incomes that are higher than other unorganised employments, but the working conditions, health and safety risks and the strains on women are almost intolerable. The challenges in this sector are two-fold. First, to improve the working conditions and the social security support to women construction workers, and secondly, to undertake rapid skill upgradation and policy measures to include employment opportunities for women workers in the changing technologies.

**Street vending and Rag Picking** is another major employment area for women in both urban and rural areas. In the last five years there has been a major pressure on vendors, which can certainly be traced to Globalisation. In the urban areas, there has been a tremendous increase of vehicular traffic due to opening of the automobile markets. Indian cities too are now being planned and built like Northern cities with multi-storey complexes and separation of commercial centres. This has caused great pressures on existing



infrastructures and large investments and rebuilding. The street vendor is now perceived as a 'nuisance' in the way of infrastructure, and is being removed wholesale. The Indian middle-class too now perceives Singapore and Dubai as its model cities, with no place for the street vendor. In the rural areas, there is an increasing pressure on the rural haats as the space that was traditionally reserved for them is now being privatised and used for other purposes. In order to preserve and expand this employment, it is necessary to build vendors into infrastructure and town planning. A similar attitudinal change is needed in the case of rag-pickers who derive their employment from collecting waste and at the same time provide a cleaning and recycling service to the city. They need to be recognised as contributors to maintaining the urban environment.

### **Service Sector**

It is well known that in India the service sector is rapidly expanding. However, it is less well known that the informal or unorganised service sector is expanding too, with large scale opening of opportunities for women. The largest increases in employment opportunities come from domestic service, education including home-tuitions and child-care and health services. Unfortunately, these women workers have received very little attention with the result that their earnings remain low and their employment insecure. Domestic workers need protection of earnings and training for higher skills, and there has been long standing demand for an Act on Domestic Workers.

Health sector is also expanding and there are between 2 to 3 million **midwives** (or traditional birth attendants) in the country and most of the births in rural areas are still attended by them. Unfortunately, not enough attention has been paid to integrating these practitioners with the growing health system, in increasing their skills and in helping them to attain the status of professional health providers. Where this has been done it has been found that it has significantly increased the earnings of the midwives, and has resulted in better maternal and child health.

There are approximately 5 lakh **nurses** of various categories in the country. Although there is a perceived shortage of nurses, the incomes received by qualified nurses remain low at an average of Rs. 60 per day in the rural areas and Rs. 84 in the urban areas. At the same time they have long working hours, sexual exploitation particularly from doctors and a lack of upward career options. Many nurses are looking for opportunities to emigrate, particularly to western countries. There is a demand for Indian nurses in the Gulf countries, but on the whole, Indian nurses have been replaced by migrants from the Philippines. And due to the stringent visa and degree requirements, few nurses are able to go to the more attractive western countries. However, with more investment in mid-career training and better working and earning conditions, there is a great deal of potential for employment, both for fully-qualified nurses as well as auxillary nurses and other paramedicals.

## **An Approach to the Future**

There are many forces, social and economic, which are causing rapid changes in people's lives. The main question that faces us is how do we react to these forces. Reactions to liberalisation have been in two extremes—those who support it completely and those who oppose it completely. We would not like to take either of these two extreme positions but in order to formulate our reaction, we will go back again to the poor woman worker and ask ourselves, what does she need? What forces would improve her life, her work? What forces would harm her? What actions should be taken that she and her family can be set on the path to development and her opportunities, capacities and voice increase?

### **The Need for a Minimum Wage/Income**

In our sector studies we found that the earnings of women workers in most sectors is much below the minimum wage, which is clearly unacceptable. It is unjust that a worker spends many hours at difficult work and does not even earn enough to feed herself and her family. It is surprising, that even where liberalisation has increased employment opportunities, women are earning a pittance. Our studies show that many large companies are subcontracting work to small factories and to home-based workers. The women are earning barely Rs.500 per month, whereas the minimum wage is Rs 1500 and a worker in a private sector factory, doing the same work would earn at least Rs. 3000. Similarly, women in fish export factories earn Rs 800 per month.

The minimum condition for work in the country should be that any one who employs a worker directly or indirectly should be required to pay at least the minimum wage or a minimum income. The need and importance of a minimum wage/income are multiple:

*Poverty removal.* Minimum wage is meant mainly for the unorganised, weakest, most vulnerable and hence poorest sections of workers. Workers in the formal sector as well as those with strong unions can and do get higher wages by collective bargaining. It is the weak worker – agricultural labourers, home-based workers, contract workers, child labour, bonded labour, forest workers, etc, who get a pitiful wage in spite of hard labour. Implementation of Minimum Wages Act is a method of removal of poverty of these weakest sections, many of them women and children.

*Efficiency and productivity.* Every worker, male or female, requires certain inputs of food, shelter, clothing, medical expenses, child-care and education to maintain a minimum level of efficiency and productivity in his or her work. If a construction worker, for example, remains hungry or ill, her efficiency will fall. This will lead to a vicious poverty cycle for the worker and low productivity for the industry. Furthermore, as India globalises, workers need to raise their efficiency by getting education and need to be more alert to changing

technology. A worker can remain productive and efficient only if he is paid a minimum wage.

*Looking after the next generation.* Every society must see that its members are able to survive and that the children grow up to be useful citizens. However, if a worker is not paid enough to maintain the family, children get malnourished and remain physically and mentally below par as adults. Malnourishment of the women workers results in low birth weight of children. Sixty-three per cent of the nation's under-fives are malnourished, as against 31 per cent in sub-Saharan Africa. Sixty million children live below the poverty line and 2.7 million of them will not live to see their fifth birthday. Payment of minimum wages is necessary for a healthy next generation.

*Elimination of child labour.* The main reason why children have to work in India is that the parents are unable to earn enough for the family, hence children are sent to work instead of school. In 'agarbatti' rolling, for example, the piece rates paid are so low that a mother and her two children have to roll agarbattis for 10 hours to earn a minimum wage. Payment of minimum wages to the adult will ensure that parents do not need to make their children work. Another reason for child labour is that employers can get away by paying less wages to children. Payment of minimum wages to all workers will ensure that children are not hired instead of adults.

### **Payment of Minimum Piece-rate**

The Minimum Wage should be interpreted very broadly. Under the Minimum Wages Act, only those workers that can be shown to have an employer-employee relationship are covered. However there are many workers who do not strictly get covered by the Minimum Wages Act but who should be paid a minimum income. Gatherers of forest produce are paid a piece-rate by the Forest Department, and according to the studies earn less than Rs. 1000 per month (depending on the product). Waste-pickers are paid by the kilo of paper or plastic collected by the wholesalers, and earn Rs. 25-30 per day. Sharecroppers are paid by a share of crop and get only one-fourth share (if they only put in labour). These are all 'piece-rated' methods of payment to a worker, by a person who has complete control over the worker and the product, but who may not come under the definition of 'employer' under the Minimum Wages Act. In the above example, the Forest department sets the rates for minor forest produce and the worker has no freedom to give the produce collected to any other person.

Minimum rates need to be fixed in all these situations even if there is no clear employer-employee relationship.

## **Employment at the Centre of Liberalisation Policies**

Today when liberalisation policies are considered, the employment effect is rarely calculated by the economists and the policy makers. Thus, when severe negative effects are found in certain areas or certain sectors, there is a great amount of social discontent and often it is too late for policy makers to take any remedial measures. Economists tell us that after liberalisation poverty has been reduced and that unemployment has been reduced. In short, it has had an overall positive effect. However, many organisations of workers such as trade unions, some farmers associations and other activist organisations are very much opposed to liberalisation as they themselves are feeling negative effects of liberalisation. The main fear of the workers is that they will lose their employment and that is in fact what is happening to many different workers. Our studies show the following effects of liberalisation on employment:

1. Loss of existing employment without creation of new employment
2. Changes due to new technologies and skills.
3. Informalisation of work
4. Creation of new employment opportunities

### **Loss Of Existing Employment Without Creation Of New Employment**

In our studies we come across many cases where liberalisation has caused loss of employment without creation of new employment. The displacement of street vendors is one such example. After liberalisation there have been large investments in urban infrastructure. City governments have had a policy of removing street vendors with no thought for rehabilitation, thereby causing a loss of employment. In Calcutta, for example, the 'Operation Sunshine' of the Municipality caused a loss of nearly 50,000 jobs in one night.

Loss of employment without creation of any new employment also happens when an Indian product is displaced by imports from the market. Thousands of women silk spinners and twisters of Bihar, have totally lost their employment due to the import of "China-Korea" silk yarn. Weavers and consumers prefer this yarn as it is somewhat cheaper and also with a shine.

Similar displacement has come with the entry of large fishing vessels into the Indian waters. These vessels take away the fish that would be collected by Indian fishing vessels, thereby destroying the employment of fishermen and women fish sorters, dryers, vendors and net-makers.

In Gujarat, women gum collectors, who were picking from the *Prosopis julifera* (Baval) trees, lost their employment due to the import of cheaper gum from Sudan.

In almost all cities of India, the ragpickers lost some of their employment due to import of waste paper from developed countries.

There are also indirect effects of globalisation, where global cultural and social norms begin to effect employment in India. An example is the anti-tobacco campaign, which is beginning to cause reduction in the work available to bidi workers. Another indirect effect of liberalisation has been the growth of concern about the environment. As part of this concern, employment and environment are often counterpoised to each other and in recent years, environment issues have taken precedence over employment and where industries have been shut down causing large scale job loss. This has been especially true due to judgments of the Supreme and High Courts. In Delhi, for example, nearly one lakh workers lost their jobs with the closing of small and home-based industries.

### **Employment Changes Due to Mechanisation and New Technology**

Women are the most affected by the changes due to mechanisation. The employment of manual workers is reduced and they are displaced by workers who run the machines. In these cases the total number of jobs is reduced drastically. Moreover, women are generally replaced by men, although the income earned may actually increase. The studies have pointed out many examples of this. In the agricultural sector men have taken over from women those activities in which technology has substituted machinery for manual labour. All other labour intensive tasks are still left to women. Therefore, the introduction of tractors, harvesters, insecticides, weedicides, hormone accelerators, high yielding variety seeds and mechanical cotton pickers has meant that tasks traditionally performed by women and on which many women depend for their livelihood have been appropriated.

Various micro studies have shown that technical change has eliminated many jobs traditionally performed by women and alternative job opportunities have not been created for women at the same rate as for men. Weeding in paddy producing areas is a female dominated task. When chemical spraying replaces weeding, the spraying is performed by men. Similarly, the introduction of rice mills has displaced hand pounding done by rural women. Rice mills utilise husking equipment with the consequence that women who use traditional husking mechanisms have lost their means of livelihood.

In Construction under the prevailing WTO regime, the essential requirement of global tendering has facilitated the entry of many large companies in the Indian construction scene in a big way. The presence some of these companies is increasingly visible in many infrastructure development projects being undertaken under government funding as well as under bilateral/multilateral assistance arrangements. With increased mechanisation, there would be massive displacement of labour in nearly all construction operations. Women labour would be completely eliminated from the main operations in which they have been



traditionally deployed, namely, soil digging and carrying, carrying inputs in concrete mixing and placing, concrete curing and brick carrying. It is estimated that the overall deployment of labour will become 1/5<sup>th</sup> to 1/50<sup>th</sup> of the earlier numbers. Obviously manual labour, and especially the women workers, would be increasingly eliminated from the construction sites. (Table 14)

**Table 14: Major Construction Equipment/Accessories being Factory-produced**

Equipment/Accessories	Impact on Labour
Excavators	Reduction to 1/20th of present workforce
Ready-mix concrete (RMC) plants	Reduction to 1/20th of present workforce
Wall panels (made from flyash-based cement)	Reduction to 1/10th of present workforce
Pre-fabricated segments	Reduction to 1/5th to 1/10th present workforce
Complete pre-fabricated steel structures	Reduction to 1/20th of present workforce
High-strength concrete ASC slabs of different sizes (made from flyash-based cement)	Reduction to 1/20th of present workforce
Auto-dov wall panels using flyash cement (aerated, light weight -half of a mud brick weight, low cost and high heat isolation property; most useful in earthquake prone regions)	Reduction to 1/20th of present workforce

On the other hand, as noted above, there would be an increase in factory production as well as growth in the need for various construction skills such as masons, tile fitters, painters, plumbers, cement finishers, glaziers, electricians etc. Unfortunately, there are practically no women with these skills.

In the textile sector, handloom spinners and weavers are being rapidly replaced by powerlooms, and powerloom workers with lesser quality machines are being displaced by those with better quality machines. (*Can we get the exact names of the machines*). The spinners and winders being mainly women, are being displaced completely. Handloom weavers are both men and women and are losing work, but, powerloom workers are mainly men. At the same time the powerlooms which are being displaced are those that are in small worksheds or home-based, where more women are working.

In the food processing sector, big domestic companies and multinationals with huge investments and state of the art technology are entering in a big way and are pushing small and unorganised units out of the market. Due to lack of finance, access to latest technologies and modern quality control facilities, these units are not able to meet the required high quality standards and take up production of new range of attractive products for

a rapidly changing market. For instance, Pepsi, that has entered in bhujia namkeen manufacturing, has not only captured part of this market of small units but is also endangering their existence (Mamgain, 1996). Thus the small scale and unorganised sector which has so far dominated the country's food processing sector is going to be increasingly marginalised.

In the screen printing industry of Ahmedabad, mechanization has reduced employment by nearly 50 per cent.

Recent mechanisation in zari embroidery has displaced many home-based women who did zari embroidery by hand.

### **Employment Changes due to Informalisation**

One of the major debates today is on the casualisation of the workforce. Casualisation is causing increased employment opportunities for some of the workforce and loss of jobs for others. On the whole, casualisation displaces the betterpaid, more protected workers and increases insecure and lowpaid employment. The number of employment opportunities created by casualisation certainly are more, but they are also in worse conditions. On the whole, men lose jobs and women gain them. In our studies we found that the largest employment change was in the industrial sub-contracting sector.

Many big companies, including multinational corporations have evolved a vendor system of sub-contracting for their production. Depending on the nature of work, some of these vendors either employ women workers in large numbers or give out work to home-based workers mostly through contractors. (e.g. Maruti Udyog Ltd., BPL, Johnson & Johnson Ltd., TELCO, Elin Electronics, and Hindustan Lever Ltd.)

Many times big corporates in heavy industry sector have a very big inventory of plant accessories required in their plants on a regular basis. Some companies have set up cooperatives of women living in the vicinity of their plants for production of such items. (*Examples:* Steel Authority of India Ltd. and Bharat Heavy Electricals Ltd). Yet other companies have a sub-contracting arrangement. Established companies give out work to small units in the organised/unorganised sector which in turn outsource some simple operations to home-based workers. The company often mediates with these units/workers through contractors who get the production work done and deliver the output to the company (*Examples:* Finishing and quality control, assembling, sorting, packaging and labelling. Many medium and small scale industries in the organised sector and production units in the unorganised sector subcontract work to home-based women workers. Generally the manufacturers establish direct contacts with these workers and sometimes even act as contractors for bigger companies.



## **Export Processing Zones**

The New Economic Policy envisages large-scale expansion of the EPZs and EOUs network in the country as part of the Government's drive for export promotion. The EPZs and EOUs have long been the cause for concern for the organised trade union movement, since these foreign exchange earning zones or units have come to be notorious for exploitation of their workforce.

The aims and objects of the EPZs as outlined by the ministry are four fold:

1. Earning of foreign exchange
2. Stimulation of foreign and domestic investments
3. Development of export oriented industries
4. Creation of employment opportunities

Studies have revealed that the social outlook of the policy makers here in regard to evolving EPZ framework is no different from the one prevailing elsewhere. The study also noted that the so-called process of world market orientation of production process is found in its most undisguised expression in these Free Processing Zones. Several issues have been the centre of controversy in this respect. Implicit wage subsidy or pursuing labour policies which inevitably cause wage suppression is only one of them. This wage policy is affected in two ways. First, it results from the waiving of protective labour legislation in these zones and the introduction of special restrictive legislation, particularly those relating to 'organising and strike.' Once wage restrictions are imposed on trade union rights wage element becomes a casualty in the employer's drive to keep the productivity cost low.

Females and children who are exploitable are recruited as workers. The moment the working girls are married, their services are terminated. Generally, the management perception is that there will be a decline in the efficiency levels of female workers after their marriage leading to neglect of their duties at enterprise level. It is their perception that for married males, domestic duties are family concern and job will be their priority. Hence job termination of goals in the event of their marriage is strictly adhered to in these units.

### ***Recommendations***

1. MNCs must observe the same standards of Industrial Relations as those observed by domestic firms. The interests of the workers, ILO Declaration of Principles on MNCs and social policy covering issues such as employment promotion, security of employment, wages, benefits, and conditions of work, work safety and health must be respected.

2. The Government Labour Department, through suitable provisions, must allow the workers in these units to organise themselves. These organisations must be recognised by the government. Trade unions may be permitted by the labour department to regulate working of these zones with suitable personnel policies and industrial relation policies and help build a proper wage and collective bargaining system in the interest of forestalling labour/industrial relation problems in the future.
3. Labour laws must be implemented with the same vigour as in the rest of the country.

Sub-contracting of work given out to home-based workers has been found to be widespread in the unorganised manufacturing sector and seems to have expanded phenomenally over the past decade. In almost 90 per cent of the households in the resettlement colonies and slum areas surveyed, at least one woman was reported to be doing some kind of home-based work. However, the types of jobs created in this way is irregular and lowpaid. In the manufacturing trades (except garments), the work is extremely irregular; the average employment time was less than four months in a year. In the home-based sector, earnings of the women workers in all trades in the sample were found to be abysmally low, far below the minimum wage. The average monthly earning in technical trades was Rs. 450.

### **Creation of New Employment Opportunities**

There are many areas where new employment opportunities for women have been created without loss for anyone else. Employment opportunities increase when there is opening of a new market, or expansion of an existing market. These markets may be within the country or for export.

In the crafts sector for example, employment has grown at a fast pace, also for women. This sector now directly links a big traditional rural economy with the far distant metropolitan and global markets, providing visibility to a large number of artisans through their work. The sector witnessed a dramatic increase in the number of crafts-persons; from 48.25 lakh persons during 1991-92 to 81.05 lakhs in 1997-98. Trends continue to indicate that while male participation in crafts has been slowly decreasing over the years, female participation is on the rise, particularly in rural home-based crafts sector.

The proportion of women employed in different handicrafts varies from a low of 40 per cent to a high of nearly 80 to 90 per cent. Women artisans dominate in trades like decoration of cloth (embroidery and lace making), coir work, cane and bamboo craft, dying and bleaching of textiles, earthenware, reed mat making, artistic leatherware, weaving and

papier mache. However, over the years, women have also started entering those craft areas traditionally considered to be male bastions, namely, stone carving, metal work and wood work. The number of women handicraft artisans getting the recognition of master crafts-persons is also increasing over the years.

However the average daily earnings of women crafts workers are very low, nearly half that of men. Women engaged in hand printed textiles get the maximum rates followed by the cane-bamboo making industry and zari work. The wage rate in three women- dominated crafts — lace work, reed mat making and leatherware — is extremely low. In fact, all crafts indicate a status quo in wages over the years. As in other industries in the unorganised sector, the payment of wages to artisans is on piece rate basis. For the crafts-persons, the predominant channel for marketing their produce is the vast network of middlemen/traders as nearly 93 per cent of the artisans disposed their products through this channel. Only 3 per cent of the crafts-persons undertook direct export activities although 46 per cent of the self-employed artisans were aware of the final destination of their products.

Another area of expanding opportunities is in services of all types. Personal services such as domestic work, cleaning and cooking services and care of children and the elderly, is increasing rapidly in the urban areas. Most of these services are provided by women. However, even in these areas, the earnings remain low in the unorganised sector, and work remains irregular. Health services is another area of expansion. India has always had a very large private medical sector, especially for non-hospital care. The slowing down of state investment in the hospital sector was in itself a signal to the private sector, and the state supported this by giving subsidies, soft loans, duty and tax exemptions, etc. Secondly, the earlier introduction of modern health care in the rural areas by the state through the setting up of PHCs and cottage hospitals had paved the way for the private sector, by creating a market for modern health care in the peripheral regions. Also the number of specialists being churned out has increased tremendously and their demand in the west is comparatively reduced and this too may have played a role in the private hospital growth because most specialists prefer hospital practice.

The livestock area is another sector where there is an increase especially for women. With globalisation, prospects of export of milk and milk products seem bright. Among the four major players in the international market - the European Union, New Zealand, Australia and United States - only New Zealand does not offer any subsidy to milk producers. Since India also does not provide any subsidy to its milk producers, with the withdrawal of subsidies under WTO agreements India will become price competitive. India's proximity to major dairy markets (Middle-East, South-East Asia, North Africa) is another advantage. Countries like Malaysia, Philippines and South Korea are importing more than 95 per cent of their milk consumption. Even Thailand imports around four-fifths of its milk requirements. Given the low overhead cost and inexpensive family labour India's dairy sector is quite competitive.

A study by NCAER estimates the total work generated in this sector is more than 56 million person years per annum. Women play predominant role in dairy operations mainly carried out within the household. These include milking, feeding and bathing of animals, processing of milk and cleaning of cattle shed. Recent NCAER survey brings out that women play major role in dairy operations mainly carried out within the household. Female family labour play predominant role in milking, feeding, bathing and provisioning of water to the animals, cattle shed cleaning and most importantly in processing of milk. Nearly 58 per cent of the total labour in dairy is consumed by these operations including cleaning. The most important operation, in terms of time spent (around 30 per cent of the total in dairy) is fodder collection and women play a predominant role in this. Unfortunately, women's role in this sector is not properly appreciated and they are not even counted in the censuses. In spite of being the main workers in this sector, they are rarely members of the milk co-operatives and they do not receive the training that is required for increasing the productivity of the animals.

Another growing area of employment is the manufacture of garments and associated work. There is growth in both the domestic and export markets. The opportunities for employment of women workers are on the increase in this sector but a large percentage of the new employment generated is sub-contractual, home-based work.

#### Micro finance and Women Workers

Women Workers, especially those in the informal sector are caught in the vicious circle of poverty, of indebtedness, assetlessness, and low-income levels. In spite of their hard work, they remain poor, vulnerable, assetless, indebted and trapped in the continuous process of decapitalisation. Lack of access to capital is a very major constraint for the poor. They have been largely bypassed by the formal banking institutions.

After *Shramshakti Report*, there has been a growth of microfinance movement, which includes government initiatives as well as those from NGOs and the people's sector. The grass roots-level women have developed their own village-level savings and credit groups, their mini-banks, their district level organisations and even their own full-fledged co-operative banks like SEWA Bank.

When a woman joins a microfinance programme, it gears up the process of capitalisation in her life. The moment she starts saving, she builds up an asset over the period of time, which ultimately helps her in either starting up a new enterprise or upgrading her existing one, or to meet future consumption expenditures. However, microfinance needs to be linked to women's individual economic activities. Interventions have to be undertaken to ensure that the backward and forward linkages are in place to support women's economic activities.

Also, growth due to micro-finance. When a woman joins a microfinance programme, it also gears up the process of capitalisation in her life. The moment she starts saving, she builds up an asset over a period of time which ultimately helps her in either starting up a new enterprise or upgrading her existing one, or to meet future consumption expenditures. Studies have shown that microfinance enhances women's employment and livelihood in a number of ways. She is able to take a loan to increase her working capital and hence earnings. She is also able to take a loan to buy working tools. She is often able to diversify into new types of employments and hence spread the risk of her work. She is able to finance growth of employment not only for herself but also for her family, especially her children.

There are many examples of how access to microfinance has resulted in the household level capitalisation of poor women workers, and has helped many families come out of poverty. There has been leadership building, capacity building and understanding of financial management among women and local communities who are barely familiar with the written word.

Microfinance is a useful tool in building the capacities of the poor women workers in management of sustainable self - employment activities besides providing them other financial services like savings, housing and consumption credit, and insurance. However, to be sustainable, microfinance needs to be directed towards self-reliance of women's sustainability. The government needs to have a policy to promote microfinance, especially for the women workers which will encourage self-help and capitalisation at the grass root level.

## **Recommendations**

The analysis above shows that there cannot be one response to liberalisation, but that we have to deal with all the situations of loss and gain of employment.

### **Loss of Employment without any Gain**

*All economic policies of the Government have an impact on the employment, especially for workers in the unorganised sector. Therefore, all policies, finance policies, trade policies, industrial policies and agriculture policies need to be examined for their impact on the employment before being implemented.*

1. When large numbers of people lose employment without anyone gaining, it is a very serious situation. Here, the policy will have to be examined very carefully, as to whether



there is some way of reducing or preventing employment loss. In the fishing sector for example, it has been suggested that foreign fishing vessels, not be allowed into the shallow waters, where the local people fish. It may also be necessary in some cases to restrict certain imports either by duties or by quantitative restrictions.

2. Another way of dealing with employment loss is to seriously invest in rehabilitation. The question of rehabilitation has been dealt with in the case of displacement by Dam related projects. The same types of rehabilitation packages can be offered to those whose livelihood has been displaced at a large scale. Some rehabilitation schemes may in fact, not even be costly, but just need changes in policy. For example, the resettlement of street vendors may require merely allocation of appropriate places in the urban areas.

### **Changes in Employment due to Mechanisation and New Technology**

The issue of mechanisation and the introduction of new technology have been the subject of debate and resistance since the industrial revolution, and on the whole, technological change tends to take place in spite of resistance. Here we propose the following approach to deal with mechanisation and new technology.

1. Skill training and upgradation of skills for workers on a widespread and continuous scale. This issue has been dealt with in much more detail in the Skills section of this report. In each sector, however, the emerging required skills needs to be identified and a system of reaching skills to the unorganised sector needs to be set up. This must be the joint responsibility of Government and Industry.
2. Identification and spread of appropriate technology. For any task there are usually a number of different technologies available. We need to identify and promote technologies which increase productivity of the workers, is usable by them with some training, and which has the least negative effect on employment. Some examples are hand tillers as opposed to tractors; smaller powered and specialised stitching machines, which can be used at home or in small workshops; home-based tile and block making machines. In the food processing sector, many technologies such as cryogenic spice grinders, cryo-containers and refrigerators, quick fish freezing systems and controlled atmosphere food storage systems have already been developed by institutions like Central Food Technological Research Institute, IITs, National Physical Laboratory etc, but not yet made accessible to small producers. These technologies need to be fully exploited. Large-scale dissemination of these technologies would also give a boost to equipment manufacturing industry in the country.

## **Changes in Employment due to Informalisation**

Again this is a much-debated question. It is certainly unfair that workers with security of work, fair incomes and social security, should be deprived of their employment. However, now the process of casualisation, or as it is called 'flexibilisation' is so widespread, that it is not useful to talk about banning it. We would rather approach the problem from the other end. How do we assure a minimum level to income and security to all workers regardless of where and under what employment relations they work. We propose the following measures:

1. Very strict implementation of the Minimum Wages Act and high penalties for breach. All trades to be included in the Act, regardless of schedules.
2. Expanding the Act to include workers under piece-rates, regardless of whether employer-employee relationship can be proved or not.
3. Identification of all workers and issuing them identity cards
4. Ensuring social security to all workers (this is dealt with more in Social Security section)
5. We have proposed laws and policies for certain category of workers (dealt with in more detail in the sector-wise recommendations). These include
  - National policy for Home-based Workers (in accordance with the ILO Convention. This policy approved by Tripartite conference)
  - Agricultural Workers Act (Bill has been drawn up and introduced in Parliament earlier)
  - Domestic Workers Act (Still to be finalised)
  - Manual Workers Act (on the lines of Gujarat or TamilNadu Acts)
  - National Policy on Vendors

## **Increase in Employment Opportunities**

We have seen that there are many areas where there has been real increases in employment opportunities. However, we feel that with different policies, these opportunities can be increased even more. Furthermore, many of these employment opportunities yield less incomes and do not have much opportunity for advancement.



1. Every sector needs policies, which would increase employment opportunities for women in the unorganised sector. We have given some recommendations sector-wise in this regard. For example, Forestry is a sector where women's employment can be increased many-fold. Reforestation is a priority for the country, and forests need to grow. Reforestation programmes of nursery growing, plantations and tending of plants can be handed over to women's groups. Collection, processing and sale of minor forest produce is a another major area. One calculation showed that if the nursery growing for the Forest department in Gujarat was done through women's groups it would increase employment for one lakh women for 6 months.

In the health sector, policies which would link 'informal' health providers especially midwives with the formal health system, would also increase both employment and earnings of the health providers.

2. Increasing microfinance would increase employment opportunities through livelihood development (detailed recommendations in sector)
3. Direct access to markets would increase employment opportunities as well as earnings. Recommendations are given in a number of sectors including crafts, livestock, garments, food processing, agriculture and forestry.
4. Training and skill development would enhance productivity and earnings as well as opportunities. (again specific recommendations, sector-wise)

<sup>1</sup> The four income groups in the table can be expressed at 1999-2000 prices as follows. In rural areas, 'poor' refers to households (with 5 members) that have an average monthly consumption of less than Rs 1700, 'near poor' between Rs 1700 and 3400, lower middle between Rs 3400 and 6800 and upper middle over Rs 6800. The corresponding ranges in urban areas are: poor with less than 2960, near poor between 2960 and 5920, lower middle between 5920 and 11840, and upper middle over 11840.

<sup>1</sup> The four income groups in the table can be expressed at 1999-2000 prices as follows. In rural areas, 'poor' refers to households (with 5 members) that have an average monthly consumption of less than Rs 1700, 'near poor' between Rs 1700 and 3400, lower middle between Rs 3400 and 6800 and upper middle over Rs 6800. The corresponding ranges in urban areas are: poor with less than 2960, near poor between 2960 and 5920, lower middle between 5920 and 11840, and upper middle over 11840.

## Section - VI

### Skills

6

#### SKILLS FOR THE MAJORITY

If we look at the population as a whole, we find that the majority of people have a wide range of skills. Many of these skills are part of their everyday life, many have been handed down over the generations, some are newly learnt, some are self-learnt. We could say that almost every man or woman has a whole range of skills with which they are able to run their lives. These are the skills by which people run their economic and social lives.

A skill implies a combination of creative, technical and manual abilities. Acquiring a skill is a continuous learning process which combines training and experience. However, in the context of labour and work, the notion of skills has acquired a particular meaning. This notion of skill is linked mainly to industrial production and has been developed in the context of training people for tasks in industries. Skill is then seen as 'technique' which is related to a task and to a specialisation. The level of skill is measured by the complexity and range of the task to be performed. Specialisation tends to be related to type of knowledge, tools and equipments, the materials used and the nature of goods and services.

In practice when a person's skill is measured, the definition gets even narrower. It tends to get defined by the educational level and the certification of having taken certain approved courses. We classify a person as 'unskilled', 'semi-skilled' or 'skilled', according to a very narrow set of criteria, which leaves most of our population as 'unskilled' and unable to obtain work in most better paying jobs.

The definition and identification of skills becomes even more complex when we look at women workers. Since women workers are usually at the lowest-paid end of any sector, they are usually termed as unskilled, even though very often their work, though low-paid, requires a certain level of technique. Furthermore, many of the skills that women learn are those that are in some way connected to care and reproduction, which are often not regarded as skills at all.

The coming of Globalisation and liberalisation has made the question more acute. New technologies and fast changing markets, tend to make existing skills obsolete and require upgradation, new skills and multi-skilling. Globalisation often puts a premium on skills requiring high levels of education, and out of the reach of the unorganised sector workers. On the other hand it opens up new markets, which workers can reach by adapting existing or traditional skills.

In India, perhaps more than in most countries we have a division of workers in highly unequal 'skill' levels. At the upper end are a whole variety of sophisticated skills and especially after liberalisation, many new opportunities. These are the skilled workers. At the lower end, workers tend to learn their skills from each other or from within their families, have a level

and type of education which offers them very little in terms of learning and almost nothing in terms of jobs. Women workers tend to be crowded into the lowest rungs of the 'unskilled' workers.

## **Disparities**

It is worth examining the very large disparities that exist between the higher and lower levels of the population of workers. First, is the difference in educational levels. The lowest measure of levels of education for purposes of acquiring skills for employment, are the two school-leaving certificates—10<sup>th</sup> class and 12<sup>th</sup> class. Only 58.8% of the population in the age group of 11-14 years enroll for the middle classes (upper class VIII), out of which 49.7% are girls and 67.2 % are boys<sup>1</sup>. As per the 1990 data, only 24.4% of the population in the age group (14-12 years) enroll for higher secondary. As high as 68.28% girls drop out after secondary education (10<sup>th</sup>). Most children who go through the schooling system, leave before Class 10. Unfortunately, the quality of education in most schools is such that attending classes rarely leads to a development of most capacities.

The educational disparities set the stage for the disparity in 'skills' which is measured by certification from technical colleges. However, in order to qualify for the better paying opportunities, it is necessary to undergo training in technical courses. The best courses are the five year engineering, medical etc courses which mainly the candidates from the best schools and high income families can access. The next tier of training comes from the polytechnics, the teacher training schools and the nursing schools, and then the ITI. (This to be completed and rewritten with more facts). There are practically no formal courses for skill training of most types of workers. In agriculture for example, although —% of the workers are farmers or agricultural labourers, with less than 10<sup>th</sup> Class schooling, the main technical courses are from the agricultural universities, which require a 12<sup>th</sup> Class certificate and three years of graduation. The students from these universities do not actually go into farming.

The educational disparities are complemented by large disparities in technology. Those with access to higher levels of skills and technical knowledge, also have access to the newest, most labour saving and most productive technologies. Whereas, those with lesser educational levels, have to make do with technologies that greatly reduce their productivity as well as income. A good example of this is the difference between a Doctor in the city who delivers a child in hospitals with the latest equipment and a mid-wife in the rural area who delivers at home, with no equipments or medicines.

Infrastructure support widens the disparities. The availability of transport facilities facilitates access to training and educational institutes. Children of upper and middle-class urban families use cars and private buses to travel to good schools far away from their place of

residence, whereas poor rural children have to walk to mediocre schools in neighbouring villages, leading to high drop-out rates.

Perhaps the largest disparities are created by the skill training institutes and the professional institutes and associations. Whereas it is necessary to have some system by which workers with genuine skills can be distinguished from imposters, the very narrow definition of skill and the lack of recognition at the lower levels of the income groups, make the accreditation system a method of keeping out the majority. This is even more true of women, where the skills that they learn are not seen as skills at all. Accreditation and certification occurs at two levels. Firstly, at the level of the training institutes, where a person is given a degree or a diploma, which qualifies and certifies him or her as a trained person. Secondly, at the level of the professional and representative bodies— the medical associations, the bar associations, the industry associations etc., which control who is to be admitted as a member of the profession and who is to be kept out. These controls are exercised in some overt and many covert ways. In the medical profession, for example, only doctors qualified in allopathic medicine from a certified institute are allowed to certify for medical insurance, or to practice in a public hospitals. At the same time all others are called 'quacks' ( although as far as ayurvedic and homeopathic medicine is concerned, this has begun to change). A village midwife is not even allowed, to wear a white coat while practicing, because she is 'not a medical person'.

These disparities are reflected in both economic and social status. Certain skills are seen as high value and are paid accordingly, others earn a medium income, while still others are almost destitute and have to supplement their incomes with other work. At the same time, the social status attached to these skills also varies. The workers at the 'lower' rungs of the skills ladder, are usually left at dead ends with very little opportunities for advancement, whereas those on the upper rungs have many exciting opportunities not only for further specialisation in their own field but also in many other fields.

## **Training Initiatives**

### **Government Efforts**

A large network of state run vocational education and training programmes is available. However, the amount of finance, manpower and physical infrastructure that is diverted in this direction is far less than what is put into training for high professional courses. These courses are often supply-driven and many of the efforts in this direction are of very uneven quality and not much information is available in terms of how effective they are and of their links to employment opportunities.

Listed below are some of the states run opportunities for training and skill building for women in the unorganised sector. (See Part II: Annexures for details of schemes listed below)

- Trainings under Department of Women and Child Development
- Vocational Training Programme for Women
- Formal Vocational Education and Training System
- Shramik Vidyapeeths
- Training under the Khadi and Village Industries Commission (KVIC)
- Community Polytechnics
- Schemes under CAPART
- Schemes run by NGOs

### **Skills for the Majority**

A society cannot be viable if only a small percentage of workers have opportunities and the vast majority do not have the possibility to upgrade their skills and access new knowledge, techniques and technology. It is necessary to have a different system where the majority are recognised as skilled in some way and where they have continuing opportunities to upgrade their skills. How can this be done?

### **Recognition of Existing Skills.**

First it is necessary to have a much broader definition of skills than we have at present. Skills need not be identified only with education or only as those which are presently certified with professional agencies and training institutes. The skills people have now should be identified. Some of these skills are marketable in today's situation and some are not, but regardless of marketability the identification can take place. Some examples of skills which are not being recognised now, but which exist with local populations are given below:

- Women in forest areas have a skill of recognising and using herbal plants.
- In most villages and towns there are some people with medical skills of various types which are a mix of traditional and modern.
- All areas have specialised people who have skills connected with water storage, purification and usage.
- A very wide variety of agricultural skills exist including seed preservation, storage, inter-cropping, use of natural pesticides.
- Artisanal and crafts skills still exist in abundance in rural and urban areas. These skills are traditional such as embroidery or bamboo work, or modern such as plumbers or auto mechanics. Many times these skills are a mix of modern and traditional as traditional crafts people adapt to modern technologies and markets.



- Skills connected with child care and care of the sick and elderly.
- Managerial skills belong not only to people who have passed out of management schools, but also to people who have to manage forests or water systems or large functions or public money.

These are just a few examples.

### **Directory and Classification of Skills**

The first step, should be to have a survey of all existing skills in each local area and to have a directory of the skills in each area. The workers with those skills will also need to be classified by skill levels. It would also be useful to have the method of transmission of those skills.

The skills available with women should be classified separately and with more care. This is because women's skills may often not be regarded as skills at all, either by the person who will be documenting the skills, or even by the women themselves. Firstly, the documentors would examine where women are already working in each sector. They would then need to look at the skill being used by the women, e.g. if paddy is a major product in that area, then transplantation would be listed as a skill with the women. Second, they would need to look at skills which women have, which are not now being marketed but which may have a good market potential like embroidery or knowledge of herbs. Finally they would have to look at the 'care' skills the women have. These would include knowledge of child-care, care of the sick and particular skills such as mid-wifery.

Once this survey is done, it will give a directory of skills at the local level, at the panchayat and district level in the case of rural areas and at the ward and town level in the case of the urban areas. These skills need to be officially recognised as viable skills and a system of upgrading the skills and increasing their value and productivity worked out.

The system of classifying workers as unskilled, semi-skilled and skilled should not be used. Each skill can have a number of categories into which people can be classified.

### **Demand and employment opportunities**

The measurement of skills at a point in time will give us the 'supply side' of the picture. Over time, the skills that will be used most depends on the 'demand side' — what work do people need to do, either unpaid or subsistence work for themselves and their families, or paid work to earn an income. There is thus a constant interplay between the supply and the demand side.

Identifying the demand and the employment opportunities for skills is not an easy task in the Indian system, as there are few instruments available for such measurement. The task of identification of demand becomes harder because of the presence of a large informal sector in India. Even within the formal sector, there have been rapid changes which have led to changes in demand.

Accompanied by radical technological changes in communication and information technologies, globalisation and increased trade intensity have had a significant impact on the organisation of production and services in both industrialised and the less industrialised countries. On one hand, the strongly localised industrial production of goods and consumer markets during the post war period have been replaced by an increasingly interdependent and transnationalised production process, which also shaped the New International Division of Labour. Outsourcing practices in and dispersion of a variety of activities to produce a final product at lower costs are new phenomena, which go hand in hand with this development. On the other hand, the mode of production and its related labour market have changed significantly over the years. The resource intensive mass production, which was predominant in industrialised countries and also adopted by several developing countries during the post-war era, was replaced by a more flexible and knowledge intensive model, the post-Fordist mode of production.

The typical organisation structure related to this Fordist production mode had defined bureaucratic, hierarchical structures and related employees to specialised positions. A clear distinction was made between blue-collar industrial workers and the white-collar management. All of them were highly specialised in their specific activities. In such organisations, inter-firm mobility between enterprises was low, since successful careers were internal and dependent on seniority and long-term firm experience. Skills were specialised and mobility was dependent on seniority and work experience. Regular employment and social security provisions were predominant in industrialised countries and for certain labour market segments in developing countries as well.

The post-Fordist system can be seen in opposition to the Fordist type of production organisation. These organisational and technological changes it is argued have helped replace the deskilled, mass production worker with a polyvalent, multi-skilled or polyvalent worker. A professional would be expected to be a producer, technician and an administrator. The volatility in demand would require workers to adapt and switch from one task to another without loss of efficiency. In other words, 'functional flexibility' of the workforce is a prime requirement in production for post-Fordist markets. Job profiles reflect multiskilling, flexibility and team-orientation as significant requirements. Professions are specialised but require expertise that is less firm specific and more related to the profession.

The Indian labour market reflects the shift away from regular employment to more casual and informal employment. It can be said that in the formal or organised sector in India there has occurred a formation of two clear segments of the labour force; one with a multi-skilled functionally flexible 'core' workforce and the other, as a 'periphery' characterised by numerical flexibility and hence, high employment insecurity and poor working conditions.

It is important to note that the formal sector in India showed similar organisational features like the Fordist model during that period. India has had a strong focus on Science and Technology and on heavy industry based economic development in the post-independence period. In order to meet the skill requirements for heavy industrialisation, the government emphasised on tertiary and higher secondary technical education. With the exception of some selected short-term skill training supported by various government departments, formal institutions providing vocational training and education were exclusively reaching out to students with at least 10+ years of formal schooling.

However, given the ongoing changes from resource intensive production into knowledge intensive and flexible production modes, one has to rethink the current skill and knowledge requirements which would strengthen the Indian workforce to develop the competence to quickly and flexibly adapt to a changing economic and social environment. When we talk about skills and training, we need to address questions of learnability, adaptability and employability and empowerment. At the same time, given the fast changing economic environment, new concepts of lifelong learning and continuous skill upgradation have to be addressed not only for the organised sector but even more desperately for workers in the informal sector.

As we have seen, many jobs that were earlier performed in the formal sector are now outsourced to firms in the informal sector. At the same time there are many types of employment opportunities in the informal sector, which can be linked to and recognised by the formal sector. Finally, there are many opportunities in the informal sector that can be upgraded.

### **Linking demand in the unorganised and organised sector**

There are many ways in which demand in the unorganised and organised sector can be linked up. The organised sector products and services are able to fulfill only a very small section of the demands of the markets, the rest being met by the unorganised sector. However, often the products or services of the

**Training in partnership with local industry: MYRADA-MEADOW/Plan International Dharampuri Project, Hosur**

Myrada-Meadows represents an example of a collaboration between industry and an NGO, to promote the economic well being of some women. The technical training has been

unorganised sector are not recognised by the organised sector and hence do not receive the approval or certification that is required for them to be converted into a full-fledged market demand.

What is the nature of demand within any sector? Say, for example, the medical profession. This generates demand for qualified doctors and nurses, with some support staff and some para medics. The available supply falls well short of the demand. However, there are some skills available in the 'healing profession' which are not linked in any manner with the formal, organised medical profession. For example, dais or midwives, who in fact provide the majority of services.

Similarly, in food processing, the majority of work is done in the unorganised sector mainly by women home-based workers who make masalas, pickles, papads etc. in their homes. However, as the food market in India expands it is being taken over by large companies with brand names, and there is no systematic way these companies can link with the small producers who do not have the packaging capacities, the ISO marks or the means to reach the markets.

The question then is whether we can find a way of developing a systematic manner of building linkages between the traditional and unorganised and the recognised, formal sectors, and the extent to which training/skill development opportunities can be created which enable certification such that these linkages become possible.

provided by the industry, watchmakers Titan. In 1995, Titan responded to Myrada's call that the 400-odd industries in the Hosur area should try to help the poor communities there. Titan decided to tap the work potential of the numerous self-help groups for women set up by Myrada/Plan International. A group of women in the Denkanikottai began laundering the uniforms of the Titan factory workers.

Soon after, Titan suggested that women's groups could assemble bracelet straps for the company. Titan offered to provide skill training and pay for the work. Myrada/Plan International would have to organise the manpower, set up the infrastructure and take care of logistics, accounts and documentation. The arrangement worked beautifully; Titan got its bracelets, the women cash. Myrada met its social goal of empowering the poor through a partnership with industry, thereby creating an attractive new model of development.

In 1998, the women formed themselves into a company, MEADOW, with a board of Directors. Meadow has grown fairly rapidly over the years. It owns a bracelet strap assembly shed, where some 100 girls work. Meadow also operate in a hired building, 4 kms from Hosur, which houses the hand press, polishing and table clock assembly units. Another 100 girls work there. A few more girls are based in the Titan company's premises in Hosur. Most of the girls earn a minimum of Rs. 2,500 after deductions towards a working capital.

**The Krishna Dayan co-operative**, supported by SEWA, Gujarat, covering the Gandhinagar population aims to make the mid-wife the main health care provider in the village, by giving her the skills and knowledge of modern medical techniques, and linking her with the modern medical system. Midwives, who had turned into agricultural workers, find a means of self-employment and self-dignity by upgrading their traditional skills. After skills upgradation, some of the dais begin to earn as much as Rs 51 to Rs 101.

## Skilling and Deskilling

One unfortunate tendency that has been noticed in the desperate search for employment that goes on in the unorganised sector, is the tendency towards deskilling. Workers lose their traditional or acquired skills when they cannot find employment with these skills. It is now common in the rural areas to see highly skilled women embroidery workers or male or female weavers, digging mud or breaking stone to earn a livelihood. Similarly, women acquire an education at great cost to themselves and their families and often take a vocational course afterwards, and then are unable to find employment, which can use such skills.

## Skills and Employment Potential

In the section on employment and incomes we saw that many existing employment opportunities were disappearing, but that new opportunities are being created. We also saw that the women in the unorganised sector did not have easy access to the new employment opportunities that were emerging as they do not have the required skills.

It is important to assess which are the emerging opportunities and have a directory of skills required for these. Here we will try to give some illustrations.

*The Service Sector:* It is now well known that the service sector in India is growing more rapidly than any other major sector. This is as true for the informal or unorganised sector as for the formal one, especially in the urban areas. Some examples of growing demand are for

- Domestic services
- Cooking and catering
- Cleaning services
- Health services
- Care of children and care of the elderly
- Educational services like tuitions
- Photography and video
- Courier and other private mail services
- Beauty treatment
- Repair services

**Construction:** We have seen earlier that due to growing mechanisation there is a decreasing demand for manual labour. However, the demand for skilled workers is going up. Skills that women construction workers need to be taught are those of the workers named below:

- White washer
- Sand blast operator
- Carpenter
- Plastering Operator
- Mason
- Tile fitter
- Painter
- Plumber (iron)
- Cement finisher
- Glazier
- Electrician
- Blacksmith
- Pipe lifter (cement)
- Machine operator

Women need extensive training and skill development in the food processing sector to keep up with the rapid expansion and mechanisation specifically in the sphere of technologies in food processing, preservation and quality control which would make work less labour intensive and time consuming and products of high quality.

**Crafts** is a sector which has witnessed growth and visibility in women's employment. However because of their low status in the crafts labour hierarchy, women remain dependent on their age-old skills, tools and production methods and their work remains largely centred around a particular product or technique. As they have no access to new knowledge, they are unable to carry out necessary adaptations to meet the emerging market needs. An integrated package of skill training is required for women workers in this sector. The mandate of such training should include discovering and popularising languishing crafts particularly those practiced by women and helping women producers in upgrading their production methods to make more value-added products through S&T inputs and quality standards.

*To keep up with the expanding markets in the livestock sector, women need to be trained in scientific livestock management, artificial insemination, and para-veterinary skills.*

**Management and accounting skills:** The forms of organisations are changing fast. Today's production systems rely on small, flexible organisations. The management of such organisations calls for skills of communication, interlinking and updating knowledge.



*Cultural Events:* In India today, there is very fast growing expenditure on religious events, festivals and social events. These events provide employment to growing numbers of skilled craftsperson, artists, musicians, priests etc. Many of these are traditional skills like making of rakhis, tazias, Ganpati statues etc. These traditional skills are being adapted to modern themes and tastes in innovative ways, such as new types of scenes during Puja festival.

Each area of India would have its own demands based on local needs and culture, which can be compiled locally.

### **Building New Tiers of Skill Training**

Our present system of skill training comes mainly from the formal sector and is geared towards skills that are recognised by this sector. Admission to the training institutes generally requires a certain level of formal education, with the lowest tiers of skill training requiring 10<sup>th</sup> pass. More commonly, skill training institutes require 12<sup>th</sup> pass or even college degrees. This automatically precludes large numbers of persons from receiving training.

Most formal institutes have long training courses taking years, and with a great deal of theoretical training. The methods of teaching are generally based on the college model. Perhaps the only formal training institutes that cater for a lesser level of education and a shorter more practical course are the ITIs. These are only — in number and can cover only— number of trainees in the country.

The present disparities between the small number of formal skilled workers and the large numbers of informal workers who are considered 'unskilled', can only be bridged if we are able to create a continuum of skills from the highest to the lowest. In order to reach skills to a much larger number of potential and current workers in the country, we need to build many different tiers of skills training. These tiers would reach the very large numbers of workers, especially young workers, would require much lower levels of formal education and shorter and more practical courses. The tiers would have to be built after recognising the different needs emerging in the economy as well as the existing skills, with the workers.

## Special Focus on Women workers

Due to most people's cultural and social orientations, women are rarely taught skills that are considered 'male work'. Most existing courses confine women to skills like stitching and typing, whereas the better paid skills like plumbing and masonry are reserved for men. However, many women are losing employment, due to mechanisation, in sectors where they were traditionally employed, such as construction and agriculture. It is necessary that women who already have a base and therefore some skills in these sectors, be taught the new emerging techniques so as to retain employment.

At the same time it is important to help younger women to break into the higher paid employments that were traditionally reserved for men. This is happening at a fast pace at the upper echelons, where women have become pilots and managers and architects and priests. But in the unorganised sector, very few women have been able to enter into 'non-traditional' areas.

A program of training women workers as handpump mechanic and masons in Kerala has not only been very successful in providing employment to women (women mechanics are preferred over men), it has also increased their status in the village community. Today, more and more women are opting for this training to take up these male dominated professions.

## Dhan Foundation: Need based training

The DHAN Foundation example shows how processes of skill formation are shaped when large numbers of women informal sector workers have to be empowered. The manifest instrument has been the formation of self-help groups and federating them. The skill building is often on a person-to-person basis and rarely does it take the form of a 'formal training programme', except when basic foundations are laid to form the self-help groups.

The training and capacity building requirement is of a very different kind. There are no classrooms or formal lectures. The strength of the organisation has been manifest in the fact that they can mobilise the state agencies to provide them with need-based training as and when they want to. Consequently, creativity enhancement training was given to artisans at Bommala Quarters by the Handicrafts Department, which was sponsored by NABARD; training classes were organised for the functionaries of the federation, to look into the existing problems of SHGs and DWCRA groups. A slum study has been undertaken in a few notified areas to identify the felt needs of the members, which can be addressed through the slum development project of ADB and HUDCO; another HRD and training cell has been initiated, which could succeed in generating 20 applications for new recruitment as movement workers and with inspiration from DRDA, a new programme called "Manakosam Manam" (focussing on the problems of women through role-plays) has been initiated.

## **Continuous Trainings**

In the Indian training system, the main emphasis is placed on the training of the young student. Thereafter, he or she is supposed to acquire skills at his or her own initiative and in his or her own way. Although in the formal system, there are courses for mid-life professionals and refresher courses of various types, this is not true in the unorganised sector. However, given the fast-changing technology and markets that the workers face in the era of globalisation, it becomes important that she should have the opportunity to change or upgrade or refresh her skill from time to time.

Another reason for the requirement for continuous training, is the need to build 'tiers' of trained workers. A woman who trains in a certain skill, will after certain time of experience want to take herself to the next level of skill. For example a woman trains in, say, the growing of plant nurseries. She may then grow nurseries on her own or she may work for a bigger nursery or for the Forest department. After some time she will notice that certain types of special plants like grafted plants or newer species, have a better market. She may then wish to go for a training to upgrade her skills in plant management, as also her knowledge of markets, so that she moves to the next tier of skill and earning.

## **Creating Infrastructure for Training**

The present infrastructure and resources for training, as we have seen, are mainly geared to the formal sector and to higher levels of skills. If we want to reach the masses of people, and especially women, we need to create a physical and human infrastructure. As we have discussed, development of skills is the meeting point between supply of human man(or woman)power and the demand for labour and services. The infrastructure of training and skill development opportunities becomes central to this effort. It provides the means by which people without formal education or with little formal education can still acquire a certification for their skills, which in turn will allow employers and others looking for workers to provide work to people who may have followed a different route to the acquisition of skills. It is also a way of allowing people to upgrade their skills through participating in more advanced training.

For the training infrastructure to play this role effectively, it will have to be

- \* very flexible, with the ability to amend, modify or change the content of training fairly quickly
- \* flexible also in its approach to 'who' can participate in the training
- \* able to offer not one, but many levels of training, with appropriate certification
- \* have mechanisms in place for continuous dialogue between the 'demand' and the 'supply' agencies
- \* target women workers specially

Although infrastructure is often thought of as buildings, equipments and other physical infrastructure but, in fact, the most important part is the human resource, i.e. the teachers.

### Teachers, Gurus, Masters and Mothers

The most important resource for imparting skills are the teachers, those who have skills and can teach them to others. In the informal sector, the situation at present is that skills are imparted by co-workers, by neighbours, by family members. The methods of teaching and the institutions for these courses would combine the formal and informal traditions. Teachers in formal institutions would need to adapt their knowledge and teaching methods, at the same time the skilled workers in the informal sector can learn some formal methods of teaching. The *Guru-shishya* or *ustad-shagird* methods too need to be explored as a method to be introduced into teaching methods, as they are more practical and a means to 'learn while you earn'.

**Bharatiya Yuva Shakti Trust (BYST)** set up in April 1990 with the support of the Confederation of Indian Industry, aims at helping unemployed or underemployed youth in the age group 18-35 to set up or develop their own business. The most remarkable feature of the trust is to provide each beneficiary with a mentor, on a one-to-one basis in the *guru-shishya* tradition, according to which the teacher not only teaches but also guides and helps develop the disciple. The mentor gives professional advice, maintains regular contact with the business, monitors progress, helps in sharing the problems of the assisted units and develops the business units. Since its inception, the BYST has helped over 450 business units employing more than 1540 people in Delhi, Haryana, Chennai, Hyderabad and Pune.

In the case of women, most learn their skills from their mothers or other female relatives. Here, the methods of teaching are even less formal than the *Guru-shishya* or *Ustad-shagird* which are mainly for boys. Mothers teach their skills as part of a whole philosophy of life. The particular skills the girl learns are seen as part of her future to serve her family, whether it is a skill which will earn her an income, or feeding the family. The skills she learns are part of a whole package.

Good examples are available in the crafts sector. Smt Chungkham Rani Devi is 66 years old from Imphal in Manipur. She is self-employed, master craftswoman in manipuri weaving, specialising in Moriangephee Chaddar. She learnt the skill from her mother and has trained over 300 craft persons till today. Smt Karpoori Devi is 56 years old Madhubani painter residing in Ranti in Madhubani district of Bihar. She also learnt her trade from her family elders and has trained 50 boys and girls during the training she conducts at home.

The first requirement is to identify the potential teachers, to supplement their existing teaching skills and to create a framework where they can teach without losing their own employment and work time. We have suggested that a directory of skills and skilled workers at the village and mohalla levels be created. At the same time, those who have already been teaching informally can be identified, and a directory of potential teachers can also be created. The teaching methods and skills of these teachers can be studied and required modern teaching methods imparted to them. Special attention would be paid to women teachers. A good example of successful teaching in this way has been the 'mastercrafts-person' schemes of the All India Handicrafts Board.

At the same time as identifying and upgrading the 'informal' teachers, it is necessary to re-orient and re-train the formal teachers. The teachers in the technical training institutes of all types are used to teaching educated boys and men and the methods and teaching tools that they use are geared towards these students. However, if they change their teaching methods and simplify their language, they can also teach illiterate women. For example, SEWA had found that training for cattle-care including artificial insemination was taught mainly to men through written materials, whereas it is mainly the women who look after the cattle. When the teachers were re-oriented, they were able to teach the women, through pictures and practical experiments. In Pakistan, a woman's organisation AURAT Foundation found that information on improved agricultural techniques was available mainly to men through agricultural extension services. They developed a radio programme aimed at transferring agricultural skills to women. Women came to listening centres all over the country to hear the weekly programme where they also had access to AURAT staff who then further explained the new techniques they were listening to.

### **Apprenticeship Schemes for Women**

The apprenticeship scheme was created to provide on-the-job training to young entrants into the labour force and also to provide industry with a means of training young persons to meet their own needs. The Apprenticeship Act, reinforces this by requiring enterprises above a certain size to hire a certain number of apprentices.

However, the apprenticeship scheme has covered very few women. It is necessary for industries to identify areas where they can hire women apprentices and wherever possible.

### **Vocationalising Education**

It has been remarked many times that the education system in India is not suited to the existing markets. Students passing out of this system are no longer ready to work with their hands, and yet there are not enough jobs which require 'clerical' work. The major sectors of the country—agriculture, manufacturing, services—are still very much dependent on



manual work, and if the education system is to be useful it must teach students a vocation which will help them get employment locally.

Since there has been already a great deal written about vocationalising education. We here endorse only the idea of using local 'experts' farmers, craftspersons etc. in schools to teach vocations.

### **Physical Infrastructure and Resources**

Space and equipment is an important infrastructure requirement for training. However, given the large amount of resources that would be required to build new training institutes, it would be better to be flexible about using existing spaces, and requiring space contributions locally. Multiple use of schools, of existing training institutes such as ITI, polytechnics and universities, can be encouraged. Use of private workshops and farms can also be encouraged.

An important infrastructure would be the linking of training with existing employment in both formal and informal sectors. As we have seen in the informal sector, on-the-job training is the only kind of training that is available. This should be encouraged, and many opportunities created to link training and work.

### **Recognition and Accreditation of New Systems**

Training systems and institutes become acceptable and in demand if the market is able to provide employment to those who acquire skills from them. The process of acceptance in the market is guided and often controlled by a set of recognition and accreditation procedures and institutions which certify the quality of the training. The new types of training and training methods we are advocating above need to be recognised and accredited by institutions, which already have some credibility in the market. We propose that there be a link with the formal accreditation systems, so as to give the system some formality. However, the role of the formal systems should be extremely limited.

We propose that for the unorganised sector, a different, more informal system of accreditation system be set up. In each area some organisations can be designated to recognise and accredit institutions and courses. The criteria for recognition should be transparent and simple, but the main criterion should be the effectiveness of the courses and the teaching method. The role of the existing formal institutions would be to give approval to such systems.



## **Financing**

Building up this system of skills and training in the unorganised sector will require a great deal of financing. We believe that this is an important investment in the future economy. It is necessary to avoid the growing inequality and social discontent that is coming about due to the changes through liberalisation.

The financing needs to come from a number of sources. The main source is the Government. Central government departments can build training and skill development into many of their programs. New grants and loans negotiated for projects can also have a component of training. The existing successful schemes can be vastly expanded. Yet another source of finance needs to be from the funds which finance the existing professional trainings.

The second component is the contribution from the private sector. Training and skill development is vital to the growth of the formal sector and they need to work out ways in which they can contribute to its growth.

Finally, it is important to charge the trainee. These training courses will be useful only if they are of good quality and marketability. The trainees will come to these courses only if they think that they can benefit by enhancing their livelihood. Payment of a fee will ensure that only those courses which have the quality and marketability will survive. Of course, the size of the fee should be commensurate with the income levels of the target groups.

## **Recommendations**

**We believe that every woman should be given the opportunity to utilise her existing skills to secure a livelihood, and the chance to continuously upgrade these skills to different levels of competence, as and when she needs to.**

**We believe that development of a system for skills for women in the unorganised sector is the only way that these women can meet the challenge of liberalisation, otherwise, unemployment, inequality and social discontent will continue to grow.**

The following summarises the steps that we believe are required to build this system of skills training:

1. **Existing skills need to be recognised.** We recommend that a directory of skills of women workers be compiled at the local level as part of local area planning.
2. The demand side for use of skills is employment opportunities. We recommend that at the local level, **an exhaustive listing of possible employment opportunities** should be made. This should be:
  - a. Sector wise with special attention to growing sectors such as services.
  - b. Looking at possibilities of linking the organised and unorganised sector
3. We need to **build new tiers of skills** through training. It would be very useful to do this sector-wise and hence identify the kinds of skills that would be needed. For example, in the health sector the following tiers could be identified:

Doctors (with the various levels of specialisation that already exist), Nurses, Para-nurses, Midwives (with various levels of competence), Traditional healers (with various levels of competence), Community health workers paravets, hand pump mechanics, etc. We need to build up infrastructure to train at each of these levels of skills.

We also need to build a system of continuous learning whereby a person can move from one 'threshold' to another as her competence and experience grows.

4. **Building Human Infrastructure.** The main infrastructure required are the human resource—the teachers. Most workers in the unorganised sector learn their skill in totally informal ways from relatives, neighbours or on the job. Women often learn from their mothers. We propose to mix the informal and formal ways of teaching. First, by encouraging traditional teaching methods such as *Guru-Shishya*, *Ustad-shagird*, Mother-daughter and upgrading the skills of the teachers and providing them with the tools, equipment and space they require. Second, by encouraging existing teachers in the formal systems—ITI, Agricultural Universities etc.—to adapt their teaching methods to the educational and knowledge levels of the students.

Third, by encouraging the apprenticeship system especially in private sector enterprises and finally, by introducing local workers (farmers, crafts persons etc) as part-time teachers into the school systems, as part of vocationalising education.

5. **Physical Infrastructure.** We do not think that a great deal of resources should be spent on building new physical infrastructure. Multi-use of existing training facilities, use of public spaces like panchayat buildings, use of private space, on the job space etc. should be used.
6. **Recognition and Accreditation.** A system of accreditation should be developed to ensure a minimum quality as well as to increase the marketability of the skill.

<sup>1</sup> Source for all statistics: MOHRD, Handbook of Education and Allied States, Education In India, Selected Education Statistics as quoted by IAMR

## Section - VII

### Social Security

7

#### Introduction to Social Security

Social Security for all citizens has always been a priority in India. The concept of social security is derived from the provisions of Article 38 of the Constitution of India, which requires that the State should promote the welfare of the people by securing and protecting a social order in which justice – social, economic and political — shall inform all institutions of national life. Article 41 requires that within the limits of its economic capacity and development the State make effective provision for securing the right to work, to education and to public assistance in case of unemployment, old age, sickness and disablement, and in other cases of undeserved want. Article 42 states that the State should make provision for securing just and humane conditions of work and maternity relief while Article 47 requires that the State should regard the raising of the level of nutrition and the standard of living of its people, and improvement of public health, as among its primary duties.

Since independence, there have been a number of schemes and programmes designed to provide basic social security coverage. Crores have been allocated and various mechanisms have been experimented with so as to facilitate implementation.

However, social security still eludes most Indians. Existing schemes are mainly restricted to the organised sector, barely 10 per cent of the Indian workforce, where employer-employee relationships can be clearly established. For the over 350 million workers of the unorganised sector or informal economy, social security continues to be a missing link in their struggle for survival.

And yet, it is these unorganised workers who are the poorest of workers in our country, and are most exposed to shocks and multiple risks that threaten their very survival. There can be no two opinions that we need to urgently develop social security systems for this vast segment of our population. The main issue is how this can be achieved, ensuring appropriate, efficient and quality services and timely disbursement or support to the poorest of workers in all corners of our country, preferably at their very doorsteps. The size and nature of the unorganised sector, including the diversity of employment and the geographically dispersed nature of the work-place, poses real challenges.

The problem is more acute for women workers. They play the triple role of a worker, housewife and mother. The lack of capital and assets, low and irregular income, aided by

frequent accidents, sickness and other contingencies, poor working and living conditions, low bargaining power and lack of outside linkages and opportunities for skill upgradation - all these interlinked factors drag these women into deprivation, trapping them in the vicious circle of poverty .

It is the view of this Group that Social Security for workers in the unorganised sector should be the priority for the Commission. For Women workers Child Care and Maternity should be the main priority. It is the View of this Group that Child Care is the responsibility not of the mother alone but of the family, the father and of society as a whole, including the employers. Child Care is a developmental program that should be taken up on a large-scale in order to prepare the next generation of workers.

The Group recommends setting up of Worker's Welfare Boards or Social Security Boards for workers in many different sectors. These boards should be decentralised, worker-controlled, equitable and multi-funded. The Group recommends extending the existing system of Provident Fund to include pension schemes for the women in the unorganized sector. The Group also recommends extending insurance to these workers and promoting micro-insurance.

## Approach

We have defined the task of the Group on woman workers to look at the work-based entitlements, which add to or supplement the citizen-based entitlements of universal services.

There have been two approaches to social security entitlements in this country: Citizen based approach and the work-based approach.

The **citizen-based approach** entitles every citizen to access certain services, in particular, the public distribution system, the health-care system and the educational system.. Beyond these three universal services, there have been attempts by both Central and State Governments to provide other services in the form of social assistance, including widow pension schemes, old age homes etc..

The approach of the citizen-based entitlement is a 'rights' approach, that is, as a citizen of the country, every human being has a right to satisfaction of certain basic needs and it is the duty of the State to provide for those needs. There are presently a number of citizen-based entitlements which are provided by the Government either to all citizens or to those who are poor, on a 'means tested' basis. These are drinking water, health care, education, food security, housing and social assistance schemes. The State is required to finance the services as well as undertake their provision. For example, the State has to budget for primary health centres and public hospitals and the Department of Health has to run them. Similarly, the Central budget pays for food subsidies and the Food Controller of India runs the public distribution system.

Except for education, the citizen-based entitlements are decreasing as the private sector enters more and more into provision of these services. This is a world-wide phenomenon, and is part of the process of globalisation and liberalisation where the State has withdrawn from a number of sectors.

The **work-based entitlements** supplement the citizen-based ones. The work-based entitlements are statutory and apply to all workers in an employer-employee relationship. The finances for these entitlements are provided by statutory contributions from the employers and the employees. The role of the Government is to enforce and implement the schemes.



The main statutory work-based entitlements in India are the old age benefit schemes (in particular the Employees Provident Fund and the Public Provident Fund) and the health services (in particular the Employees Social Insurance Scheme). In addition, there are schemes for particular sectors covered by the Welfare Funds. In the Welfare Funds scheme, funds are raised by levying a cess on the production, sale or export of specified goods, or by collecting contributions from the various sources including the employer, employee as well as the government. The Welfare Funds are used to meet the expenditure of the welfare of the workers. The five Central Funds, set up by the Government of India, are Bidi, Mines, and Cine Workers, Dock Workers and Building and Construction Workers. Among the states, Kerala State has as many as 20 Funds, while Tamil Nadu and Maharashtra and Gujarat have Funds constituted under the Manual Workers Acts.

It was earlier believed that the work-based entitlements would become universal as the organised sector grew and the unorganised sector shrank. It has now become obvious that in fact the opposite is happening. More and more workers are out of the social security net, and the coverage of both ESIS and EPF is shrinking, as are the number of workers covered by the provisions of various welfare Acts. There is therefore a need to think afresh on how to devise work-based social security systems particularly targetting the unorganised sector.

### **Work Based Entitlements and the Unorganised Sector – A Different approach**

What entitles the workers in the unorganised sector to social security benefits? As citizens they are entitled to the citizen-based entitlement as a right. However, they are also workers, no matter what type of work they do. As workers they contribute to the National Income and the GDP, to the growth of the economy and to prosperity of the Nation. So as workers and as contributors to the growth and well being of the nation and the economy they should be entitled firstly to a fair return for their work and secondly a share in growth and prosperity.

Social security is particularly important to workers of the unorganised sector. Their first need is for economic security — of employment and income. At the same time they need access to goods which address their basic needs and reasonably priced services. The employment and income of the unorganised sector workers tends to be low and uncertain. And from this low income they generally have to buy their basic needs like food and health care from the open market. This results in a major drain on their meager resources, often they are unable to even provide for their own basic needs. They remain malnourished, in poor health, and cannot provide for their old age. It also means that in the case of shocks, social and

personal, they are unable to recover and begin to spiral down into the vicious cycle of poverty.

Many unorganised sector workers do avail of the citizenship-based entitlements like health services from PHCs, free primary education and public distribution systems. However, these services remain highly inadequate. Firstly, the funds provided from the Central or State budgets are insufficient. For example only 12 percent of children in the age group 0-6 take part in some form of early child-care programme. This number – approximately 6,224,000 children – while impressive in itself, is only the tip of the iceberg. Secondly, the bureaucracy, which is the service provider, is more consumer oriented than provider oriented, resulting in corrupt and poor quality services, or often no services at all. And finally, and most important, with the 'liberalisation' mind-sets there is turning away from Government provided services, and towards markets and the private sector.

**Therefore, though work-based entitlements are meant to supplement the citizenship-based ones, in actual fact, where the work based entitlements work well, such as in the organised sector, workers use these services rather than the public sector services. This is because the work related benefits are better financed, better targeted and remain more in the control of the users. Also, increasingly these services are being used to make the best possible use of both public and private available services. Many companies, for example, which have health insurance will now allow their employees to choose health providers from the market.**

However, the work-based entitlements which allows the organised sector workers to have access to better quality and higher level of services has reached the unorganised sector very minimally. We need to be thinking of new approaches to work-based entitlements which would cover the unorganised sector workers and especially the women who have so far been almost totally left out of social security schemes.

How do we operationalise the work based entitlements for the unorganised sector? Extending social security to the unorganised sector is not merely a matter of extending existing organised sector schemes to new groups. Social security needs to be examined in the context of the overall needs of the unorganised sector. The unorganised sector itself is not a homogeneous category. Employment relations vary considerably, and are in any

case very different from those of the organised sector. Second, a major obstacle to introducing contributory social insurance schemes for the unorganised sector is the difficulty in identifying the employer. Third, unlike the organised sector where steady and regular employment is a given fact, unorganised sector workers need employment security, income security and social security simultaneously. Fourth, the needs of these workers vary from those of the organised sector. For example, since a large proportion of the unorganised sector is women, child-oriented needs become increasingly important.

Fortunately, although we have no widespread systems for social security to the unorganised sector, we do have many different experiences all over the country and can build on these experiences. Building on the existing experiences means that the social security systems developed need to be decentralised, flexible, user responsive, contributory and open to multi-finance (Table 15).

**Table 15: Existing Models of Social Security**

Model	Nature of Benefit	Beneficiaries	Administrative / Financial Arrangement
Employer's liability	Workmen's comp Maternity benefit Gratuity Retrenchment comp	Workers in the organised sector	Employers manage and pay exclusively
Social insurance	Medical care Sickness benefit Maternity benefit Occupational injury	Workers in the organised sector	Administered by Employees' State Insurance Corporation Financed out of contributions from employers, employees and state government
	Old-age benefit Invalidity benefit Survivors' benefit Provident Fund	Workers in the organised sector, and some workers in the unorganised sector	Administered by central board of trustees, financed by contributions from employers, employees and central government
Social assistance			
(a) Welfare funds of central government	Medical care Education Housing Water supply Education Old-age benefit Survivors' benefit	Mine workers Beedi workers Cine workers  Building workers	Administered departmentally financed by special levies in the form of cesses
(b) Welfare funds of Kerala government	Wide range of benefits including: Old-age benefit, Medical care, Education, Assistance for marriage, Housing etc.	Workers in the unorganised sector, such as handloom workers, coir workers, cashew workers, etc.	Administered by autonomous boards financed by contributions from employers, workers and others
(c) Subsidised insurance	Survivors' benefit Invalidity benefit	Vulnerable groups of workers such as agricultural workers, handloom workers, etc.	Administered by LIC and GIC financed by contributions from central and state governments
(d) Other forms of social assistance	Old-age benefit Maternity benefit Survivors' benefit Assistance for employment, training, education etc.	Persons outside the job market and below the poverty line, destitutes, orphans, deserted and divorced women, widows disabled persons, SCs, STs, OBCs.	Administered departmentally Financed from general revenues

## Childcare

Child-care is a major developmental program. It needs to be made the responsibility not only of the woman worker, but of the family and of society. We recommend a child-care fund of Rs 2160 crores per year. The mechanisms of child-care should be multi-dimensional. First, all labour legislation should include provision of a crèche where there are 10 or more workers irrespective of the gender of the worker so that whether the worker is a mother or father, the child can be brought into the crèche. Second, it should be included within the ICDS program. Third, it should be recognised as part of the education policy. Fourth, low-cost community-based approaches should be encouraged and multiplied. Fifth, the important role of child-care worker should be recognised and compensated.

Children are the future of the country and of its workforce. The early care or lack of it for the child determines, in many ways, the future of the country. 0-6 year period is crucial for the development of the child. From conception until the age of 6-8 years old, children go through a crucial process of development in this period. They learn to cope with increasingly complex forms of thinking, feeling, relating to others and moving. Inadequate care and nurturing results in lifelong impairment of the child. In India, the early years continue to be a hazardous period for the child. Over a third of Indian infants are born with low birth weight and a staggering 53 per cent of children under five are malnourished. In terms of absolute numbers, 73 million (or 40 percent) of the world's total of 190 million malnourished children live in India (Gupta et al, 2000).

- ◆ India has an under five mortality rate (U5MR) of 98, ranking it 49 in descending order out of 187 countries.
- ◆ 70 out of a thousand children born live die within the first year of life.
- ◆ 18 per cent suffer from wasting and 52 per cent from stunting.
- ◆ 53% of under fives suffer from moderate and severe underweight.

### Why Crèche and Child-Care Services?

#### ♀ For the Mother

- Mother is free from constant anxiety and tension
- Create time and space and work opportunities for the working mother
- Increases work productivity and income
- Working woman gets time to participate in work related training, education, and any other community activity.

#### ♀ For the Child

- For protection, health, welfare, care, development,

#### Education of the child.

#### ♀ For the Older Girl sibling

- Freedom from burden of child-care
- Right to education.

Unfortunately, today the small child is considered the sole responsibility of the mother. But the working mother is often bogged down by the burden of child-care, leading to the decline in the productivity of the mother as well as negative impacts on the health of both the mother and the child. Besides, the assumption that young children are taken care of in traditional family arrangements no longer holds true. The number of women forced to seek employment outside the house has also increased. Today there are over 15 crore women living below the poverty line and 5-6 crore children under 6 years belong to the group where mothers have to work for sheer survival. Most of them are in the unorganised sector.

These women workers have to walk for long distances by foot or travel in crowded public transport to reach their place of work. On an average, a women worker works for 10-12 hour a day, often 7 days a week. A working mother is overworked and exhausted and often very anxious and stressed about her child's welfare. Child-care provisions relieve the women of one of her multiple burdens, creates time and space and work opportunities for women and supports her empowerment. Child-care is intrinsically linked to women's development and empowerment. Studies have shown that the provision of child-care results up to 50 per cent enhancement in the productivity of the mother as well as lower morbidity and a better growth rate for the child. In the absence of adequate child care facilities, a working mother has no option but to leave the child with a slightly older sibling. A large part of sibling care givers are girl-children - many of them not above the age when they need care and nurturing themselves. Provisions of child-care facilities releases the girl child to attend school and to enjoy her own childhood.

The coverage of existing state-sponsored programmes for 0-6 children is extremely limited and does not reach even a fraction of the children in this age group. Kaul (1992) estimates that only 12 per cent of children in the age group 0-6 take part in some form of early child-care programme. This number - approximately 6,224,000 children - while impressive in itself, is only the tip of the iceberg. In addition, such provision as exists caters largely to the 3-6 age group. The younger, and more vulnerable 0-3 group is largely untouched.

### **ICDS**

The best known government programme is the Integrated Child Development Services, ICDS, which aims at the total development of young children. It has been quite successful in developing an infrastructure for child care services - covering about 62% of the children and reaching out to rural and tribal areas. It also has an impressive track record in areas like the improving health and nutritional status, immunisation and enrolment of children from anganwadis to primary schools and reducing dropout rates. However, ICDS is not programmed to cater to the needs of working women as it provides services mainly for the 3-6 age groups and even these are available for only 3-4 hours per day when most mothers are at work and cannot access these services. Consequently it is of not much help to the



mother in lessening her burden. The rigid hierarchical government implementation structure negatively influences community participation, flexibility and efforts towards sustainability. Besides its total dependence on the government for funds further leads to a lack of sustainability. These drawbacks of the ICDS have to be seen against the fact that it absorbs the major bulk of the budget allocated by the government for mother and child services.

### Laws

There are several laws mandating crèches for the children of women workers:

- Factories Act 1948
- Plantation Act 1951
- Mines Act 1952
- Beedi and Cigar Workers' (Conditions of Employment) Act, 1966
- Contract labour (Regulation and Abolition) Act, 1970
- Interstate Migrant Workers Act, 1980

These Acts specify the number of minimum number of women workers necessary for applicability (except in mines where a crèche is obligatory even for a single woman employee), quality of accommodation, type of child-care etc. However, the implementation of the laws is far from satisfactory. Existing provisions restricting the provision of Crèches to 20 working women has worked against women's employment and have provided employers an easy way to evade employment of women. Employers either employ a fewer number of women and in some cases employ only unmarried girls or on a temporary basis.

### Recommendations

#### 1. Child-care – an integral component of social security

Childcare is often represented as an exclusive concern of women. However the burden of child-care must be shared equally between both the parents. The importance of cooperative relationship between the genders in the care and nurture of young children must be emphasised. Child-Care should be seen as part of all worker legislation and of protective and welfare boards. We recommend that all labour legislation should include provision

#### **Cost Of Providing Child Care For All Children Below 6 Years Of Age**

According to the SEWA experience, child-care for a single child from 9 a.m. –6 p.m. costs Rs 10/- per day. This includes nutrition (Rs 5), salary of child-care worker (Rs. 3), travel (Rs 1.85), fuel for cooking (Rs. 15). On the basis of these figures, the total cost of providing day care for 60 million children below 6 who are in need of care, can be calculated as follows

Cost for a single child for a month	Rs 300
Cost for a single child for a year	Rs 3600
<b>Total fund required per year for 60 million children</b>	<b>Rs 2160 crores</b>

of crèche where there are 10 or more workers irrespective of the gender of the worker so that whether the worker is a mother or father, the child can be brought into the crèche.

## **2. Recognise Child-Care as part of Education Policy.**

The proposed 83<sup>rd</sup> amendment Bill will guarantee a right to education from 6-14 years. Only those who can afford to nurture their young children and provide them pre-school opportunities will be able to take advantage of this right. The age group of 0-6 must be included to ensure that children of equality groups have equality of opportunity in the school system.

## **3. Create a flexible, autonomous Child-Care Fund.**

This Fund can be drawn upon to provide child-care facilities to all women regardless of income, number of children or other considerations. The Fund should be at the state rather national level, for administrative convenience and adaptability. The Fund shall have multiple sources of raising and developing its income and autonomy in action

The best-known example of a designated ECCD Fund comes from Colombia. The government collects a 3 percent payroll tax for this purpose from public and private companies with more than fifty employees or with sufficient capital to qualify as enterprises. This Fund is administered by the Colombian Institute for Family Welfare (ICBF) which runs a nation-wide programme of *hogares familiares* or day-care homes for children under six. This programme meets the care, developmental and nutritional needs of children.

## **4. Use multiple strategies**

A variety of strategies are required to meet the varied needs of different groups. No unitary, centrally controlled child-care scheme or programme can provide a solution for these varied scenarios. Given the diversity of needs, a variety of approaches are required. For example, the needs of mothers selling vegetables in a market will not be the same as those of factory or construction workers. In the same way, families living in remote rural communities will need to be supported in different ways from those living in urban slums. The needs of care-givers will also vary. Mothers looking after their children at home would need information about pregnancy, breast-feeding, healthy nutritional practices, and the value of early stimulation while community workers running a day-care centre require training in child development and growth monitoring. An altogether different approach is required when the carers are themselves children. Their right to education and to healthy development would

take priority. No unitary, centrally controlled child-care scheme or programme can provide a solution for these varied scenarios.

The NGO sector in India is a good source of innovative, effective and low-cost approaches. In addition, creative responses are also developed by families that live outside the ambit of governmental or centralised services. While small in scale, they nevertheless offer a wealth of approaches that could be successfully incorporated into the practice of the mainstream government sector.

The global experience could also have a few lessons for us. The Accra Market Women's Association in Ghana developed a child-care programme that would keep their children safe while they conducted business. The Accra City Council provided funds while the Department of Social Welfare, Ministry of Health and Ministry of Water and Sewage collaborated in refurbishing an old building near the market. Infants are provided full day care and a meal and mothers are encouraged to come to the centre to breast-feed them.

#### **5. Promote and validate low-cost community based approaches**

Special efforts should be made to identify, describe and investigate low-cost, community-based approaches, analyse their impact on the overall development of children, and validate and legitimise them accordingly. The most innovative and promising community interventions are those that respond to the reality at the grass roots level, involve all the stakeholders including the parents and the community, and have strong informal networks. They also draw on local practice and assets. Some of them are completely informal with all the costs borne by the parents or the communities, others are more formal and supported by NGOs, local or central authorities; many others are placed between these poles. In fact, all possible combinations are possible. Many of these interventions are effective and low cost and, therefore, ideally suited for the specific situation they have been designed for. They empower women, parents and the community by allowing them to come together to take responsibility for their children's lives and by providing for local people. Finally, they appear to stand a better chance of sustainability than externally imposed 'models'.

Nepal and Ecuador provide excellent examples of community based child-care. In Nepal, the *praveshdwar* home based child-care programme of the Government of Nepal has been developed as an integral part of the Production Credit for Rural Women project. It caters to children in the 0-3 age group and is run by the mothers themselves. Mothers form themselves into groups of six, take turns to look after the children in their own homes, and provide meals. A basic kit of materials is provided to each group. Training is provided to the mothers on-site and lasts for four days. During this time, fathers are taught to make toys from readily available materials. The programme has improved the care provided to children

and it has freed the mothers for other activities. By working co-operatively over a period of time the mothers have learnt group management skills and increased their sense of group responsibility.

In Ecuador, the Community Home programme is located in the squatter settlements of Guayaquil city and is operated by UNICEF and the Government of Ecuador. It provides care for children of working mothers in homes in the community, in this case the home of a female neighbour who has been trained as a child-care worker. Generally fifteen children in the age group 3 months to 6 years stay at the home for between 8 and 9 hours a day, 5 days a week. The care-giving mothers, as they are called, are selected by the community, they must have experience of raising children, have adequate space in their house, and be able to read and write. They are provided training by the project. The parents make a small contribution towards the running of this programme, but this forms a small percentage of their income and is low in comparison to privately run services.

#### **6. Strengthen ICDS schemes and recognise the role of the child-care worker**

ICDS schemes need to be redesigned to reach the child under 3. Current weaknesses in implementation and allocation need to be corrected. Wages, conditions of work, training and accreditation of child-care workers need consideration at the policy level. Child-care workers have a low status, are poorly paid and get little or no recognition, yet, they are expected to be resourceful, motivated and loving. Pleas for better working conditions run into the familiar argument that financial means are not available. However, a close scrutiny of the budget would inexorably show that lack of interest, rather than a total lack of resources is the root cause for under-funding and the poor attention given to the needs of ECCD care workers. NGO initiatives, particularly in developing community based ECCD programmes, show that working in this sector can be an empowering experience for poor women. It is a source of income, but more importantly, an opportunity to receive training, develop managerial skills, and improve their standing within the community. Access to training programmes benefits the workers and results in good outcomes for the children and families in their charge. Good quality training is important in developing commitment among the workers, and goes a long way towards mitigating some of the negative effects of the poor physical and institutional environments in which children at risk live. It is a key element in the delivery of programmes that go beyond custodial care and instead provide high quality services. It should be noted, however, that in the NGO sector as well, the wages paid to childcare workers are not always commensurate with the task entrusted to them. The essential needs that have been identified are adequate compensation, improved working conditions, access to training and accreditation, and finally an appreciation of their inputs.

## Maternity Entitlements

A statutory scheme for the implementation of maternity entitlements is proposed. The scheme would cover all women, under an income criteria. The scheme would provide financial support for child-birth and child-care and breast-feeding in the first few months of the child's life. The funds would be multi-sourced including a combination of employer, employee and state contributions, through cesses and through community contributions. It will be linked with the maternal and child health provisions of the public health system. The scheme will apply to all childbirths and there will not be a limit on number of children.

The most productive years of a woman's life are also the reproductive years of her life. In the absence of any provision for maternity leave, a woman worker often has to leave her job to have a child. Poor health, additional medical expenses along with loss of employment make the woman worker economically vulnerable during the period of childbirth, plunging her into a crisis of borrowing and high interest expenses. Often she does not take adequate rest and starts working soon after childbirth with adverse effect on her health. This repeated neglect of a women's health during pregnancy and child birth manifests itself in high mortality rate (570 per 100000 live births), anemia (88% in women 15-49 years of age) and low birth-weight of the new born (33% babies less than 2500 gms). A mother's health is closely linked to the child's and Maternity Entitlements is a key lifeline to ensure the proper survival and development of the child. In fact the development of the child begins with the care of the pregnant mother and thereafter the opportunity to breast-feed her child for the first six months.

In recent years there has been distinct trend towards declining funds for public health. For instance, the 7th five year plan allocates only 1.75% of the total plan investment to health as compared to 3.3 % in the first plan and 1.88% in the seventh plan. The last decade has also seen casualisation of labour force, especially for the women workers. They are increasingly finding employment in temporary and contractual jobs with inappropriate and inferior

### Maternity Entitlements: Why And For Whom?

#### *Why are Maternity Entitlements Necessary?*

- India has one of the highest rates of IMR, i.e. 78.
- The maternal mortality is 540 per 1000, one of the highest in the world.
- More than 60% of the under 5 mortality is because of lack of post-natal care and malnutrition.
- In low income groups, the daily food deficiency of pregnant women is as high as 500 kilo calories. They need an additional fifth of food they habitually eat to meet their requirements.
- The low birth-weight amongst babies is 52% amongst women with severe under-nutrition, 42.2% with moderately malnutirioned and 37.1% with mildly under-nutritioned mothers.

#### *Who Should Get Maternity Entitlements?*

Maternity Benefits and Entitlement should be **universally applicable to all women** - paid and unpaid workers - and should include those working in the care economy also.



conditions of work. The withdrawal of the social safety nets to working women is compounded by the privatisation of health care. The high rates of maternal and child mortality reflect the abysmal condition of basic services that ensure the health of the mother and the survival of the child. The reality of the country today is that 85% of health needs are met from private providers, and this percentage is growing. More than 40 per cent of the mothers do not receive proper ANC and PNC care. 42.4 per cent of the pregnant women do not getting ante-natal care. Of those who are provided care, the health worker visits only 15.5 per cent at home and only 47.7 per cent receive the tetnus toxoid injection twice. Only 45.1 per cent of women receive iron and folic acid during pregnancy.

*Maternity Entitlements: What are they in existing laws and conventions?*

The main international convention covering maternity benefits is the **Maternity Entitlement Convention, 2000**. The Convention includes the following components:

- Maternity benefits should include all women workers, whether full time or part time or employed in atypical dependent forms of work.
- Leave upto 14 weeks with a minimum of 6 weeks as compulsory in the post-natal period and cash benefits that include not less than 2/3rds of a woman's insured earnings.
- Employment security that includes protection from dismissal with the woman having the right to return to the same job. It also meant that dismissal could not take place if a woman was pregnant or ill. The burden of proof in case of dismissal was to lie with the employer in case the dismissal took place.

The ILO convention has a limited scope since it does not consider the application of maternity benefits to all women. Women in the care economy as well as women doing unpaid work have to be taken into account also.

As far as the present framework of the Indian Constitution is concerned, maternity benefit is an undisputed entitlement under the law. In the main, two Acts govern the question of entitlements: The Maternity Benefit Act, 1961 and the Employees State Insurance Act, 1948.

The **Employees State Insurance Act, 1948** stipulates that a cash benefit is to be paid to an insured woman in case of confinement, miscarriage, sickness during pregnancy, medical termination of pregnancy, pre-mature birth etc. The act only applies to those manufacturing units that have more than 20 regular workers and the employee earns more than Rs. 3000 per month. The period for which support was pledged was 70 days in the original Act but was raised to 80 days to 12 weeks of paid leave in the pre and post-confinement period through an amendment to rules in 1998. In addition the woman was also granted a medical allowance of Rs. 250 if her confinement was in an area where the ESIC facilities were not available.



The **Maternity Benefits Act, 1961** is applicable to all those workers in the organised sector who are not covered under the Employees State Insurance Act. Under this Act workers having regular employment in factories, mines, plantations and establishments irrespective of the number of people working in the establishment. Further every woman employee who has worked for a period of 80 continuous days in one year is eligible to be covered under the Act. The salient features of the Act include protection from dismissal during pregnancy, 12 weeks of paid leave of which six weeks may be taken in the period preceding to childbirth if the mother so desires. This benefit will be in terms of the average daily wages that she has been receiving in three months preceding her confinement. Further the act also stipulates that the employer will not compel the woman to do any arduous work during her pregnancy or give notice for discharge or dismissal during this period. The act also makes provision for two nursing breaks of 15 minutes each once the mother gets back to work.

Despite their existence, it is universally acknowledged that there are **inadequacies of both the Acts at the National Level**. It is felt that appropriate legislation is needed for the unorganised sector as these acts only covered the organised sectors. For example the coverage of these acts was very limited even in establishments where all working women were covered by the Act. A study by Niru Chaddha shows that only 0.25% of the women avail maternity benefits in a situation where 94% were entitled to it. Further the laws had many loopholes as factory owners and contractors found it easy to not adhere to the ESIC Act by employing 18 rather than 20 women. In cases where the ESIC Act was applicable it only provided limited coverage of health insurance and maternity leave and did not cover the entire gamut of maternity benefits that a woman required. Further these Acts provide no work protection for women. Many women were either forced to leave their jobs when they became pregnant or not hired at all because they would have to be provided maternity benefits during and after pregnancy. The amount of benefits provided by these two acts are also inadequate, as women were not able to even cover the cost of extra nutrition that they required during their pregnancy.

Apart from these two Acts, there are several government schemes available for maternity benefits. For example, the Employment Guarantee Scheme in Maharashtra (1974) provides one month wages, food as part of wages and crèche for children. The Tamil Nadu integrated Nutritional Project provides nutritional supplementation to pregnant and lactating mothers and the Muthulakshmi Reddy scheme (1988) and the Maternal Protection Scheme of Gujarat (1986) provide cash benefits (Rs 350) to compensate for loss of wages. There is

also the government scheme of cash support to agricultural labourers. None of these are without problems in implementation. Women often find it difficult to obtain proof of 160 days of employment, or make optimal use of nutritional supplements<sup>1</sup>. In some cases, the costs are too heavy for long term sustainability of the scheme.

### **No Limits on Numbers of Childbirths.**

The population policy, particularly the two-child norm has an intimate connection with the maternity benefits and entitlements issue. There are two schools of thought on this. One school argues that discrimination is practiced once the issue of maternity entitlements is linked to the two-child norm. Examples of the states of Maharashtra and Rajasthan are cited, where women with more than two children were not even allowed to avail of the PDS. It is also given as one of the reasons of why the existing maternity entitlement schemes have failed. For example in Tamil Nadu the two-child norm was a reason for only 20 women benefiting from the Muthulakshmi Reddy Scheme.

In contrast to this view, the population commission and the government – the proponents of the second school of thought — argue that two-child norm should be seen in the correct perspective. The norm was not binding at the national level and should be implemented only if informed groups of people were supporting it at different levels. Representatives of the official view also state that the commission was not imposing its will on the states, as its document was merely indicative and not prescriptive. Finally, they add that word 'control' was now being replaced by other phrases to represent the socio-economic and demographic transition that was taking place.

While this group agrees that it was important to limit the burgeoning population of the country, it wishes to highlight the fact that the population would be controlled with the improved rates of survival of mothers and children. The high rates of maternal and child mortality needs to be seen in the context of the abysmal condition of basic services that ensure the survival of the child. A good example is Kerala, where the population had reduced due to falling fertility rates. For this reason it is essential to ensure that maternity entitlements and child-care are a part of basic needs to improve child survival and consequently lay down the basis for the reduction of population. **The group proposes universal coverage for maternity entitlements and delinking of the two-child norm with maternity entitlements.**

### **Statutory Scheme**

A statutory scheme for the implementation of maternity entitlements is proposed. The scheme would cover all women, the only discriminating factor being the economic criteria and that too for a brief period of time if funds were not available.

## Objectives of the Scheme

- Providing a basis for the survival, growth and development of the child as well as physical rest, nutritional and health care for the mother.
- Providing financial support for childbirth and child-care and breast-feeding in the first few months of the child's life, as well as to promote the health of the mother and the child.
- Recognising the woman's reproductive role and compensate her for unavoidable absence from work. To do this the law would provide every woman with entitlement of (4 or 6) months' financial support calculated under certain fixed principles.

Access to this scheme should be through multiple channels and agencies like panchayat office, post office, health centres, ICDS centres, Government departments and banks. The sources of funding would be individuals, employees and the state at the central, state, district (or municipal) and local (ward or panchayat) levels. Grievance forums at the level of the urban and rural local government would exist where women in the organised sector would be represented by unions or elected representatives for feedback and monitoring. Self-employed, non-employed and unpaid workers would be represented by women's organisations, clubs, associations, panchayats and municipal councillors.

## Financing Maternity Entitlements and Benefit

### How much do we need?

*There were 18 m births per year in 1981 census. If we assumed that even 60% of the mothers availed of maternity benefits, then 10.8 m mothers would avail of the benefit. If the daily wages of these mothers were to be protected for 120 days at the rate of Rs. 85 per day then the total amount required yearly for maternity entitlements would be Rs. 11016 crores. This figure would go up to Rs. 15912 crores if the calculation was made on the basis of current figure of 26.1 m births per year as projected by the latest economic survey.*

The main responsibility of providing maternity entitlements rests with the state. A proposed model for raising funds is as follows

- A combination of employer, employee and state contributions to meet the requirements of maternity benefits.
- Cesses: like those levied by the labour welfare boards
- Community contributions: like in Thailand and China where the community sponsored one worker for every 100 families to ensure the proper delivery of benefits.

<sup>1</sup> Swaminathan, The first five years, 1998, p-260.

## WELFARE FUNDS

Welfare Funds have been shown as the most effective way of reaching social security to workers without a clear employer-employee relationship. These Funds should be extended to workers in all sectors. They should also be more women-sensitive. However, their structure should be changed to make them more decentralised, reach more benefits and become more efficient.

The Workers Welfare Funds and Boards such as the Bidi Workers Welfare Fund, the Tamil Nadu Construction Workers Welfare Fund, the Maharashtra Mathadi Workers Board and the many Welfare Funds and Boards of Kerala have been successful in reaching the unorganised sector as they do not require an employer-employee relationship, but can cover all workers in a particular sector at the same time, raising the funds from the sector in the form of cess or tax or contributions.

The advantages are: first, that the financing for the Fund does not depend on the Government budgets but rely on the surpluses in the particular sector or trade, and is financed directly from revenue generated from the sector. Thus they do not put a burden on the Government budget. Secondly, it has a logic that is acceptable to all in that the benefits of the trade accrue to the workers of the trade. It is a method by which growth is shared by the workers. Thirdly, it has a strong stake-holder participation. The workers covered by these funds tend to identify strongly with them. The Funds tend to be a catalyst around which they organise, and generally it is found that wherever there is a Fund there are also good organisations of the workers which then put pressure on the Funds and on Governments and the employers and traders to ensure a good working of the Funds. Furthermore, in some cases, the Funds available to the workers actually lead them into position of power and dignity where they can get benefits from the capital markets. This is the case with the Toddy-Tappers Fund which lends money to the Kerala government.

However, some shortcomings have also been pointed out in many of these Board or Fund systems. The focus on sector leads to unequal distribution as well as administrative inefficiencies. Those workers in 'well-off' sectors, such as toddy-tappers, receive more benefits, whereas those in a 'poor' sector, such as coir, receive less. Also the administration of many Boards rather than just one, creates a piling up of administrative expenses. On the other hand, sector-wise Funds and Boards lead to simplicity and accountability in financing arrangements as well as a strong stake of the workers in the running and continuation of the Boards.

One major shortcoming of the existing funds is that they are not so effective for women workers. Women workers are generally in 'weak' sectors like coir, where the fund collection is low. Even when funds exist, the needs of women worker, like maternity benefit, is given low priority, as the experience of the Tamil Nadu Construction Workers Fund shows. Furthermore, there are practically no Welfare Funds constituted in sectors where women workers are concentrated.

The issue of Welfare Funds is being considered at some length in the Group on Social Security. So here we will not deal with some important issues such as consolidation of Funds, or the relative merits of cesses and contributions, but will concentrate on three themes. First, which are the women-intensive sectors where new Funds need to be constituted. Second, how the funds can reach more benefits to women workers and also how to make them more sensitive to women's voices. And finally, we propose a new model of a Welfare Fund which is autonomous, decentralised, multi-financed and with considerable size of benefits.

### **Constituting New Funds**

*There are a large number of sectors where women workers are concentrated. However, as a start we propose the following new Funds be set up:*

1. Agricultural Workers Welfare Fund. This Fund has been proposed in the Agricultural Workers Bill which can be accessed for details
2. Home-based Workers Welfare Fund. This Fund has been proposed in the National Policy for Home-based Workers.
3. Construction Workers Welfare Fund. This fund is already part of the Construction Workers Act (1996) but has not yet been finalised by the States. We recommend that these Funds be set up at the earliest.
4. Forest Workers Welfare Fund. Although there is as yet no proposal for such a Fund, a number of States are already using their surpluses from sale of minor forest produce to provide benefit to workers.

### **Making the Funds more Women-sensitive**

The Funds should be sensitive to the needs of the women workers. In particular, each existing and future Fund should have Maternity benefit and child-care as one of its activities. In addition, each Fund should have women workers on their Boards at the decision making position. The number of women workers on the board should be in proportion to the number of women workers who are enrolled in the Fund and have been given identity cards under the Fund.

## **A New Structure for the Funds**

If Funds and Boards are to become major instruments for reaching social security to unorganised workers, it is necessary to develop a system, which is more suitable. We have undertaken a study of one particular central Fund—the Bidi Workers Welfare Fund, which could serve as a model for other funds. We have chosen this fund because bidi is a woman-intensive industry. In particular we have suggested ways in which the Fund can decentralise, bring its annual income upto Rs. 400 crores, which is practically needed to reach adequate benefits to the workers, as well as make the benefits more suited to the needs of women workers.

The study looked at the working of the existing funds - the positive elements as well as the shortcomings. The objective of the study was to suggest an alternative model and make suggestions for policy, administrative, structural and legal changes. The main areas of study were :

- Making the fund autonomous
  - Financially
  - Managerially
  - In decision making (especially representation of the workers in the decision-making)
- Decentralisation of the funds
- Widening the range of benefits
- Widening the financial base

Since the study was a detailed working of a model, it looked at only one Fund in detail – the Beedi Workers Welfare Fund.

### **Why Restructuring Is Essential?**

The Fund had several shortfalls listed below

**Administrative Set up & organising the Fund:**

The Welfare Board is administered at the central level, with the cess collected going into the Consolidated Fund of India. This makes it inefficient in three ways:

- a) Money is released as per the budget estimates submitted by the Welfare Board to the Ministry of Finance. Excess cess collections over the budgeted amount; remain in the Consolidated Fund, without payment of interest to the Welfare Boards. This results in substantial revenue loss of the Welfare Boards.



- b) As the money is collected and distributed centrally through the Consolidated Fund of India, it is subject to all the rules and regulations of the Ministry of Finance. For example, the recent austerity measures introduced by the Government, also apply to all expenditure by the Welfare Boards, although most of the financing is from sales, worker or employer's contributions, i.e. people's own money. This added bureaucracy and centrally imposed regulations on expenditure leads to inefficiency in implementation.
- c) Currently, as the cess collected does not flow directly into the autonomous Beedi Workers' Fund, but flows through the Consolidated Fund of India, the Finance Ministry retains a percentage (up to 8%) for their own "administrative expenditure." This amount rightly belongs in the workers' welfare Fund and is unnecessarily being paid over to the Government.

#### **Cess and Economic Status of the Fund:**

As on today, the existing cess is Rs. 2/- per 1000 beedis and this cess is generating a total amount of Rs. 84 crores per year. However, if we examine the per capita availability of the Fund, it would be worked out to Rs. 190/- which is not at all sufficient. Some of the suggestions came out from all sections of the stake-holders are 1.enhancement of cess, 2. withdrawal of existing exemptions

#### **PROPOSED BENEFITS TO WORKERS**

Based on all the discussions with women beedi rollers, their priorities are fairly clear.

They want a basic level of security in terms of work security, child-care security, health security and shelter security. For this, they are even willing to contribute and pay for good, appropriate services, which are made easily accessible to them. The proposed benefits to cover the present level of 44,11,000 workers of which 80% are women.

#### **School Assistance:**

This assistance may be adapted by each state to be provided in the form of scholarship, uniform assistance or in any other way that is best suited to the workers' children of that state. We propose an assistance of average Rs.500 per child

#### **Health-care:**

50% of the fund's total expenditure is being currently spent on health-care provision due to the expensive overheads of running and maintaining big establishments such as hospitals and dispensaries. A lot of money is being spent, although less than 50% of total workers are reached. Given the large number of private, local health facilities that have mushroomed recently, we propose reaching basic health-care to workers through payment of an annual medical health insurance premium, that will cover basic illnesses up to a specified amount.

This would have the benefit of wider outreach, as it could cover the entire beedi worker population, without heavy, recurring overheads.

We propose an annual premium of Rs.200 per worker, to cover medical expenses incurred of up to Rs. 10,000 per worker per year (on a reimbursable basis).

#### **Housing:**

This is a particularly important need of beedi rollers, as in over 90% cases; their home is also their workplace. We propose a grant of Rs. 20,000 per beneficiary. Also, the current regulations governing access to the housing scheme, particularly that of acquiring land in the worker's name have to be relaxed for the scheme to be accessible to more urban workers, the majority of whom live in illegal squatter settlements.

#### **Maternity Benefit:**

Various estimates of adequate maternity benefits to compensate women for being unable to work before and after childbirth have been calculated. FORCES indicate that the workers' average daily earnings for a period of 120 days is a reasonable rate for maternity benefit. Accordingly, we propose a benefit of Rs. 4,000 per child (Rs. 40 average daily wage rate for 100 days of lost work).

#### **Child-care Benefit:**

Cost estimates suggest that Rs. 150 per child per month is required to provide basic childcare to those in the 0-6 age group. However, due to fund restrictions, we propose that the Beedi Welfare Fund provides a benefit of up to Rs. 50 per child per month and that the balance is contributed by the workers or through linkage with another government scheme.

#### **Alternative Skill Development, Training and Capacity Building Co**

Especially in the light of the increasing anti-tobacco legislation coming into force and the slump being faced by the beedi industry, this is an important investment cost to help workers and their adult children get reinstated into alternative employment.

#### **Proposed Model: Management Mechanism:**

In order to adhere to the principle of decentralisation, the welfare boards should be set up for maximum decision-making and implementation at the state level. There should continue to be a central advisory board (of the autonomous Beedi Welfare Fund), but this would only concern itself with broad managerial and financial policy matters. Financing may be

multipartite (see next section), but the majority of administration, control and implementation should be at the state level, with further decentralisation as follows:

A Welfare Fund Board at the state level with the following representatives in equal numbers:

- Worker's Unions – representatives should not be chosen from central trade unions (as is the current practice), but should be representatives from local, state level unions of beedi workers themselves. One criterion for selection to the State Board should be that the representative is an actual beedi worker herself.
- Employers/employer's associations
  - State – officials from the Ministries of Labour, Health and Finance
- Central – Labour Department

This state level board will be empowered to make all decisions relating to the provision of social security benefits to the target worker group in the state. Ultimately, an umbrella legislation covering all informal trade groups, as in Kerala or Tamil Nadu, could be introduced.

The Board will strictly monitor all services and activities. The Board itself will have committees at district level for decentralised implementation. These district level committees will also be tripartite in nature. Hence, the implementation structure will be as follows

#### **State Level Policy Board**

Chair: State Labour Secretary

*15 Members: 5 workers; 5 State and Central government representatives;*

*2 employers; 2 contractors*

Each state board will develop norms for functioning and a manual, which will be discussed at Central level, before adoption.

The overall approach will be towards flexible management and programs, which are tailor made for the workers. Each of the components of the services provided will be reviewed every month through a meeting of the State Advisory Board. Overall, workers themselves should keep administration costs at a minimum, through decentralised implementation as far as possible. Speed and efficiency of the district level (and taluka level) implementation committees should be formally monitored, recognised and rewarded.

A major departure from the existing model in this proposed model is to decentralise the welfare boards down to the state level and train the workers themselves to implement and manage the majority of services on offer. For this, capacity building support in terms of

organising workers to form their own organisations, managerial support to run their own organisations and technical support to actually implement service delivery – for child-care, health-care and housing, will be required.

### **Income and Expenditure**

Total income required for dispensing above benefits to the more than 44 lakh workers

Rs 388 crores per year

*(see appendix for details)*

This income is proposed to be reached in the following way:

1. Enhance cess from Rs 2 to Rs 5 per 1000 bidis
2. Remove cess exemptions on establishments manufacturing less than 20 lakh bidi per year.
3. Include an employer's contribution
4. Include a worker's contribution of Rs 100 per worker per year
5. Include financing from Central Government
6. Include Financing from State Government

### **The finance model will be as follows:**

Cess	Rs. 210 crore
Employer's Contribution	Rs. 84 crores
Worker's Contribution	Rs. 44 crores
One time grant from Central Government of 500 crores	Rs. 50 crores
Total	Rs. 388 crores

## Pension

It is proposed that a pension scheme within the existing Provident Fund Act be devised for women workers in the unorganised sector which would provide them coverage for old age, disability and widowhood. Different schemes with different rate for different categories of women workers in the unorganised sector could be formulated. The benefits would be a flat rate benefit linked to the number of years of contribution and the quantum or the total of the individual running account. The Govt would also be required to contribute.

One way of reaching social security benefits to unorganised workers is to extend the existing system of EPF and ESIS to them. The EPF system in particular can be made much more flexible and suited to the insecure and often mobile work situations of unorganised workers. In today's world of information technology, workers can easily be given 'Smart Cards' which would contain their employment records and entitlements. Having a portable electronic identity would provide easy access to social security services. Since the accounts will be maintained on-line in real time basis, the employees can raise their voices in case of evasion. This will add to the pressure on the employers who indulge in evasion or delayed payment of contributions. The present practice of employees who resort to taking the PF accumulations on change of jobs will also end. This will lead better accreditation of money and therefore better terminal benefits in the form of PF and Pension.

The existing EPF system could be extended to include a pension scheme for the women workers in the unorganised sector, the details of which are as follows

### Coverage

The scheme shall be devised in a way so as to provide benefits for the following:-

- i) **widowhood** :- Generally the age gap between husband and wife is more than 5 years hence, most of the women spend part of their life as a widow. At this stage, they require some financial support so that their condition does not become pitiable.
- ii) **Old age**:- With the disintegration of joint family, women workers are left without any regular source of income in their old age when they become unable to work any longer. A monthly pension can help them stay alive with dignity.
- iii) **Disability**:-Social security is also required for the period when because of some accident or illness a working woman is permanently incapacitated to do productive work.

**Rate of Contribution:** Rate of Contribution is a very critical area. A higher rate of contribution can be seen as a tax as it reduces the money available for household needs. At the same time unless contributions are built up adequately it may not give a sustainable old-age protection. Keeping this in mind, two schemes are proposed:

- (i) For visible unorganised sector<sup>1</sup>, the rate of contribution for the employees can be 2 to 5%, i.e. in respect of a person earning less than Rs.500 it can be kept as Rs.10 as employee's share and for those earning above Rs.500, it can be Rs.25 per month. With regard to employer share of contribution, the rate of contribution can be kept as 10% of the wages. The Govt. is also required to contribute at a suitable rate.
- (ii) For household workers and others<sup>2</sup>: This segment of workforce is required to make contribution on voluntary basis as they may not have regular employers or it may be that it would not be possible to enforce through a mandated contribution through the salary. In respect of this category of employees, a flat rate contribution at two different levels can be prescribed. A monthly contribution of Rs.30 to 50 can be prescribed.

**Accounting:** Accounting of the contribution to give information to the participants is an essential ingredient for success of the programme. It is also suggested that the programme for women workers would piggy ride the IT backbone built by E.P.F.O. which is planning to provide kiosks at several points like banks, post offices etc. This will give accessibility of information to the participants. Accordingly, the same facilities can be used for accounting and information sharing with the participants.

**Mode of Contribution:** Keeping the size of operation in mind it is essential that the contributions are to be received as many points as possible. Therefore it will be appropriate if all the Banks and Post Offices are allowed to receive contributions for onward transmission for investment and details to the administrators.

**Cost:** This again is a critical factor. The cost involved in the project would be for creation of unique identity number, participation cost for utilising IT backbone of E.P.F.O., cost of accounting, record keeping, tracking and servicing. Considering the low level of contribution etc. it is obvious that if the members are to fully bear the cost it would considerably erode the earning in the accumulated value/contributions. Therefore, this part is required to be partly aided by Govt. and partly borne by the members. Alternatively E.P.F.O. can be asked to manage the Fund and the cost can be borne by the Govt. This may, however calls for amendment to the E.P.F. & MP Act, 1952 to provide necessary administrative flexibility.

**Programme Design:** In order to attract the participants it is necessary that the programme design be made in a simpler format. Any complex arrangement would not induce membership.

**Benefits:** It is essential that the benefits are to be calculated having due regard to accumulations in credit of the member and also the other factors like years of contribution etc. The flat rate benefit would be easy to administer and easy to understand. However, this rate is required to be commensurate with general contributions.



For a start following benefits can be provided for in the Scheme:-

- Old age pension subject to some minimum contributory period.
- Widowhood Pension – If the woman worker is not eligible for any widow pension under any other scheme and is herself out of employment widowhood pension can be given subject to some minimum total contribution and minimum contributory period.
- Children Pension for Minor Children
- Disablement Pension, and
- Lump sum benefit on attaining 60 years.

**Government subsidy** – Government must pay substantial fund to this Scheme. This should be done especially in the introductory stage. As the scheme becomes popular Government contribution can be reduced slowly. Further, this Scheme will reduce the Government anticipated expenditure under NOPAS and other similar Govt. Schemes. Since, if the women workers get benefit under this Scheme, then benefits under other schemes will not need be paid.

**Minimum contributory period** – Some minimum contributory period shall be there for giving benefits in the form of old-age pension along with the minimum total closing balance.

**Employer** – *It will be difficult to collect contribution from employer in unorganised and household sector. The ways and means to collect contribution from such employers should be devised in a way that contribution can be collected from the employer in lump sum based on the total number of women workers on roll of employer and their average wage. However, different strategies shall be used to collect contribution from employers ranging from sensitisation to coercive action.*

<sup>1</sup> Sriram R. in Swaminathan ed., *The First Five years*, Sage, 1998.

<sup>2</sup> Swaminathan, *The first five years*, 1998, p-260.

<sup>3</sup> Comprising of the women workers who can be identified, e.g. women workers engaged in beedi rolling, cracking nuts, engaged in handicrafts like embroidery, tailoring, agarbatti making etc.

<sup>4</sup> Women workers engaged in tiny establishments, self-employed, household workers and any peripatetic and migratory employment

## Micro-insurance

Lives of women workers in the informal sector are replete with different kinds of risks including personal, occupational and family risks, derived from sickness (individual or of immediate family members); accidents, deaths (individual or of a crucial family member, especially the husband), contingencies like floods, droughts, cyclones or riots; maternity; crop failure; and cattle loss through disease or other reasons. Crises are a recurrent fact in the lives of the unorganised sector workers and each crisis leaves them weaker and more vulnerable. It is usually a crisis, personal, social or natural which drives a family into the downslide towards destitution. The main reason for such a strong negative impact is the high expenditure incurred at such times, and the lack of facilities for the poor to save for such expenditures. However, if the facility of insurance were available to them they would be able to spread this risk over a longer period, so that they could pay for it during the times in which they were earning. In other words insurance would offer them the facility of spreading risk and vulnerability over a period of time. Insurance can help compensate the various losses caused by the above calamities and disasters by:

- Re-imbursing of expenses on sickness, accident and maternity;
- Compensating the loss of income during sickness, accident and maternity;
- Compensating loss of assets in cases of floods, riots, cyclone and fire; and
- Compensating loss in case of death.

Poor women are insurable and they are willing to pay for the service. The SEWA experience clearly demonstrates this. Women workers from the unorganised sector are willing to pay towards the insurance premium provided they get suitable services which take into account their annual income, and their special needs. However, they need an integrated insurance scheme which would be a part of the overall financial services needed by poor women and should be linked with other financial services like savings and credit. The scheme should be designed such that it covers all the risks the poor face. These include sickness, death, maternity, child-care, widowhood, losses in riots, floods, drought, and old age. They also include animal, crop and house insurance.

Experience shows that micro-insurance has been successful where the product has a **demand-led design** which is sensitive to the needs of its clientele. Providing insurance to

the unorganised sector requires institutional mechanism which offers special services such as services at their doorstep, products suited to their needs and mechanisms for collection of premium and payment of claims.

**Gender sensitive design** will make it especially relevant to the women and their needs. The challenge therefore lies in providing comprehensive insurance coverage suited to the needs of women workers.

**Poor women need simple, flexible mechanisms.** The procedures adopted in implementing an insurance scheme should also be simple, relevant and include little paper work. It should have more extension work, and as few 'tiers' as possible.

## **Collection and Management of Finance for Social Security**

There is now widespread agreement on the need for social security for workers in India. The need is especially great for informal workers who have barely any social security coverage. And the need is greatest among women workers of the informal economy who are the most vulnerable and the poorest of workers. We have suggested a number of mechanisms, including Welfare Boards, Child-care systems, Maternity Benefit Schemes, Extension of Provident Fund and Pensions and Micro-insurance.

However, the greatest problem facing the actual management of social security systems for unorganised workers is the contentious issue of the collection of finance: By whom this should be done and how.

This short note attempts to outline some of the issues connected with the collection of contributions from workers, employers and the government.

But first, some basic principles with regard to the collection of these funds need to be enunciated.

1. Workers, employers and government all need to contribute. Each should have clear information on who is contributing what.
2. Collection of contributions must be timely and time-bound.
3. In the case of employers and workers, receipts or some form of written documentation must be made available to the person contributing funds, stating clearly that she/he has contributed what, when and for which time period. This is essential.
4. Contributions to the fund may be made tax-deductible.
5. At all times, transparency and clarity in the fund collection and fund maintenance process must be maintained. All concerned must have access to fund records and accounts.
6. Joint (tripartite or multipartite) and participatory management of fund collection, and managing of the fund itself, must be undertaken.
7. Amount of funds to be collected should be jointly decided. Accordingly, information should be provided clearly to potential contributors.
8. Fund collection mechanisms should be simple, decentralised and accountable to a local multipartite committee. Periodic but regular review of fund collection and management must be undertaken.

9. Fund collection and management must be closely monitored and regularly audited. Preferably, daily depositing of collections must be undertaken.
10. Fund collection may be regular (i.e. monthly) or periodic, as per local conditions. For rural people, post-harvest season is a particularly good time for fund collection, as people have cash incomes at this time. Thus, a one time annual collection process may be considered.

The above principles will have to be strictly adhered to so that potential contributors' faith and confidence is built up in the entire process. Without this, the fund collection process may not even take off.

#### **How funds can be collected.**

A variety of mechanisms may be experimented with or more than one may be implemented at any given time. These are listed below:

1. Local organisations, especially people's organisations (POs), and NGOs may be entrusted with the responsibility of fund collection. A small service charge may be provided to them for administrative costs. Local organisations include : unions, cooperatives, mahila mandals, SHGs, producers' groups, youth clubs, farmers' clubs etc.
2. Microfinance groups and institutions like savings and credit groups or district level federations of SHGs may be involved in fund collection. A small portion of the amount saved may be set aside for the social security contribution with the savers' consent.
3. Collections may be deducted from employment programmes with the contributors' knowledge and written consent.
4. Collections may be undertaken in 'lumpsum' with the help of the village panchayat after holding a gram sabha and during, for example, the immediate post-harvest season (when people can afford to pay).
5. Local people, like village leaders, teachers and *dais* whom people trust, may be given the task of door-to-door fund collection.
6. Co-operatives including milk co-operatives, agricultural credit co-operatives etc. may take the responsibility for fund collection. The collection may be tied to any regular financial transaction that takes place in the co-operative such as repayment of loans, or payment for milk etc.
7. Microfinance institutions as well as Banks undertaking micro-finance may include social security collections, especially collections of insurance premium, as part of their work.
8. Local Employers' Associations or Chambers of Commerce can undertake collection for their members.



These, then, are a few of the ways in which funds for social security may be collected. Transparency and accountability in the entire fund collection and management chain must be strictly maintained at all times. Periodically, reviews of the fund collection process must be undertaken to further refine and streamline the process, based on actual time-tested experiences. The fund collection must occur as close to the people, both workers and employers, as possible and conducted by those in whom they have trust. If some of these basic principles are adhered to, there is no doubt that we will be able to develop a substantial social security fund at district level.

**Section - V**  
**Labour Laws**

15

**INTRODUCTION**

India has many labour laws designed for the protection of wages and working conditions of workers. However, most of these laws have been designed keeping in view the industrial workers. Furthermore, most laws were enacted more than half a century ago. Their view of women tends to be paternalistic and usually does not conform to the reality of women workers today. The inefficiency of laws on women may also be due to the apathy in disseminating the message of the laws and the intended benefits throughout the length and breadth of the country in a manner intelligible to the masses.

There are some laws which are general but which are more relevant to women workers, especially those in the unorganised sector:

- 1) Firstly, the Minimum Wages Act, partly because of its wide definition of worker, which can accommodate many types of unorganised workers, and partly because this is the most important issue to most workers who are in the unorganised sector.
- 2) Sectoral Acts covering sectors, where there are more women workers, have been widely used for their protection. These include the Bidi and Cigar (Conditions of Employment) Act and the Plantation Labour Act.
- 3) Some laws, which are general, have special sections for protection of women workers. These sections pertain either to women's reproductive and caring role and include provisions for creche or maternity; or to protecting them against conditions which are considered to harsh for women and include prohibitions on night work, carrying heavy loads or working underground.
- 4) Certain laws pertain especially to women workers. These include the Maternity Benefit Act and the Equal Remuneration Act.

Although, there is a Group looking at changes in Labour Law, we have looked at those laws which are meant to or have the capacity to offer protection to women workers and have suggested changes in them. In general our approach has been:

- Regarding women's caring role, we have felt that this responsibility should be equally shared among women and men and within the society. We have therefore proposed the child-care be taken much more seriously and be the responsibility of all, especially the employers.
- Regarding laws which protect unorganised workers generally and especially in those areas where women predominate, we have suggested changes to make them more effective.
- We have paid special attention to the Equal Remuneration Act, which has so far been quite ineffective. We have proposed measures to increase its effectiveness.
- Regarding laws, which give women special protection, such as prohibition of night work, we have been unable to come to a view. We recognise that such protections reduce women's employment opportunities. On the other hand we feel reluctant to suggest removal of protection that they do need.
- We feel the major problem in the labour laws is the system of implementation. At present the power of prosecution is given to criminal court, whereas the labour court authorities should be given the power of prosecution and execution of their award. We have suggested a two-fold approach. First strengthening the existing machinery of labour department and Labour courts and secondly creating new systems — tripartite and multipartite systems.

## Equal Remuneration Act

The Equal Remuneration Act was passed in India in 1975, during the opening of the women's decade. The passing of this Act was the first step in the recognition that women's economic worth and their work in the economy was not less than that of men. Although the Act was a major step in the right direction, in practice, it has not yet been very effective to meet its objectives. Here we review the Act and suggest changes which would help in bringing its provisions closer to the existing reality in India, so as to make it more effective and possible to implement.

The overwhelming preponderance of women workers in agriculture work is a special feature of India and is in one sense reflective of the concentration of women workers in arduous jobs and the lowest paid segment of the Indian economy. There are many reasons for wage disparities in the rural sector where the work is done on a casual basis and the workers do not benefit from a regular employer-employee relationship. The payment of wages is irregular and not wholly monetised. The customs and traditions of the area in which the women work also play an important part in wage disparities between men and women. For example ploughing is considered a man's job.

Job segmentation and the concentration of the female workforce in low paid work was not only a feature of the agricultural sector but was also seen in manufacturing. Wage differentiation was the highest in industries where women were supposed to be valued because of their "nimble fingers". However even in these industries their skills were continuously downgraded to ensure lower wages for women.

It is commonly presumed that the concentration of women workers in low paid jobs is a result of their low level of education. However a broad analysis of different sectors shows wage differentials persist even amongst those who have an equal level of education in similar or the same job. For Example the wages of a graduate woman are 73.8% of a man's wages whereas the in urban India they are 77.21%.

The other major factor influencing wage disparities is occupational segregation, i.e. the concentration of women workers in occupations that are stereotyped as "women's occupations". In all developing countries, and in India in particular, occupational segregation is punctuated by the presence of a majority of the working women in the informal sector.

For example we find a concentration of women workers in jobs such as stitching, weaving, knitting etc., which have been traditionally associated with household work. Similarly, female experience in child-care is seen to be useful in occupations like nursing, teaching, midwifery etc. Some of these stereotypes have been legally justified by case law which admits that marriage of a woman could lead to a fall in efficiency in service since it is perceived that her social role would make her prioritise her domestic duties over her professional ones as opposed to males. These stereotypes are also evident in the patterns of female employment where virtually no women are employed such as in driving, as guards, watchmen etc., which are considered male jobs and receive special allowances.

Thus attitudinal differences impinge upon the labour market and its behaviour towards women. They also help to explain away the gender differentiation and wage disparities as not being based on discrimination, but on the fact that women do different work from men. Therefore this wage differentiation is not seen as an inequality that contravenes the provisions of the ERA.

Wage Disparities – Piece Rate System: The piece rate system has been one method of ensuring lower wages for women without contravening the provisions of the ERA. There is enough evidence to show that a substantial number of women were working under the piece rate system. A study of the coal mines and tea gardens showed that the relative share of women in the piece rate system is higher than their share in the total employment. This meant that a majority of them were disproportionately deprived of dearness allowance through the piece rate system.

In this context, the Shramshakti report of 1988 pointed out that piece rate was an institutionalised mechanism to fix lower wages for women. While the time rate system follows the Minimum Wages Act, there are no such regulations for the piece rate system. Therefore women put in long hours of work to earn a pittance which may be a fraction of what they would have earned under the time rated minimum wage.

In this context one of the fundamental problems of locating definitions under the ERA lies in the text of the law itself, which limits the application of the law to men and women within the same establishment. Thus it does not apply across units on an occupation, industry or regional basis. This aspect of the ERA runs contrary to the ILO Convention, and prevents practices of sex segregation, job segmentation and occupational segregation as being identified as practices that are contrary to the letter and spirit of the ERA.

ERA in the International Context. As mentioned earlier, the ERA reads that equal pay should be given for the “same work or work of a similar nature”. However this definition does not take into account the discrimination under occupational segregation. Keeping in mind the fact that women are concentrated in low paying jobs, the Report of the Committees of

Experts on the Application of Conventions and Recommendations suggests that the phrase "same work or work of a similar nature" should be replaced by the phrase "work of equal value". If this is done then jobs across sectors and units can be compared. This position has been further elaborated by some to state that the use of the phrase 'comparable worth' may be even more appropriate. It is argued that the comparable worth of different jobs may be gauged through methods like job evaluation involving comparisons of skills, effort, responsibility and working conditions.

#### Case Law Focusing on ERA:

The application of the ERA has come into sharp focus since its enactment. The 1980s have seen different types of interpretations for the phrase 'same work or similar kinds of work' as far as discriminatory practices between men and women workers are concerned. On the negative side, the Supreme Court stated in *Air India v/s Nargeesh Meerza* (1981) that the application of the ERA could not be unconditional. If the men and women are employed under different conditions of service then they can not be seen to belong to one class of service. The court felt that differences in the conditions of work could only be seen as discriminatory if the employees had similar work agreements.

In contrast to this the 1987 judgement in the case of *Mckinnon Mackenzie v/s Audrey D'Costa* held that the authorities should take a broad approach as far as the interpretation of the law is concerned. It held that similar work implies differences in details, but these should not defeat the claim for equality on trivial grounds. It should look at duties generally performed and not theoretically possible, i.e. if the duties being performed are of the same nature then discrimination may arise and wherever sex discrimination is alleged a proper job evaluation should be encouraged. The judgement of another case, *Mckinnon Mackenzi v/s Lady Stenographers*, endorsed this view where the court stated that the work being performed by the ladies was almost the same as that of male stenographers even though women were not employed in the general pool. Thus it held that both men and women workers should get the same benefits.

Further, the judgements elaborated upon also indicate that the case law with regard to the application of the ERA are minimalist in character and confined to a few cases the upper echelons of society. They are also predicated by the lack of access of poor women to the law.

#### **•Mechanisms of Enforcement**

There are several mechanisms for the implementation of the ERA. Some of these are provided for within the realm of the law, while other agencies that implement the ERA were constituted under previous labour laws. The role of some of them is outlined below.

Inspections: Section 7 of the law provides for the appointment of inspectors by an



appropriate authority in order to ensure that employers are complying with the provisions of the ERA. At present the Inspectorate carrying out such inspections is the office of the labour commissioner that was earlier instituted under previous labour laws. However ERA is just one of the laws under its purview and the pressures of work have made the law machinery inadequate in size and equipment as pointed out by the National Labour Commission 1969. According to the reports of the Labour Ministry 3343 inspections were conducted under the ERA in 1998 in the central sphere and 2350 inspections were conducted in the state sphere. The number of violations detected were 3357 and 6360 respectively and the number rectified were 3349 and 2429 at the central and state levels. However no details are provided about the inspections, and inspectors were not provided guidelines of how to determine what was the work of the same or a similar nature. This meant that identification of discrimination practices would have been quite difficult for the inspectors and they would find it difficult to deal with issues that are connected to wage differentials.

*Gender and Labour Authorities:* One of the main problems facing the implementation of ERA is the lack of gender sensitisation amongst those who enforce the law. For example the office of the labour commissioner held that there was no female labour in Delhi. It also held that all cases registered under the appellate authority of the ERA were resolved and no new cases were registered in the last five years. However meetings with trade unions and others revealed that inspections had failed to identify cases of discrimination, which were rampant in the industries like electronics and garments. Only unmarried girls are recruited in such industries, many of which were now in the export promotion zones.

In this context there is an obvious need to formulate guidelines for inspectors and authorities to detect violations of ERA. There is also an urgent need for initiating an intensive and extensive process of gender sensitisation of officials. These sensitisation programmes should be done in relation to the issues concerning law enforcement and the advisory committees constituted under the act should play an important role in this. Further there should be the initiation of process documentation of discriminatory practices in order to assist the Central Advisory Committee on accessing information regarding the nature of discrimination. Most importantly there is a need to introduce an element of sensitivity in dealing with complaints.

*Role of Social Organisations:* In the pre-1987 period complaints and claims could either be filed by registered trade unions or by individuals. Since 1987, the ERA has provided for the involvement of social organisations in enforcement. At present four organisations are recognised under the Central Act, namely, the Centre for Women's Development Studies (CWDS), Indian Social Studies Trust (ISST), Self-Employed Women's Association (SEWA) and Working Women's Forum (WWF). Further the Shramshakti report also stated that one of the main problems with the ERA was that the penalties for its violations were minimal. In 1987 the fines for non-compliance under section 10 were increased from Rs 500 -1000 to

Rs 10,000 - 20,000. The jail term was also increased from one month to two years, but such punishment has had a limited impact on the situation. It is essential that the government look at the role of independent institutions in a far more sympathetic manner if it is serious about the sincere implementation of the ERA.

**Advisory Committees:** Section 6 of the ERA provides for the setting up of one or more Advisory Committees to advise with regard to the extent to which women may be employed in establishments or employment where there are gender based wage disparities. Accordingly, the state and the union governments have set up various advisory boards. The Central Advisory Committees which have been set up under the ERA have met 7 times between 1989 and 1999, but their recommendations are far too general for the concrete implementation of the Act. Further, the committees have no specific roles to play and are not given any powers to influence the methods by which the problems associated with enforcement of the ERA can be solved. The result is that the action taken reports of the committees are characterised by a lack of understanding of factors that lead to wage disparities. For example one of the recommendations of the committee was that home-based work should be encouraged and incentives be given to women to work on this basis. This was done at a time when all reports suggested that today, home based work is characterised by a high degree of exploitation of women workers. Recommendations on training and employment were the other recommendations of the committee that could not deal with the issues germane to the ERA.

In the light of this experience the character of the committees needs to undergo a change, for example the Advisory Boards constituted under the Minimum Wages and Bonded Labour Acts. These committees have a fair amount of discretionary power to influence matters of implementation and also determine the process of fixation of wage rates etc. However if these committees are to define the issues that are related to the ERA the Act should be suitably amended to give them appropriate powers. Second, the powers of these committees should be focused on the identification of discriminatory practices and the enforcement of the ERA. For this purpose they should be given appropriate powers to monitor the functioning of the Labour Commissioners Office to monitor the act. Thirdly, the terms of reference of these committees should include a review of all labour laws that are incompatible with the principle of equal remuneration.

## **CONCLUSIONS AND RECOMMENDATIONS**

We have seen that the job segmentation and occupational segregation is one of the main causes of wage disparities in India. The law must realise this and take steps to intervene in the situation. This can be done in the following manner:

1. The Act should be amended to apply across units on occupation, industry and regional basis, not only within an establishment.

2. The Act should be amended so that the phrase "same work or work of a similar nature" should be replaced by the phrase "work of equal value"
3. There should be review of all labour laws that are incompatible with the principle of equal remuneration. Thus Acts like the Minimum Wage Act, Factories Act etc should be amended made compatible with the ERA to ensure equal wages and conditions of work.
4. The Act must be amended so as to intervene in the process of wage fixing which seems to be at the root of the problem of wage inequalities, Of special relevance here is the need to remove the incompatibility between the piece rate and the time rated systems of fixing wages.
5. Guidelines should be provided to inspectors in order to help them to identify discriminatory practices pertaining to the ERA. For this purpose the inspectorate and other enforcement authorities need to be sensitised regarding issues concerning wage inequalities and gender.
6. The advisory committees under the ERA need to be given a more empowered and innovative role in defining the framework and the method of implementation of the ERA. For this the role of the committees under other acts should be studied and the ERA should be suitably amended.  
The advisory Committee of ERA has to function as a watch dog panel. It has to play greater innovative role and vested with some authority and armed with powers to question the discrimination and disparity in the case of women workers. The composition of the Committee has to comprise of dynamic individuals, with knowledge, courage and familiar with issues of the women labour, labour legislation and the general economy. Coupled with these, the serving members of the Committee must have commitment to social justice, with uncompromising stand to do justice to women. As far as possible, they should represent organisation of women workers.
7. The advisory committee should also be given a role to oversee the functioning of the Labour Commissioners Office in relation with the ERA. The Act should also be suitably amended to include the role of the social organisations in the implementation of the act and monitoring of labour authorities.
8. For the purpose of filing claims and registering the cases of discrimination and disparity of matters of emoluments in the case of women, the regional branches of the trade unions and some of the willing members of the Committee, capable of contacting the management of enterprise, plant or industrial unit on receipt of the complaint, could be suggested. Good social organisations may also be authorised to register the cases.

9. A separate Inspecting agency to detect and identify the discrimination and unequal emoluments for the same/equal value of work based on skills, efforts and responsibility is recommended. This is necessary in view of the heavy preoccupation of the existing Inspecting Agency with the general labour legislation and the problems arising out of them.

The separate Inspecting agency need not necessarily be of exclusively women membership. The team can be both male and female members. Members of the team have to be sensitised with commitment and correct social attitude, coupled with guidelines and training. The team can discharge their tasks of identifying the discriminations, unequal treatment in payment and displaying courage and uncompromising stand vis-à-vis the erring member.

**Overall, the Equal Remuneration Act needs to be amended in the ways described above to make it more compatible with the realities on the ground. Implementation of the Act should be made a priority. Guidelines and training for labour inspectors is required. At the same time the advisory committee and social organisations should be given more powers and role in the implementation as recommended above.**

## Review of Labour Laws

The Group on women workers and Child Labour examined certain laws relating to women workers and child labour and made a number of suggestions for changes in various laws, to make them more positive for women workers and for workers in the unorganised sector.

### 1. Minimum Wages Act, 1948

- (a) At present in the different schedules, employments with different minimum wages have been prescribed for various industries. These schedules are decided State-wise.

*It is suggested to have a "Common National Minimum Wage" for the schedule employment having home-based, unorganised female employees.*

- b) Section 7 of the Act provides for the Minimum Wages Advisory Board and Section 8 provides for the Central Advisory Board. The main function of these Boards is to advise State and Central governments to fix and revise minimum wages as and when required.

It is observed that large numbers of unorganised workers engaged in contractual nature of work under pseudo-paper arrangements like sale-purchase system, etc., are deprived of the protection of this Act.

*In the light of this fact, it is suggested:*

1. *To empower and expand the activity of these Boards to abolish such work having pseudo-paper arrangements and to regularise them.*
  2. *To include at least a female representative of both the sides (employer and employee) from the informal sector.*
  3. *To set the time frame for these Boards for fixing the minimum wages for any given issue.*
- c) At present complaints are filed by an inspector, as per Section 22B of the Act. It is also prescribed in sub-section (b) of Section 22B that a complaint can be filed under the authority of an inspector.

It is suggested to give such authority selected social welfare associations for filing such complaints, especially meant for female workers. Two or three such Associations may be selected in each State.

- c) At present the Labour Commissioner (over and above other authorities prescribed in Section 20 of this Act) is designated by the State Government as the authority to hear and decide the claims arising out of payment of less-than-minimum rate of wages. In general experience, the claims recovery process takes too long.

*Therefore, it is suggested Section 20 be amended so that that all Class-I Labour Officers be empowered to hear and decide such claims.*

## **2. Industrial Disputes Act, 1947**

The Honorable Supreme Court of India has defined " Sexual Harassment", in W.P. (CRL) Nos.: 666-70 of 1992, to include such unwelcome sexually determined behavior (whether directly or indirectly) as:

- Physical contact and advances
- A demand or request for sexual favours
- Sexually-coloured remarks
- Showing pornography
- Any other unwelcome physical, verbal, or non-verbal conduct of a sexual nature.

It is suggested to:

- (a) *Include all sexual behaviour as defined in Hon. Supreme Court's order above in both the parts of Schedule V(c) of the Industrial Disputes Act 1947 and in Industrial employment Study Order Act, 1946.*
- (b) *Give proportionate representation to female employees in the "Works Committee" (Chapter II, Section 3) of the said Act to enable female employees to sound their problems.*
- (c) *Include scope of framing Private Conciliation Boards in Chapter II, Section 5 of this Act, to facilitate speedy disposal of grievances of female employees.*
- (d) *Have a separate Labour Court to hear and decide the cases of female workers.*



3. **Workmen's Compensation Act, 1923**

- (a) Women workers bear the dual burden of care of home and children as well as their jobs outside the home. When women workers are injured or killed, the loss and effect is thus felt in both domains.

Therefore, It is suggested to raise the amount of the said compensation (stipulated in Section 4) to 1.5 times in the case of female employees.

- (b) The Workmen's Compensation Commissioner should be empowered to pass interim relief orders during the hearing of such cases.
- (c) All female workers should be covered under medical insurance schemes.

4. **Maternity Benefit Act, 1961**

- (a) Presently, as per Section 2, the Act applies to establishments registered under the Factories Act, 1948, that employ 10 or more employees. The Act thus has a very limited sphere of coverage.

*It is suggested to expand the sphere of this Act to cover:*

*(1) Shops and establishments where women are employed. No limit should be placed. This Act is to give protection to all women during this period.*

*(2) Unorganised workers such as home-based workers, construction workers to be covered by the Act.*

- (b) Section 5(2): No women shall be entitled to maternity benefit unless she has actually worked in an establishment of the employer from whom she claims maternity benefit for no less than 80 days.

*It is suggested that the eligibility criterion of 80 days be removed by 'period' to be removed; no period to be prescribed; the benefit to be given to all workmen during that period. Further, on loss of pay for a period of six months to be allowed.*

- (c) At present Section 8 of the Act prescribes Rs. 250/- as medical bonus. *It is suggested to raise this amount to Rs. 1,000/-.*
- (d) Presently Section 4 of the Act prescribes an authorised leave of absence of six weeks before and six weeks after the date of delivery for such female employees.

- a) *It is suggested to raise the authorised leave period from six weeks to eight weeks.*
- b) *It is suggested to authorise 15 days paternity leave of absence to accompany the leave of such female employees.*
- c) *It is recommended to extend maternity and paternity leave to employees who adopt a child who is of one year of age or less.*
- d) *At present, Section 21 of the Act prescribes the penalty for contravention of any of the provision of the Act, 3 months or ten thousand rupees fine.*

*It is recommended that the penalty should be 3 months imprisonment and fifty thousand rupees fine.*

#### **5. Inter-State Migrant Workmen (R.E.C.S.) Act, 1979**

The present definition of "inter-state migrant workman" describes a worker who is recruited by or through a contractor in one state under an agreement or other arrangement for employment in an establishment in another state, whether with or without the knowledge of the principal employer in relation to such establishment. The Act applies to establishments that have strength of not less than 5 such workmen.

At present, then, workers who have migrated from one state to another state on their own are deprived of the protection of this Act.

*To remedy this situation, it is suggested that this Act should also cover any such establishments where not less than 5 migrant workmen from another state are working and who have migrated on their own.*

#### **6. Beedi and Cigar Workers (Conditions of Employment) Act, 1966**

At present in this Act, "employee" is defined as, "A person employed directly or through any agency, whether for wages or not, in any establishment (godown) to do any work, skill, unskilled, manual or clerical," and includes:

- (1) any labourer who is given raw material by an employer or a contractor (or both) which is to be used for making beedis or cigars at home ("home-worker"), and
- (2) any person not employed by an employer or a contractor (or both), but working

with the permission of, or under agreement with, the employer or contractor.

It is observed that home-based female employees working in beedi rolling activities are sometimes deprived of the protection of this Act due to nature of the employer or contractor's "sale-purchase" arrangements.

*Therefore, it is suggested to include the term "sale-purchase system" in point (2) of the above-cited definition of "employee."*

Furthermore, the minimum wage for bidi rolling is very varied from State to State. Due to this, the bidi industry easily shifts from one place to another.

*It is recommended that a National Minimum Wage be fixed for bidi rolling and to be adopted by all States.*

**7. Building and Other Construction Worker's (Regulation of Employment and Conditions of Service) Act, 1996**

This Act is yet not in force, as its rules and various notifications are pending with the State Legal Department for final approval. Therefore we are not yet able to comment on the issues indepth. *However, the following preliminary suggestions and observations have been made:*

- (a) *To extend the coverage of this Act to residential building projects of less than Rs. 10 lakhs as well.*
- (b) *To extend the coverage of this Act to contractors and construction projects involving less than 10 workers.*
- (c) *In order to meet the "90 days of construction work" requirement for Welfare Board registration, the worker's record of number of days worked will be registered, unless challenged and proven otherwise by the employer.*
- (d) *To directly extract the levy from contractors from their construction budget at the time that they submit it to the necessary authority (e.g. Municipal Corporations) for approval.*

**8. Contract Labour (Regulation and Abolition) Act, 1970**

*It is suggested to include trade union representatives of organised and unorganised women workers as members in the Central as well as State Advisory Boards, as shown in Chapter II of this Act.*

**9. Trade Unions Act, 1926**

At present, Section 22 of the Act does not prescribe to have female representative as officer bearers.

*It is suggested to amend Section 22 in such a way as to prescribe the appointment of a proportionate number of female office bearers from those women who are actually employed or engaged in the industry; in cases where there is no female employment in a particular industry, at least one woman from the outside. 50% should be appointed as office-bearers.*

*This Act is very archaic and needs drastic amending to suit the needs of the current times in the world of work since large chunks of women are part of the workforce, in the unorganised sector. Besides amending Section 22, the changes are required with a view to give the statutory coverage and protect the workers in the informal sector with the right to form Union/Association and right to bargain and to secure guarantee for job security and fixing of minimum wage. This would be a step forward in the efforts to integrate the women workforce with the working class movement in keeping with ILO standards.*

**10. Factories Act, 1948**

Section 48 of this Act prescribes creches in factories where more than 30 women workers are employed.

*It is suggested that creches should be provided in factories employing more than 10 workers, regardless of whether they are men or women.*

Section 67 of this Act prohibits employment of young children: No child who has not completed 14 years of age shall be required or allowed to work in any factory.

*It is suggested that in place of 14, 18 years should be inserted.*

**11. Miscellaneous**

*It is suggested to have separate Criminal Courts to try the cases filed by female workers for labour laws offences.*

**12. Unprotected Manual Workers (Regulation of Employment and Welfare) Act, 1979: Suggestions to Cover Unorganised Female Workers**

Large numbers of unorganised female workers can be found working in the following occupations:

- Ready garments
- Agarbatti making
- Food processing
- Kite making
- Paper pickers
- Handicraft, embroidery and jari work
- Papad making

...and many other similar occupations. These workers, considered informal and unorganised, do not receive the protection and benefit of most Labour Laws.

A number of States have state legislation on this point, such as the "Tamil Nadu Unprotected Manual Workers (Regulation of Employment and Welfare) Act", "Gujarat Unprotected Manual Workers (Regulation of Employment and Welfare) Act, 1979." etc. However, at present the Act only covers workers in selected trades, as specified by various schemes in the Act. The Board constituted under the Act undertakes the schemes. The activities of the Board are funded by levies collected from employers, and in a few schemes, by a nominal amount from the State Government.

*It is suggested that the scope of this Act be expanded so that unorganised workers in the occupations shown above be covered by this Act. There should be different Boards for different trades and industries under this Act to administer benefits to these workers according to the various schemes. (The schemes undertaken by this Board are group insurance, maternity benefits, medical aid, kanya ratna utkarsha yojna, educational aid, etc.)*

*To identify these unorganised female workers, a nodal agency like "Sanchalak", may be appointed on a nominal honorarium basis. It is suggested that contributions from employers and employees of the unorganised sector and nominal financial support from State Government will help the board implement all of the social security schemes.*

## Night Work and Women Employees

In line with the ILO Conventions No. 103, 89 and 45 which were ratified by GOI, there are special clauses in Factories Act prohibiting night work for women workers. Section 66 of the Factories Act, 1948 lays down the condition that it is illegal to make women workers work between 7 PM and 5 AM.

The issue of ban on night work has been a contentious one and there are two distinct points of views:

- One school of thought finds this provision restrictive and asks for permission to extend the period. (women could work in two shifts – 6 to 2 p.m. and 2 p.m. to 10 p.m.) They argue that it will prevent retrenchment of women workers.
- The proponents of the second school of thought are against the removal of this restriction. They believe that this is only an excuse by the employers. In any case, women are employed in those operations which are performed during the year.

The first National Commission on Labour had observed that legal prohibition of night and underground work have obviously restricted women's employment. Employers' at that time mentioned that with the introduction of shift system in some industries in the organised sector, it is difficult to rotate women and it gives rise to resentment among male workers.

The Report of the Committee on the Status of Women in India (CSWI, 1974) recommended extension of work period up to 10: p.m. provided transport and security is provided to women workers. It is also recommended that for the retrenchment of women workers, prior permission to designated authority should be taken.

This issue was not debated by the Shram Shakti Report and national Perspective Plan. The Report recommended setting up of Equal Opportunities Commission and making 'right to work' a fundamental right.

In the present liberalised trade regime and the lifting of quantitative curbs under the WTO regime, the issue of restructuring industries to make them competitive and efficient with a strategic advantage is being focused upon. Adjusting the labour force in response to further demand is also emphasised.

The recent judgment of the Chennai High Court on a PIL filed by the women employees to remove the ban on night shift has to be seen in the context of private firms demanding



flexibility in the deployment of labour. Once this ban is removed, all employers will make it a condition for the recruitment of women employees without ensuring their security. Young women, many of them single, form a sizable share of paid labour force in export oriented industries and in the IT industry. It is also possible that such moves are engineered by employees.

### **Evidence before the Second National Commission on Labour**

The evidence volumes of the visits of the National Commission on Labour also show that there are two views on the subject.

#### ***For Removal of Restrictions***

*Evidence given between 17.8.2000 to 19.8.2000 at Chennai*

- Restriction of employment for women under section 66 of the Factories Act should be removed or at least they should be allowed to work till 10 p.m. (Central Government Labour Inspectorate of Factories).
- The blanket ban on employment between 10 p.m. and 5 a.m. should be lifted especially in the fish processing industry in particular and the permission for employment should be granted till 10 p.m. instead of 7 p.m. (Inspectorate of Factories).

*Evidence given between 12.10.2000 to 14.10.2000 at Hyderabad*

- Factories Act should be amended to allow women to do night shifts on the condition that both way transport provided to them (Federation of Andhra Pradesh Chambers of Commerce and Industry).
- Restriction on working hours of women should be removed from the Factories Act (Industrial Relations Association of India).

#### ***Against Removal of Restrictions***

*Memorandum by United Trade Union Centre (Lenin Sarani), Kolkata*

- As regards the issue of night shift, the union feels that the proposals of engaging women in night shifts are aimed at the crude non-tariff subsidisation of industries in general and export industries in particular. It is an attempt to indulge in the patriarchal intimidation of female labour. The reality is that with the development of technology labour becomes lighter making male labour dispensable, increasing the responsibility of the female workforce.

*Evidence given between 14.9.2000 to 16.9.2000 at Kolkata*

- In EPZ the women should not be allowed to work in the night shift by any amendment to the laws (National Front of Indian Trade Unions)

*We would like to extend the stand of the Committee on the Status of Women in India (CSWI, 1974), namely that the restriction on night work does limit the employment opportunity for women. On the other hand, night work opens doors for exploitation, especially sexual exploitation. We therefore recommend that night work be allowed on a case to case basis, only if transport and adequate security is provided. The case of each industry for allowing night work would have to be examined by a committee to be nominated by the ministry of labour.*

## Mechanisms for Implementation of Labour Laws

It has often been remarked that although India has many labour laws, the implementation and enforcement of these laws leaves much to be desired. On the whole, the laws, which apply to the organised sector, are enforced, because of the presence of trade unions and of a labour force well aware of its rights. However, these laws have not been successfully enforced in the unorganised sector, which constitutes 92% of the workforce. In particular, enforcement of laws for women workers remains very weak. For example, as we have seen earlier, although the Equal Remuneration Act was passed in 1975 and is supposed to be used to equalise earnings between men and women workers, in fact it has not been enforced so far in the unorganised sector. Other Acts pertaining to the unorganised sector such as the Inter-State Migrant Workers Act are also not enforced. Some Acts such as Minimum Wages Act and Contract Labour Act, tend to be enforced very weakly for women in the unorganised sector. The Maternity Benefits Act and provisions relating to Child care in the Factories Act, Mines Act etc., are enforced weakly in the organised sector and not at all in the unorganised sector.

### Labour Departments

The reasons for the lack of enforcement are well known. The main mechanism for enforcement is the State labour department and in case of Central Acts, the Central Government Labour Department. Most labour departments were set up to attend to the organised sector, that is to enforce the Factories Act and other Acts relating to the organised sector. The same officers then are asked, in addition to their other tasks, also to attend to the enforcement of all Labour Laws.. Furthermore, in recent years, with the advent of liberalisation, the financing of labour departments is not considered a priority in most States. So there has been no increase in the numbers of personnel in these departments.

Since the labour officers are trained to enforce labour standards for the organised sector, most of them have little understanding of the issues of unorganised workers and even less of women workers. Often they do not see women as workers. For example, home-based workers are often treated as 'non-working housewives'. Even when they recognise the work aspect, they are unable to understand how to use the labour laws for coverage.

The labour officers tend to find it difficult to reach the workers. The women workers in the unorganised sector, tend to be scattered in their homes, in the fields, on the streets, anywhere, except in an organised workplace. Labour officers have been trained to work in factories and have neither the means nor the inclination to go to beneficiaries of the law.

It is unfortunate but true, that many officials of the Labour Department tend to get corrupted and instead of using the labour laws to protect women labour, they use them to extract money from the employer.

### **Labour Courts**

Another reason for non-enforcement of labour laws is the working of the labour courts. Most cases take years to decide, by which time, the worker, who has to earn her living and cannot spend hours in court, gives up and drops her case. Even if the case is won by the worker, it is taken to the higher courts by the employers and at this stage it becomes too expensive for the worker.

Lack of written evidence is another reason why workers are unable to effectively use the labour courts. Most unorganised sector workers do not have written evidence to prove their case, or to prove the employer-employee relationship which is required under the Labour Acts. Here oral evidence becomes very important.

### **Lack of Tripartite or Multi-partite mechanisms**

In the unorganised sector there are no mechanisms where the parties can sit together and work out a solution. Nor are there any mechanisms where the parties can collectively implement or enforce the law. The only existing mechanism is the reconciliation procedure under the Industrial Disputes Act, but experience has shown that even here, the employer rarely appears and it is only an unnecessary step leading to the court.

### **Lack of Organisations of Women Workers**

As we have seen in the section on organising, there are not enough organisations of women workers and those that exist are weak and not recognised.

### **Recommendations**

The following mechanisms need to be put into place in order to ensure enforcement of labour laws.

### ***Strengthening the Labour Department***

Liberalisation has caused a weakening of most labour departments. However, if the extreme inequalities of liberalisation is to be avoided it is essential that the laws for minimum protection of the unorganised sector, especially women, be enforced. The labour department is the only section of the Government which is active for the workers. Given the very weak

economic and bargaining power of the women workers it is essential that they be supported by the Government as they cannot bargain on their own. This means that we need an effective and positive labour department. The suggestions are as follows:

- The Labour Departments should concentrate on enforcement of Labour laws for the unorganised sector. More than 80% of their time and personnel should be entrusted to this task.
- Fifty percent of the labour department personnel should be reserved for women workers of unorganised sector.
- The number of labour department personnel should be increased and given more facilities for travel and reaching the unorganised sector.
- The officers should be trained to understand and respond to the situation of women workers, and the laws covering them.
- The labour department should be given more powers to penalise employers on the spot (details in labour law section).
- Corruption of labour officers should be strictly punished.

### ***Widening the Enforcement machinery***

Although the number of labour department personnel may be increased it will never be enough to cover the large numbers of unorganised labour. It is therefore necessary to widen the enforcement machinery to bring in more persons who can carry out inspections and monitoring. It is found that there are many organisations, especially social service organisations, NGOs and Trade Unions, who work with women in the unorganised sector. These organisations may be given powers of inspection, monitoring, power to file cases and powers of penalising under various Acts. They could work closely with the labour departments.

### ***Creating Tri-partite and Multi-partite Systems of Enforcement***

It has been found that in the unorganised sector, the tri-partite and multi-partite systems work well for enforcement of Acts. A good example is the various Hamal Workers Boards in Maharashtra. Other examples are the various Boards in Kerala, the Tamil Nadu Construction Workers Board and the Cloth market Board in Gujarat. The advantage of the boards are that they involve all interested parties in the implementation and enforcement of the Act. Also, they help the weak workers to organise.

### ***Recognise Organisations of Women Workers***

Without organising and increasing awareness of the women workers, enforcement machineries will tend to be ineffective. It is therefore necessary to promote organising of the workers. One important way to do this is to give recognition through the official machinery to the existing organisations of the women workers. Once the organisation, however, small and weak, gets recognition, it can begin to act and represent the workers and to help the workers to organise, using the Acts for support. More has been explained about this in the section on organising.



## **Women Workers: Entering the Mainstream Through Voice and Empowerment**

### **Introduction**

Organising is the key to empowerment. It helps to unite the individually weak and vulnerable and enables them to create power together. When individuals who are among the poorest, least educated and most disenfranchised members of society come together, they experience dramatic changes in their lives. Firstly they gain knowledge or information about their rights and obligations as economic actors, about health and education for their families, about finance including credit and savings, about the resources available in society and about their political choices. Secondly, they gain self-esteem. They realise that they have the ability to improve their lot and that of their families, which helps them to gain respect both inside and outside the family. Thirdly, they overcome isolation and gain a sense of community. They find that they are offered support from people with common problems, common perceptions and common values.

Organising alters not only a person's way of thinking, seeing and feeling, but also the material conditions of his/her life. Producers with less capital can pool together and buy raw materials at wholesale prices. Farmers who are unable to enter markets individually can do so collectively. Poor women can build a SEWA Bank by pooling their savings. Landless labourers can become collective owners of land. A woman's group in a village can collectively run a school, an *anganvadi* or a health centre.

Organising increases bargaining power and gives a voice to the voiceless. Often even the poorest women who have organised say, "Now people listen to me." An increase in bargaining power is the basis of trade unions. For daily labourers, home-based workers and contract labour, it can increase their daily earnings and make their working conditions more secure. For the self-employed, organising increases their bargaining power with respect to prices and working conditions. In the case of social sector services, only organising will begin to enforce accountability on the teachers, health providers and the agricultural extension

workers, among others. Organising is the only way in which the weak and powerless can make their voices heard at the policy level. It is through organising that policies can be changed, that new laws can be brought in, that the powerless can be given representation in policy-making forums.

### ***Women and Vulnerability***

Women workers constitute the most vulnerable group in the economy. Over 95 per cent of women workers are in the unorganised sector and this is the group that we are addressing. These workers are vulnerable because their work is insecure, irregular and often unrecognised, because they have to balance children, home and work, because their income is not commensurate with their work, because they do not own any assets and because they do not have access to social security and often have to incur debts to meet expenses for illness or any other shocks. They do not have access to institutional finance and have to borrow at high interest rates.

These women are the socially most vulnerable group. They mainly belong to the backward and scheduled castes and the minorities. Their status in society remains at the lower rungs. They generally live in *kutcha* or semi-*pucca* houses, and do not have easy access to water and sanitation. They are illiterate or semi-literate, and though they would like to educate their children, the facilities to do so are either unavailable to them, or are of very poor quality. Despite the numerous gains achieved for women in the last two decades, being a woman is still a handicap in our society. Even within poor families, it is the woman who owns the least assets and gets the least nutrition, and the girl-child who gets the least opportunities for education and advancement in life.

Women are also vulnerable physically. Within the homes, it is still acceptable behaviour for the wife to get beaten up by the husband; at work-sites, women face the threat of sexual harassment and rape from contractors, farmers and even fellow-workers; various forms of social violence such as witch-hunting are also aimed at the poorest women. Aborting of child foetuses and infant killings are mainly intended to get rid of the unwanted female child.

When we recommend laws, policies and programmes for the women workers, we need to take into account the fact that they are vulnerable and insecure in these many different ways. Can laws and policies, really reach such vulnerable people, through the layers of vested

interests and social norms? Or are the progressive policies likely to be subverted, diluted or ignored?.

If we look at laws specifically aimed towards women, like the Dowry Act or the Equal Remuneration Act, we find that that though these Acts have been drafted with the best of intentions, they are in fact ineffective, or have actually been used against women rather than for them. The main reason for this is that these laws and policies are formulated by others for vulnerable groups, while the latter have no strength of their own to use or derive benefits from these policies. In other words, all recommendations for policies for women workers must be combined with an enhancement of their own strength, or what is called their empowerment.

### ***Empowerment***

Empowerment is a frequently used term nowadays. It symbolises the desire of people who feel powerless to exercise more control over their lives. People feel powerless in many ways. They feel that their lives are ruled by forces over which they have no control or which are too powerful for them. People are often confronted by powerful figures in their lives who control them, while they also face forces which are far away and which they cannot identify. Powerlessness causes the fear that their lives might be crushed or destroyed any time. Such a fear kills the human spirit.

#### **Empowerment manifests itself in the following ways:**

- Increases visibility
- Enhances capacity of people to make their own decisions
- Makes the women realise that their individual problems are not private but structural and public in nature
- Provides better access to information and capacity to ask for their entitlements
- Ability to articulate their rights and demand accountability
- Increases economic empowerment including access to raw material and credit.

Empowerment is the process by which the disempowered or powerless people can change their circumstances and begin to exercise control over their lives. Empowerment results in a change in the balance of power, in living conditions, and in relationships. Perhaps the most important effect of empowerment is that the person concerned can say, "Now I do not feel afraid".

Experience has shown that the process of empowerment cannot be confined to individuals alone. The forces, which control and sustain the vulnerability of these women are institutionalised in society and in the economy. In order to confront these forces and to deal with the institutions, people need to come together in groups so that their problems can be combatted collectively rather than individually. This is the process of organising. Coming together accords people emotional and financial strength as also recognition. On a practical level, it is necessary to speak as a group or organisation in order to make one's demands and voice heard. In order to deal with economic forces, particularly the market, it is practical for the poor to pool in their resources. Organising and the creation and maintenance of organisations are imperative if women workers are to be empowered.

Organising the poor, including women, generally has two aspects, both of which are crucial for success. The first is a struggle over a specific cause or issue, which vitally affects the interests of the people. This may be a struggle of village women to get health centres. It may be the struggle to ensure water for the village. It may be a struggle of agricultural labourers for higher wages, or of street vendors to secure licences. This aspect of organising is short-lived, reaching its peak at certain times and tapering off at others, but at its height it is a major catalyst for change. It creates an external atmosphere in favour of the issue, while at the same time creating dramatic internal changes in the participants and often throwing up new leaders.

The second aspect of organising is programme-based. It ensures that the organising efforts continue into the future, for a longer time period. This development-oriented organising is usually intended for building new structures and for running and managing programmes, and can slowly grow to encompass more and more aspects. It could include building and/or managing a water system, forming a co-operative or a savings and credit scheme,

running a health or child-care centre or taking joint responsibility for forests. Although less dramatic than the struggle-oriented aspect, it ensures a slow and steady building of persons, institutions and change in relations.

### **Organising in India**

In our country most of the organising so far has been centred around politics, i.e. organising has been undertaken to make one's voice heard in the political sphere and through the power of votes. In many ways, this is the most direct route to power and empowerment, and needs to be used extensively. However, even in this sphere, a lot more development-oriented organising is needed. For example, women have achieved 33 per cent reservations at the panchayat, district and municipal levels. This represents the real grassroots power. However, the more honest and sincere ones need more confidence and capacity to tackle their new tasks, on one hand. On the other, they are resisted by many vested interests, especially those within their own parties. They need to be organised so as to be able to support each other, they need to receive support from the women's movement and other political movements and they need help for building up their capacities.

In India, we do have a tradition of organising at many levels. Political organising has been part of our mainstream since the Nationalist Movement, and has continued strongly even today. Organising has also been a tradition in the labour movement, in the women's movement, in the consumers' movement, in the farmers' movement, in the anti-caste movements and in every other movement that has arisen in India. We have many different types of organisations and many different methods of organising, and in spite of their restricted status, women have been actively involved in organising many movements.

The first stirrings of the movement for reform in women's status can be seen in the nineteenth century stretching into the twentieth century. These included the socio-religious reform movements, notably the *Brahmo Samaj*, *Prarthna Samaj*, the *Arya Samaj*, the *Muslim*

*Reform Movement* and the like. These reform movements, however, included neither the poor women nor women workers within their purview

Poor women first began to be drawn into a women's reform movement with the advent of Gandhiji and the Nationalist Movement. As the movement expanded to draw in the poor masses, the issues concerning self-employed women began to be addressed for the first time. *Khadi* was perhaps the first issue which symbolised the needs of poor working women. They were further mobilised during the *salt satyagraha* and were also very active in the anti-alcohol campaign. Gandhiji's struggle for prohibition reflected the women's deep concern for the safety of their homes. The post-Independence period, however, saw a decline in the participation of working women in women's issues. The largest and most influential women's organisation, the All India Women's Conference, did not actively take up economic issues but focused more on the passage and implementation of laws concerning child-marriage, widow remarriage, equal rights within marriage, and the right of women to inherit property. Consequently, the participation of poor women in the women's movement dropped sharply. *Mahila Samitis*, *Mahila Mandals* and *Mahila Samajams* had been formed all over the country during the fervour of the Nationalist Movement. After Independence, these local women's groups continued as ongoing organisations but the participation of poor women in them declined, as did the militancy of the groups itself.

Women had also been active in the growth of the labour movement. The end of the 19<sup>th</sup> century and the beginning of the 20<sup>th</sup> century saw the growth of industrialisation in the country. The industries were built by poor men and women who laboured under conditions in which the unorganised worker works even today. Slowly these industrial workers began to organise themselves. At first there were spontaneous strikes and other organising attempts. These attempts soon gathered momentum, and by 1920, there was a fast-growing labour movement, with workers taking an active part in the process of organising. The struggles of the jute workers in Bengal, of textile workers in Bombay, Ahmedabad and Coimbatore, of the plantation workers in the North East and of the coir workers in Travancore, all involved the active participation of women workers. However, as the labour movement became formalised into trade unions and as it became part of the tripartite system, and achieved many material gains and security for the workers, the active participation of women in it declined.

A new phase of the women's movement started in the 1970s. In 1974, the Report of the Committee on the Status of Women in India was released. This report gave a lot of prominence to the position of 'unorganised workers' as well as to the status of poor women with regard to education, politics and the law. This report, followed by the celebration of the International Women's Year in 1975, saw a sudden growth and a new turn in the women's movement in India. Groups with a distinctly feminist perspective were formed and feminist



theories and ideas began to permeate the jargon of social reform. The new groups included urban middle class groups such as the Forum Against Rape in Bombay, the Progressive Organisation of Women in Hyderabad, as well as women workers' organisations such as SEWA and WWF. As the women's movement has grown since then, its members have begun to realise that a genuine movement must project and concentrate on issues that concern and entail the involvement of large masses of women. Consequently there has been an attempt to organise poor working women to project the issues that affect them the most, such as deforestation, unequal wages and indebtedness.

Many initiatives of a diverse nature and pertaining to a range of occupational categories within the unorganised sector came up during this period. These initiatives preceded two other related happenings in the Indian polity. The crisis of governance experienced during the 1970s gave rise to institutionalised forms of voluntarism and the disillusionment of many committed individuals with the hitherto progressive movements. It is said that the mushrooming of voluntary organisations in the 1970s and 1980s is best understood in terms of the latter than any other political or social factors. This is evident from the fact that the founding members of many of the established voluntary organisations came from the background of leftist parties and labour movements. The initiatives in organising the informal sector workers in general, and women workers in particular, to a large extent, share the same genesis and evolutionary path as those of the leftist and labour movements.

The second wave of organising women workers in the informal sector was precipitated by the recognition of the success gained by SEWA and WWF in the 1980s. Besides heralding a movement of women workers in the informal sector, these organisations helped to establish a strong link between the lack of organisation in the informal sector and poverty. The recognition of this by the state resulted in many direct and indirect programmes for the women workers. The state also merged these efforts with the empowerment approach that it adopted during the same period. The important programmes in this regard would be the central and state-sponsored schemes and programmes. *Mahila Samakhya*, a programme for rural women's empowerment, implemented in four states since 1987, WDP in Rajasthan and special programmes such as DWCRA being implemented since 1983, are cases in point.

One of the significant lessons of the earlier experiences of organising women workers has been that an intervention to provide women with access to credit can have a multiplier effect and can, by itself, be a strategy for organising. The state responded to this by initiating several favourable policies and institutions to facilitate access to credit programmes. This is the backdrop of movements and organising against which we are looking at the organisations of women workers, especially in the unorganised sector. Today there are many different types of organisations that work with or for women workers.

Firstly, there are the **trade unions**. In India, the trade union movement has developed through the struggles of the workers mainly in the industrial sector. Although there are 59,178 registered trade unions in the country, only eight federations have been recognised as Central Trade Unions. These five cover a total of 1,79,61,182 numbers of workers, out of which few are women. Of these women workers, it is estimated that only few are in the unorganised sector. In other words, the established trade union movement has not been able to cover the large number of women workers in the unorganised sector. At the same time, there are a large number of trade unions that may not be affiliated with the central trade unions and that are working exclusively with the unorganised sector. These include SEWA, the National Alliance of Construction Workers, the National Fish-workers Federation, the National Alliance of Street Vendors and many unions working with agricultural workers, forest workers, rag pickers and *rickshaw* pullers, among others. These unions are, however, isolated and divided.

There are also a large number of **co-operatives** in the country. Cooperatives are people's organisations which promote and generate women's employment for those who do not have bargaining power in the labour market and are at a lower level of economic hierarchy. Cooperatives are an excellent form of organising where the poor can gain control of their resources and are able to manage their own organisations. The cooperative helps its members to enter the markets from which they are usually excluded as individual participants. It therefore helps them bargain for better economic conditions. Organizing poor women workers into cooperatives is a viable alternative but there are very few women cooperatives. In 1998, there were only 8714 women's cooperatives, constituting only 1.8% of the total number of cooperatives. It is often not possible for the unorganized group of women workers to register itself as a cooperative under the Cooperative Act as the legal procedural requirements are too cumbersome. Women also find it difficult due to attitudinal and cultural constraints and lack of any free time.

The disbursement of **microfinance** has spread considerably in the last fifteen years in India. Many different types of organisations carry out this activity. MFIs can be broadly divided into three categories on the basis of the legal form adopted by them. First, the 'Not for Profit MFIs' or the Bankers model such as registered societies and companies. They are predominantly microfinance institutions catering exclusively to the credit needs of the poor. It believes that arising from regular income generation, all other "development", e.g. child education, fall in fertility, increase in life expectancy, health awareness etc. will eventually follow. It is very strong on accounting and loan delivery systems and demonstrates a rigid staff structure – often very corporate in its approach and style of functioning. The second type is the Community Based Financial Institutions. Some of these play an intermediary role only, of linking up the grassroots level informal sector borrowers with mainstream financial institutions while others generate share capital by contribution to its members. All of them have a host of other "developmental" activities, besides providing access to housing/income

generation loans. These include, education, health, awareness, building, watershed management, environmental concerns etc. The third kind is the traditional NGO model which is happy to play the role of a financial intermediary in order to access credit for its clients, along with other, substantial development work. Despite the existence of a variety of delivery mechanisms, peer pressure can be identified as a common and single most important factor in all for ensuring prompt repayment.

In the last two decades, there has been a considerable proliferation of **Non-Governmental Organisations** (NGOs) or voluntary organisations. There are different types of such organisations, many of which work with women.

There are also many small organisations which work at the local level. These may be unregistered *mandals* or local associations or DWCRE groups.

### ***Mahila Mandals and Self-help Groups***

Due to the intervention of various Government schemes for women over the years, there has been a growth of local women's groups especially in the rural areas. These groups are the result of considerable mobilisation at village levels, which may have occurred spontaneously or through the interventions of NGOs or Governmental efforts. In many cases, the presence of women panchayat members and sarpanches has helped the growth of these organisations. These organisations are of different types. Earlier there was an emphasis on mahila mandals which undertook a variety of activities. In recent years the emphasis has shifted to self help groups.

### **People's Organisation**

Although, as mentioned above, many different types of organisations are in existence, our Group would prefer to promote and focus on the membership-based organisations or 'people's' organisations. A people's organisation is one which is controlled by the people that it serves. This control can be of different forms. In the case of small organisations, they would be run, managed and controlled by the people. Bigger organisations, on the other hand, would have to hire skilled persons, may be professionals, but the guiding force for the organisations should be the people themselves. The form of the organisation often determines the degree of control. A people's organisation should be democratic. This implies that the decision-making body of the organisation— the Board or the Secretariat, etc.— should be democratically chosen from amongst the people, as is the case with co-operatives or trade unions.

## **MBOs and NGOs**

It is important to point out the difference between membership based organisations or people's organisations and NGOs. Although voluntary action is a part of both, a people's organisation is composed, controlled and run by the people for whom it is intended. An NGO, on the other hand, is set up to provide a service to society. It is a purely voluntary organisation without any intended benefit to those who control and manage it.

NGOs have always played an important role in our society and in recent years, NGOs have moved from welfare-oriented services to development-oriented perspectives and actions. NGOs have usually been set up by middle class people who are driven by a strong desire to contribute to society and to development, and who are willing to give up a career-based life for a service-oriented one. NGOs, driven by principles and a spirit of sacrifice, have certainly contributed immensely to society! However, often the very enthusiasm that drives the NGOs, inhibits the growth of the people's organisation, as it takes over the functions of the latter, and is unable to build up the people's capacity to run their own organisations. NGOs cannot be a substitute for people's organisations for three reasons. Firstly, NGOs are not uniformly scattered all over the country. Secondly, the emergence of an NGO depends on the availability of service-minded people who want to work for others. Thirdly, the empowerment of people can come about only when they actually run their own organisations.

NGOs, however, have an important role to play in the emergence of people's organisations. People's organisations need a great deal of financial and moral support for capacity building, especially in their formative years. Since it is very difficult for people's organisations to obtain any financing support in the initial stages, the credibility of the NGO can help to establish and utilise contacts with the Government and other funding agencies. In the beginning, people tend to be very reluctant to run their own organisations and would like to be dependent on the NGO. This creates a dependency which both organisations find it difficult to get out of. It is thus upto the NGO to help the peoples' organisation to stand on its own feet from the beginning.

The NGO can also help in the continuous capacity-building of the people's organisation. Running an organisation requires a large number of skills ranging from keeping accounts, to holding and managing meetings, to articulating issues, to convincing reluctant members, to maintaining the unity of the group. As organisations become bigger and more diverse, their skill requirements become more complex from working on computers, to making appearances in court, to dealing with markets. Many organisations have found, for example, that they require a cadre of grassroots managers as well as grassroots lawyers and grassroots researchers.

At another level, NGOs can help to create an atmosphere in favour of people's organisations at the policy levels. At present, people's organisations do not enjoy much standing at the policy level. There is a recognition of the need for such organisations, and the promotion of Self Help Groups (SHGs) and similar organisations within development programmes does signal an appreciation for such organisations. However, there is very little understanding as to what such organisations need, what kind of development policies are needed to support them, where they should be regulated and where there should be freedom.

### **Ensuring Effectiveness**

Organising is a must for empowerment and constitutes first step towards making the voice of the women workers heard. However, it is not enough just to have an organisation and the latter must also be effective. Effectiveness means that it has to be able to gain benefits for its members, to represent its members' needs at policy forums, to successfully bargain on behalf of its members and to deal with the existing structures on behalf of its members. If the organisation is a trade union, it should be able to bargain effectively with employers or other vested interests. A trade union of agricultural workers has to bargain with the farmers, a trade union of vendors with the Municipal Corporation, a trade union of *bidi* workers with contractors, and so on. If the organisation is a co-operative, it must be able to deal effectively in the market. It should be able to access the sources of raw materials and bargain for finance with banks and other financial organisations, besides being able to access markets.

In order to be effective, the organisations must be recognised by the people and the structures with which they have to deal. The issue is that informal sector workers need to have a voice which necessitates the establishment and sustenance of negotiating forums or structures of some sort. In many instances, informal sector workers are listened to on an ad hoc basis when an emergency crops up, or somebody does a bit of field work, but because it is not sustained, the continued ability of these workers to actually participate in making the laws, regulations, international guidelines, etc. which are going to govern their lives is constantly undermined, and the best that they can hope for is that the people who do so on their behalf are going to be benign rather than hostile. The issue is the establishment of a viable negotiating system which can weather the vacillations of most informal sector organisations, which can be sufficiently de-centralised to allow for the local differences that characterise most kinds of informal sector work but are at the same time well co-ordinated in their functioning.

### **Recognition**

The first step towards effectiveness is recognition. When an organisation and its office-bearers are recognised by the existing structures, then it is able to truly represent its members. For instance, an agricultural workers' trade union has to be recognised by the local farmers and by the collector before it can bargain for higher wages and a bamboo



workers' co-operative has to be recognised by the forest department before it can obtain bamboos at wholesale prices.

However, one-time recognition is not enough. These organisations have to deal again and again with the same structures and institutions—the same employers, farmers, contractors etc, and the same product and financial markets. Often, after a great effort and struggle, an organisation does get recognised and its demands get addressed. But then, circumstances change, people change, and the organisation must again go through the same process to get recognition. For example, a sympathetic municipal commissioner may recognise a vendors' union, but then he gets transferred and the new one may not be ready to listen to them. A local bank manager may be positive and give loans to women workers, but then the next manager, or the manager in another branch may not. For poor women, already overburdened by too much work and too many obligations, it may not be possible to go again and again through this process of recognition and the organisation collapses or becomes ineffective. So recognition has to be formalised, preferably through written agreements.

Experience has, however, shown that the process of acquiring and maintaining recognition for an organisation in the unorganised sector, is long and tedious and full of struggle. This is because there are no systems or recognised legal processes, whereby organisations can be formed, sustained and recognised or can enter into dialogue and bargaining on an ongoing basis. What is required is a system whereby the organisation of unorganised women workers can be recognised by the existing structures and once granted recognition, they should automatically acquire certain rights. We need to take it further than the trite commitment to grass-roots consultation which everybody pays lip-service to, and give it practical meaning and teeth to be able to function effectively. Workers in the formal sector do have this kind of voice regulation because of the vast array of local, regional, national, statutory, tripartite and international negotiating forums which they make use of to be heard by different powers. We still need to set up the framework for that kind of power for workers in the unorganised sector, and to begin establishing and entrenching some viable form of voice regulation for different sectors of unorganised workers.

### **Study on Membership-based Organisations**

This Group had commissioned a study with the assistance of the International Labour Organisation (ILO). The study found that organising the women workers in the informal economy has been in practice in several parts of the country with varying degrees of success. The purpose, origin, size, structure and modus operandi of these practices vary. There are state-sponsored worker's co-operatives, NGO-initiated, government-NGO collaborations and political party-based unions. These are formed mainly for the purposes of: poverty alleviation per se; for providing employment security and social security; as an integrated approach to development; exclusively for the empowerment of women; and as a



mechanism of class consolidation. According to the specific purpose, co-operatives, trade unions, associations, and self-help groups for credit and savings, among others, are formed and promoted. Hence, a mapping of the evolutionary process will provide a collage of do's and don'ts for organising. Moreover, a general trend of changes is observed among these organisations. Over the years, most of them have drifted away from income generation and employment security or from solely organising women for the purpose of advocacy towards more comprehensive development-focused approaches which aim at organising women for their overall economic and political empowerment (Carr et al, 1996). Various factors have contributed to this trend, significant among them being the realisation that an improvement in economic status through income generation and increased work participation of women does not necessarily lead to economic and political empowerment, and the recognition of certain limitations of the models of organising women, which are not backed by specific strategies and mechanisms of empowerment (Farrington, 1993).

Although many different types of organisations are in existence, the study concentrated on the Membership-based Organisations (MBOs), or what we have been calling people's organisations, and went into depth to discover what makes an MBO succeed and what measures are needed to promote a large number of women workers' MBOs all over the country. There is a major difference between NGOs and MBOs. Trade unions are MBOs but due to their current narrow focus, they are generally unable to organise women in the unorganised sector. As most of the initiatives in organising women workers are being undertaken by the NGOs, and, traditionally, organisations of workers are understood to lie within the framework of trade unions, it is imperative to define the specificities implied by the term MBOs. The latter are better understood in relation to NGOs and trade unions, as MBOs, in the simplest sense, possess the strengths of both.

Since both NGOs and trade unions represent civil societies and have a social agenda, they differ mainly in terms of their constituency-building, the processes for which primarily involve the target group, organisational structure, source of legitimacy and resource mobilisation. For trade unions, their place of work is their constituency. This constituency is, in turn, defined by the membership of individuals, who come together in solidarity, consolidating a specific work identity. Democratic functioning is incorporated in the organisational structure through regular elections. The source of legitimacy is derived directly from the solidarity of workers while the resources are mobilised mainly through membership fees. The articulation of the public voice is primarily undertaken through collective bargaining and public protests, which yield tangible and immediate results. Since the citizenship of these trade unions is built through an awareness of workers' rights and ownership, and through membership and elections, it is expected to ensure a high degree of accountability of leadership and transparency of management.

NGOs, on the other hand, represent the voluntarism of an individual or that of a small group of individuals to effect changes in favour of the larger interest of society. The basic spirit of this voluntarism, evinced since its inception, is drawn from charity, which, of late, is being translated into welfare. NGOs draw their constituency mostly from the economically and socially disadvantaged groups of people in a particular geographical area. The issues of livelihood issues and of the provision of people's basic needs comprise the priority list of the activities of these organisations. Accountability is often limited to public opinion, and transparency to the governing bodies and donor agencies. Since the canvas of their social activities is as broad as the social change they aim to bring about, NGOs have the advantage of flexibility in terms of issues that can be taken up for action.

The few organisations that existed earlier with an alternate framework and the paradigmatic shift that has taken place in the development discourse vis-a-vis participatory development, have contributed to many alterations in the structure and functioning of the NGOs. Many NGOs have created membership-based satellite organisations or have adapted a more flattened organisational structure. Organisations, which are member-based, have the advantages of autonomous functioning and a focused action plan, besides their democratic qualities. Since membership needs a commonality, it is necessary to build a social or an economic identity amongst the individuals for constituting a member-based organisation. Membership in organisations also ensures the participation of stake-holders as well as equity in the distribution of tangible and intangible benefits.

### **Objectives**

The broad objective of the study was to evolve appropriate strategies and policy recommendations for the empowerment of women workers on the basis of the experiences of selected case studies of organised forms of women workers. It mapped the types of women's member-based organisations that exist in different regions in India from a review of secondary literature; documented relevant cases in the literature survey in terms of strategies, outreach, impact, sustainability and linkages to public institutions; identified internal and external structural factors which inhibit or promote the formation and sustainability of women workers' MBOs; analysed the composition of MBOs in terms of class and caste to discern the changes that have been effected in the traditional social structure; and finally it tried to understand the processes involved in economic empowerment and the specific strategies adopted to effect the social and political empowerment of women workers.

## **Study Sample**

As the study focused on the specific experiences of organising women workers in the informal sector, certain criteria were followed in selecting the case studies. As per these criteria, the organisations should be: (i) member based; (ii) bodies registered as trade unions, co-operatives or societies; (iii) constituted for and of women workers and should have formalised the public voice. Apart from these criteria, care was taken to represent the various geographical zones of the country including the South, West, North, East, and North-East. Special care was taken to highlight the spectrum of initiatives undertaken by various organisations. The number of such organisations is limited to 10 because of the short duration of the study. The purposive selection has also taken care to include a variety of institutional arrangements. Out of the 10 organisations selected for the study, 2 are registered societies, three are co-operatives, 3 trade unions, one is a trust and another, an ILO experiment to empower women workers in the informal sector through existing unions.

The organisations thus selected are the :

1. Bangalore Gruha Karmikara Sanga, Bangalore, Karnataka;
2. Kagad Kacha Patra Kakshakari Panchayat, Pune, Maharashtra;
3. SEWA- Madhya Pradesh;
4. Sramjibi Mahila Sanghathan, West Bengal;
5. Ama Sanghathan, Orissa;
6. Wahingdoh Women's Industrial Co-operative Society and Nontuh Women's Multi-purpose Co-operative Society, Shillong, Meghalaya;
7. Ankuram, Sangamam, Porum, Mutually Aided Co-operative Society, Andhra Pradesh;
8. Shakti Mahila Vikas Swavlambi Sahayog Samiti, Patna;
9. Annapurna Mahila Mandal, Mumbai, Maharashtra; and
10. Trade Union Collective, Tamil Nadu.

In addition, the Self-Employed Women's Association (SEWA), Gujarat, was studied to examine the structure of various types of MBOs.

**Table 16: Highlights the features of each of these organisations:**

Sl. No:	Name	Type	Formation	Category of Workers	Main Activities	Objective
1	BGKS Karnataka	Union	Support NGO-Voice	Domestic workers	Demand for minimum wages and physical and social security	Social Protection of Domestic Workers
2	ASP Andhra Pradesh	MAC	Support NGO-DAP	Dalit agricultural workers	SHGs and enterprises	Empowerment of Dalit women
3	AS Orissa	Society	Support NGO-Agra	Tribal MFP collectors	SHGs, social processing M	Empowerment of Tribal Women
4	SMS West Bengal	Society	Support NGO-JSK	Agricultural workers	Demanding and equal wage	Empowerment of Agricultural workers
5	KKPKP Maharashtra	Union	SNDT	Scrap collectors	Demand to be co-operative societies procurement	Empowerment of waste pickers
6	SEWA Madhya Pradesh	Union	SEWA Bharat Ahmedabad	Self employed (Bidi workers)	SHGs	Empowerment of self-employed women workers
7	SMVSS Bihar	Co-op. Society	Support NGO-	Handicraft workers	SHGs, enterprise generation	Empowerment of handicraft women workers.
8	Co-op. Shillong	Co-op. Society	Group Initiative	Entrepreneurs	Tailoring unit	Alternate income and employment generation
9	AMM Maharashtra	Trust and Society	Individual Initiative	Tiffin-makers	Access to employment generation	Empowerment of women
10	Trade union collecti Tamil Nadu	Alliance of 10 trade unions	Institutional Initiative	Plantation and agricultural workers	Enhancing participation of members and	Integrating women members in rural workers' organisations

## **Issues of Membership-based Organisations (MBOs):**

The two main forms of membership-based organisations that exist today are trade unions, and self-help groups or co-operatives. However, as we shall see, the more effective organisations tend to cover many different activities of both the struggle and development type. Furthermore, the organisations tend to work not alone but as a 'cluster' of organisations which include both trade unions and self-help groups and co-operatives. In general, many of these organisations have been sponsored by NGOs, as a result of which the NGO-women's organisation relationship acquires importance, and needs to be looked at more closely. In some cases, the existing trade unions have encouraged the growth of the women's section within their own ranks, but the success of this is yet to be determined.

NGOs have been intervening in the informal economy for a long time as their constituency is defined mostly by the social and economic marginalisation of people. For obvious reasons, women workers in the informal economy fall into this category. NGO interventions have been largely welfare-oriented and carried out through the delivery of various development schemes. The move towards participatory development and rights approach including that of empowerment has led many NGOs to address the issues of women workers rather than to help poor women. Almost all the NGOs work directly with women and have organised them for various activities ranging from self-help groups, income generation, health and nutrition programmes, social forestry, and watershed and agricultural development, to decentralised governance. However, very few attempts have been made to organise workers into membership-based organisations. Those who have attempted to do so like YIP in Andhra Pradesh and DISHA in Gujarat, have formed mixed unions of a specific category of workers. Their efforts to bring in women into leadership positions have witnessed varying degrees of success depending on their efforts to alter the traditional leadership in the villages. As compared to the massive number of NGOs working in the country, very few have formed MBOs of workers and even fewer numbers can be found to represent women workers.

Unfortunately, there is very little documentation of the membership-based organisations. According to the study, 'One of the most disheartening findings in attempting a mapping exercise of MBOs of women workers is that they lack documentation of any kind. This is more so if they are promoted by NGOs or under certain state-sponsored schemes of development. In such cases, one may find a partial mention of the formation of MBOs in the annual reports in actual numbers. For example, it is often found to be reported as number of co-operatives are functioning under this programme'. It is an even more difficult task to ascertain the legal status of these MBOs.

Trade Unions have also been trying to bring in more women into their fold. The fact that women workers and leaders in the trade unions have been marginalised has been articulated from many perspectives and by many a forum. Consequently, there have been

efforts to address this issue. Despite these efforts, however, the trend largely remains the same as the larger political sphere continues to be patriarchal in nature. However, the few successful efforts taken by the trade unions to incorporate the interests of women workers in the informal economy are worth mentioning. The Hind Mazdoor Kisan Panchayat has formed co-operative societies for women mat weavers in Kodungallur and for the potter women of Aruvacode in Kerala. Similarly, the Bidi Workers Union in Belgaum district and the Chikodi Taluka Kamgar Mahasangh in Karnataka organised 7000 women workers in Nipani with extension activities like *savali* -a trust for *devadasi* women and a consumer co-operative society for the members. However, it has been found that the leadership of these societies too remains in the hands of men who often oversee policy making, and the second level leadership does not develop. It would be interesting to recall the origins of WWF and SEWA in this context. Both the initiatives were begun by women trade union activists in the model of a trade union, but for the informal sector and for women workers respectively, addressing the exclusions of the traditional trade unions. During the course of the study, it was found that a number of trade unions in Tamil Nadu, mainly in the agricultural and plantation sectors, are attempting to get together and form a collective. However, as compared to the widespread efforts of NGOs, these efforts are few and far between.

### **Multi-issues, Multi-activities**

While examining the activities of these MBOs, one notices that the more successful ones are intensively involved in the core issues affecting unorganised workers, i.e. employment and earnings, but at the same time, they take up other social as well as economic issues too. They tend to be multi-faceted, dealing with multi-issues and intervening both in the economy at various levels as also in social and political processes. Furthermore, all of them employ methods of struggle as well as of development. For example:

- the KKPKP (Waste-pickers Association) demands higher rates and access to scrap, and that it be covered by the Unprotected Manual Workers (Regulation of Employment and Welfare) Act. At the same time, the Association has opened a co-operative shop for trade in scrap, encourages savings and credit among its members and has been trying to stop the practice of child marriages.
- SEWA-MP agitates for higher wages, provident fund, etc. for *bidi* workers and *tendu* leaf collectors, and at the same time sponsors SHGs for savings and credit and co-operatives for alternative employment, while also setting up *balwadis* and health centres.
- The Trade Union Collective at Chennai runs income generating projects.
- The *Shramjibi Mahila Samiti* (West Bengal) organises for employment guarantees (EAS and JRY) for women, and at the same time has the *Khula Manch* (Open Forum), to arbitrate in social issues.
- The *Ama Sanghatan* is a co-operative for minor forest produce gatherers, but at the same time runs a grain bank and mobilises for minimum wages among its members.
- The ASP (Andhra Pradesh) promotes self-help groups (SHGs) and micro-enterprises for women, but also, through the trade unions, works on redistribution of land to the landless, a struggle for equal wages and dalit rights.



**Table 17: Matrix of inter-related activities:**

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**1. Work**

- Articulation of work specific exploitation at work place and with regard to main economic activity for civic rights and basic needs.
- Awareness of legal rights like minimum wages, equal remuneration etc .
- Demand generation systems for specific state intervention
- Position of women leaders in the structure of the organisation

**3. Citizenship**

- Citizenship building and consolidation of solidarity through participation in public meetings, collective bargaining
- Participation in decision-making and planning of the organisation
- Development of leadership qualities amongst the lower cadres of the members

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**2. Economic Empowerment**

- Access to credit
- Formation of savings and credit groups
- Training for skill upgradation
- Training for alternate employment opportunities
- Implementation of income generation programmes
- Technical and financial support for entrepreneurial activities

**4. Gender Empowerment**

- Awareness of the existence of gender ideology vis-a-vis discrimination of women in the immediate context of their work, community and family
  - Realisation and resistance building against some of the most overt forms of gender discrimination
  - Changes in the personal attitude and behaviours
-

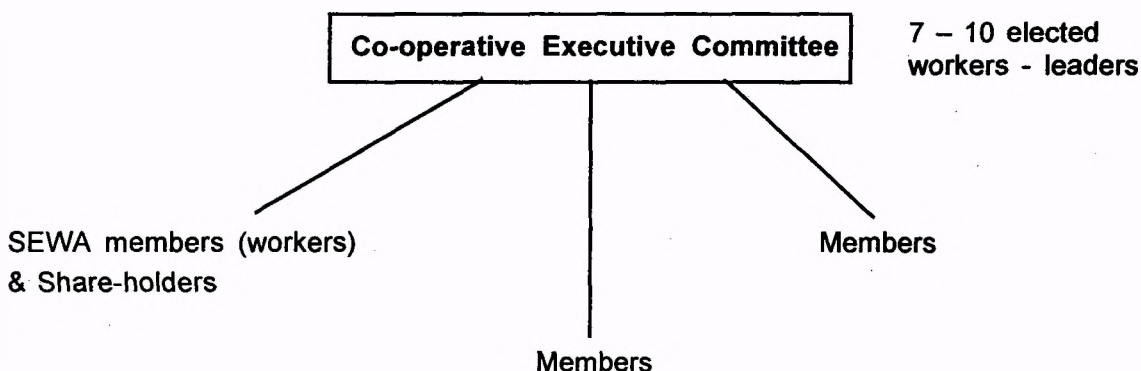
### Multi-structures and Networking

In order to meet the multi-faceted needs of their members, most organisations promote a number of different organisations, creating a family of organisations with the same membership. The most common 'family' is trade unions that undertake struggle and highlight issues, self-help-groups or co-operatives for savings and credit and increasing insurance, and co-operatives for entering the market, buying raw materials etc. The members of these organisations tend to be common.

The organisations so formed not only complement each other but are also active members of networks that undertake similar issues. In Andhra Pradesh, for example, Dappu was a network formed for dalit rights which was a common concern of more than 100 organisations. The co-operatives in Meghalaya are part of a state-wide network of co-operatives and women's organisations. Networking allows for a greater voice for common issues and is also a method of faster mobilisation.

The structures within the organisations were seen to vary to some extent, with some being flatter than others. Perhaps the most highly developed structures of the inter-related organisations were seen in SEWA<sup>1</sup>. There are three main organisational types: trade unions, co-operatives, and district level federations. The structures are detailed below:

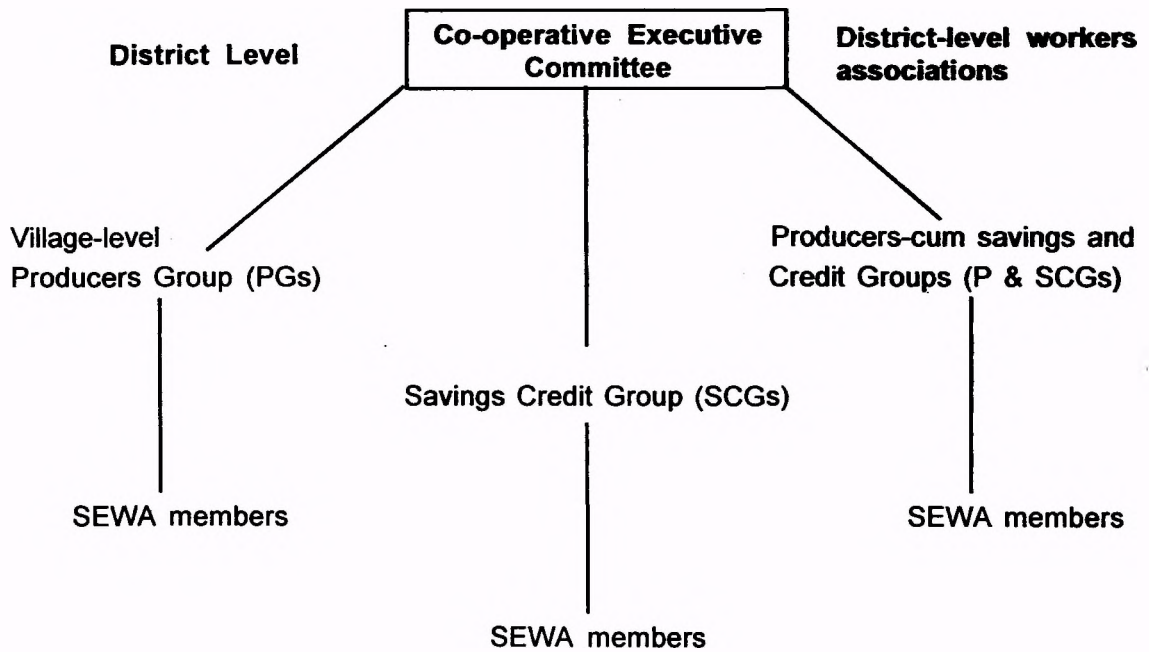
### Structure of Co-operatives



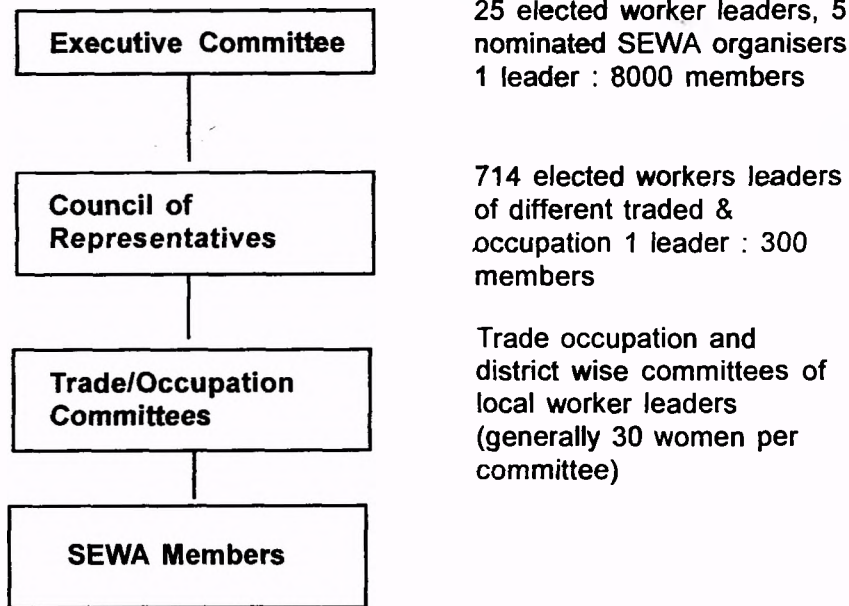
N. B. More than 80 SEWA – promoted co-operatives, with over 1,80,000 women workers, have formed their own statelevel co-operative federation.

The largest co-operative is SEWA Bank with 1,50,000 members. Members of one co-operative are typically also members of SEWA Bank. And they are always members of the SEWA union.

## Structure of District-level Associations



## Structure of SEWA Union



Since it is a union, the number of leaders in the Council of Representatives and eventually in the Executive Committee depends on the membership (i.e. actual numbers) in each trade or occupation group.

## Issues of Size and Reaching Large Numbers

Organisations can be effective only if they can reach larger numbers of workers, and build solidarity among them. One of the reasons for the successes of the trade union movement in the past has been their size and hence their capacity to represent their members. So, a question that is often raised is the 'small' size of the membership base, in relation to the large number of workers.

In fact, as regards size, these member-shipbased organisations are quite large in absolute numbers, given the difficulties involved in organising these workers. SEWA in Gujarat has a yearly paid-up membership of 2.27 lakhs, while SEWA, MP, has 80,000 members. The ASP (AP) has 1.5 lakh members in its SHGs.

However, it is also true that in relation to the number of workers, this is an almost negligible percentage. The main question that arises then is: What are the ways in which these successful organisations can be upscaled?

## Recognition and Registration

These organisations continually face the twin problems of recognition of both the organisation and that of the women workers who are their members. Each of the organisations studied has been demanding identity cards from some official source for its members, which they perceive will bring recognition for their members as workers. Recognition of the workers by issuing identity cards is the first step towards bargaining for better wages and working conditions, which is why there is a great deal of resistance against the issuance of identity cards. For example, forest workers' unions demand identity cards from the forest department, domestic workers from their employers or from the labour department, rag-pickers from the municipality, and agricultural labourers from the collector.

The issue of recognition of women workers' organisations is related to the issue of recognition of the organisations' members. Organisations tend to face resistance against recognition when they go in for their registration. Organisations that want to register under the Trade Union Act, generally run into problems with the Labour Department, while many organisations are unable to get registered at all. In fact, the Trade Union Act is very liberal in that any seven workers can get together and form a trade union. Furthermore, there is no particular definition of worker (*Quote exact wordings*). However, the power for registration of trade unions lies with the State Labour Departments, and so the interpretation of the Act is done by the Labour Commissioner in each State. Most Labour Commissioners have a formal sector concept of a trade union and worker, and they therefore tend to question whether these organisations are trade unions at all. Some of the questions they raise are:

- There is no employer, so with whom will you bargain?
- How can you have a union, which will include many different types of workers?
- How can you have a union of self-employed members when they are not workers?
- These workers have no fixed place of work. How can they be organised?
- How can you have a union of women alone, as that is discriminatory?

In addition to the difficulties pertaining to concepts and understanding that these organisations face, some States seem to have actually taken policy decisions not to register new trade unions. This decision is taken in the context of a multiplicity of trade unions in the formal sector enterprises, where too many unions inhibit both the bargaining process and the functioning of the enterprise. However, there is no such multiplicity in the unorganised sector. On the contrary, trade unions hardly exist in this sector, but the policy decisions taken in the context of the formal sector are automatically extended to the unorganised sector too. In particular, we have come across this problem in the States of West Bengal and of Uttar Pradesh.

Co-operatives too face many similar problems while seeking registration. Non-recognition of the worker herself leads to non-recognition of the co-operative. The power of registration of co-operatives lies with the Registrar, Co-operatives, and, as in the case of trade unions, many registrars find it difficult to understand these types of workers, or what they do collectively. The registration of co-operatives of forest workers or of rag-pickers is also hampered by the same problems. The registration of a co-operative which provides services such as cleaning or catering, on the other hand, is impeded by the fact that most States do not have 'service' co-operatives in their categories.

However, the major problem that co-operatives face in registration is the amount of paperwork and procedures involved. Firstly, the model byelaws prepared by the department do not usually suit the needs of the workers concerned and have to be modified, which in itself is tantamount to a major confrontation with the department. Secondly, the procedures of registration (*some description*), are usually very complicated, and beyond the means of even an ordinary educated person, let alone the illiterate women. Thirdly, most departments dealing with co-operatives are quite corrupt and either deliberately delay the process of registration or make it quite expensive.

These problems may now be overcome with the passage of the new Mutually Aided Co-operatives Act, which has come into force, first in Andhra Pradesh, and then in other states. Registration under the Societies Act is considerably easier than under the other Acts, as NGOs have been well-recognised by the State. However, it is more difficult to be a genuine member-based organisation as the Societies Act is basically designed for voluntary and charitable action. Also, technically the Societies should not be involved in 'business' and so the goal of economic empowerment becomes more difficult. The SHGs too are easy to form, and this is because they have been recognised by Nabard and other formal financial agencies. However, these are unregistered and thus have no legal standing. In order to sustain themselves they eventually have to come together to form a co-operative or a society.



## Sustainability

The sustainability of the organisations has to be seen both financially and institutionally. The financial difficulties are obvious. Since the workers belong to the poorest categories with very low and very unstable earnings, any membership fee or earnings collected from them would also be very meagre. Their organisations cannot be more sustainable than their lives. On the other hand, experience has shown that these workers are willing to pay even out of their small and insecure incomes to sustain their own organisations. Most organisations collect a membership fee of some type, and though that is not usually enough to sustain the organisation, it does bring in some revenue, while also being a major source of commitment and involvement for the members of the organisation.

In addition to the regular membership fee, organisations have other ways of collecting funds from their members during times when they have lump-sum earnings. For example, the *Shramjibi Mahila Samiti* has a paddy collection every year and a market place collection once a month; SEWA collects a small percentage of money received whenever it wins a legal case for its member(s).

These collections can, however, barely pay for the minimum needs of office, communications and personnel required to run an organisation. This is where the 'family of organisations' or cluster approach comes in. By carrying out many activities, under co-operatives and self-help groups, the organisation is able to meet its costs of providing and engaging in multi-service activities. However, here too the administrative support they receive is very low. The kind of activities that these women workers engage in are usually covered in those segments of the economy where the returns and surpluses are minimal. Furthermore, most of these organisations try to pass on the maximum amount of surpluses to the workers. Nevertheless, women workers do have a good business or entrepreneurial sense and are usually willing to pay for efficient management of their economic organisations. From that point of view, credit activities can become financially self-sustaining quite soon. This is because women generally borrow from the private money markets where the interest rates are very high, ranging from 36 to 120 per cent. They are thus usually willing to pay rates which are lower than these but which are sufficient to support the administrative costs of an organisation.

The main success of most organisations lies in their capacity to mobilise the workers, to raise awareness and to run campaigns. Organisations have used many innovative methods of mobilisation and campaigning (see *appendix*) which are necessary to sustain the organisation. In particular, sustained and innovative efforts are required during the initial formative years and the expansion phase of an organisation. In most cases, the financial costs of these are borne by another more financially healthy organisation like an NGO or a bigger trade union, or even the Government. These costs can be seen as investments required to be made for an organisation to come into being.

Another aspect of sustainability is the capacity of an organisation to manage itself in a democratic way, particularly in a manner that fosters the growth of local leadership and management. Co-operatives depend on the fortune of the enterprise and efficient management of the available capital, while trade unions rely on the funds generated by membership renewal and expansion, as also on an efficient leadership and committed grassroot workers. The continuous renewal of top-level leadership and the building of capacity of management as well as the promotion of awareness of the members' rights and duties constitute a major area of investment required for growth of these organisations. Every organisation cannot be expected to invest in these by itself, and consequently it should be the duty of society to provide this level of capacity building. In the section on skills, we have indicated the need for both formal and informal institutions to develop mechanisms to oversee these tasks.

### Material Gains, Dignity and Respectability

Forming an organisation requires a great deal of effort, sacrifice and costs. The question is: What are the returns to this effort? The study found substantial returns in terms of material gains more employment, higher wages, access to credit at lower rates, access to health-care, child-care, etc.

However, the members of the organisation generally rate 'non-material' gains as the main advantage of the organisation. They refer to a 'sense of dignity and self-worth', to a feeling of 'not being alone' and to the feeling that they are now regarded as 'respectable' in the eyes of authority representatives, who earlier treated them with contempt. They cite small examples of this change in attitude such as being offered a chair to sit, when they go to the police station with their complaints or their employer talking to them politely, or even their husbands being more considerate than earlier.

### Men and Women Organising Separately and Together

One of the issues that is often discussed is whether women workers should be organised as part of a general workers' organisation or whether they should have separate organisations. In this context, the experience in India indicates that both types of organisations do exist and have their respective advantages and disadvantages. An all women's organisation accords its members more freedom and space to act without having to convince and take along the men. On the other hand, a mixed organisation adds strength to the workers' movement. In Indian culture however, women do tend to feel and act more freely in a space of their own. In mixed spaces, they tend to relinquish both their voice and leadership. The nature of the organisation is thus a crucial factor determining its successful functioning.

## **Voice Representation**

One of the main tasks before an organisation is to adequately represent its workers. The ILO defines Voice Representation at Work as 'effective representation leading to basic levels of security'. In that context, Voice Representation itself constitutes a form of security for the members of the organisation. We have seen that an organisation has to go through three stages to be able to successfully represent its members. The first, is the stage of recognition of the organisation and the workers who are its members. This comes in during registration as also during the process of bargaining, or trying to enter the market.

The second stage of representation is the stage of formalising recognition of the organisation. This happens with the signing of agreements and with the organisation being invited as a member of existing boards, committees, etc. The third and final stage occurs when the representation is made into a system. Here the stage is set for the recognition of not only one organisation but for a whole class of organisations that meet certain criteria. Representation for an organisation then does not depend on the understanding of an official in power, or the good work and struggles of one organisation, but becomes part of the regulation of the systems of bargaining.

We have found that as far as informal sector organisations are concerned, the Voice Representation has reached only the second stage so far and that too only for some organisations. Most organisations have not even reached the first stage and very few have attained the second. The study reports that a few organisations are being represented on the Minimum Wages Committees, Municipal Committees and the Boards of various Government agencies.

In order to ensure proper representations for women workers' organisations, it is necessary to set up decentralised systems of regulation and representation, both at the sectoral as well as the overall levels. We will return to this during discussions on the recommendations.

## **Recommendations**

Organising is a voluntary activity carried out by activists who are moved by a certain spirit of revolt against injustice and the desire to offer their actions to ensure a more just, happier society and to build something new. It thus follows that people in search of a sense of dignity, freedom and a better life participate in organising activities, which are inspired by the vision of a better world. Without this spirit, organising and organisations lose their real meaning and become dull structures merely carrying out certain functions mechanically. It is certainly not possible to have recommendations, which would create or promote the spirit that inspires change, and in that sense recommendations cannot really touch the core of organising.

However, this spirit, which in many ways symbolises the human spirit itself, can be encouraged or discouraged. Allowing such people and such organisations to grow and to fulfil their functions encourages this spirit, whereas crushing them, often by violence, discourages it. In any society, the existing rules and regulations tend to discourage change and promote the status quo. Therefore, in order to promote new types of actions, these rules and regulations need to be changed. Conventional beliefs and ways of understanding the world play their role in inhibiting change, as do traditional relationships and social interactions. Here we will make some recommendations that will not only encourage the spirit of organising, but will also secure for the workers the gains made by organising, especially through Voice Representation.

Organising is an activity that lies essentially outside the sphere of governmental functions. An active role played by the Government helps to change the voluntary and self-help character of the organising effort. However, as noted earlier, Governmental rules and regulations can encourage or discourage these efforts. Organising can also be encouraged by the existing and established organisations in society such as trade unions and NGOs. At the same time, membership-based organisations themselves need to learn from the experiences of others before them. These recommendations are therefore directed at Governments, organisations of civil society and Membership-based Organisation themselves.

### **General Recommendations:**

All the above actors must take into account:

1. The Trade Union Act is very archaic and needs drastic amending to suit the needs of the current times in the world of work since large chunks of women are part of the workforce, in the unorganised sector. Besides amending Section 22, the changes are required with a view to give the statutory coverage and protect the workers in the informal sector with the right to form Union/Association and right to bargain and to secure guarantee for job security and fixing of minimum wage. This would be a step forward in the efforts to integrate the women workforce with the working class movement in keeping with ILO standards.
2. The first need is to undertake large-scale mobilisation and awareness of women workers. This is especially true for women in far-flung and backward rural areas. Without the large-scale mobilisation and organisation, no other step will be effective.
3. This mobilisation will have to be undertaken by all concerned, especially NGOs, government, TUs and other organisations and individuals concerned with social change.
4. The need to recognise and issue identity cards to women workers in the unorganised sector;
5. The need of the women workers for their own Membership-based Organisations, that are either independent or functioning as part of mixed organisations;

6. The need for multi-activity, multi-organisation clusters which would intervene in the economy as well as social and political processes at various levels and would not confine its activities to employment and earnings of its members.
7. The need to upscale the existing Membership-based Organisations; and
8. The need to create systems wherein the organisations can have Voice Representation.

### Governments

#### It is recommended that the Governments should:

1. Allow widespread registration of MBOs under the Trade Unions Act and prepare special guidelines for all Labour Departments;
2. Promote Mutually Aided Co-operative Acts in each State and issue special guidelines for the registration of co-operatives of women workers;
3. Frame and enact a special Act for microfinance organisations;
4. Ensure that the economic demands and struggles of women workers' organisations are not treated as 'law-and -order' problems;
5. Issue identity cards to all women workers;
6. Recognise MBOs as initiators and implementing agencies for Government schemes;
7. Recognise MBOs, not TUs in EPZs to protect the women workers in this zone.
8. Set-up Voice Representation systems for MBOs of women workers at the following two levels;
  - Setting up of recognised councils of women workers' MBOs which include Government representatives from different Ministries as well as representatives of industry and agriculture; and
  - Setting up councils for each sector that are empowered to bargain on specific issues. e.g. in the forestry sector, this council can bargain for rates of minor forest products as well as criteria for issuing licences.
9. Invest in training and research organisations for capacity building for MBOs.
10. State, district, block and panchayat functionaries are to be adequately sensitised on women issues so that village level women organisations in case of need may seek their help in sorting out the issues.

### **NGOS, Trade Unions and Other Organisations**

Apart from MBOs, other agencies including NGOs, trade unions and various organisations need to:

1. Play a promotive and supportive role for MBOs;
2. Support mobilising efforts for MBOs, especially to increase awareness and membership;
3. Support the setting up of capacity building systems including many types of training programmes;
4. Support both the campaigns and the attempts of MBOs to enter markets; and
5. Advocate and assist in the setting up of various forms of Voice Representations for MBOs.

## **MBOs**

The MBOs should

1. try to aim towards financial and managerial sustainability;
2. recognise that growth and upscaling are important;
3. try to develop second- and third-level leadership;
4. take the support of Government and NGOs to build capacity; and
5. advocate for systems of Voice Representation.
6. creation of the national fund and constitution of member-based organisations may not suffice for those women who are located in the far flung and backward rural areas until and unless there is a mobilisation process.

*1 SEWA (Gujarat) was not part of the ILO sponsored study, but was part of a separate paper presented at the Workshop*



## Section - VII

### Child Labour

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#### What Constitutes Child Labour?

A child chasing goats or cows, cutting grass or a very young girl washing utensils, carrying a pot of water, precariously balancing it on her head or cleaning her house while minding her younger brother in a cradle- are not uncommon images in rural India. This is the face of working children in the agricultural sector. The not so visible are the thousands of children rolling beedis, working in glass factories or engaged in sericulture. Similarly, the shoeshine boy or the little child serving a cup of tea in a hotel or a *dhaba* and the rising number of street children may be the visible forms of working children in urban townships. But there are innumerable invisible young girls and boys performing domestic chores, helping their parents employed in an urban home. Some of these children attend regular school, some of them struggle to keep pace and go to school whenever possible, while some others drop out. Again, some of these children manage to attend night schools or non-formal education classes. Others simply do not even have the opportunity to ever visit a classroom. These are the multiple images of childhood amongst the less privileged in India.

The last two decades have seen a proliferation of data and literature on the life and worlds of working children, especially children in highly exploitative occupations of India such as lock making, gem polishing and carpet weaving. Children in India also experience other forms of oppressive reality. Some are victims of sexual abuse and compelled into prostitution and pornographic performances. The number of children who are victims of trafficking in drugs is also increasing. This report tries to capture the complex dimensions of child labour in India and highlights the reasons of why it remains a malaise, in spite of having received continuous national and international attention. It briefly reviews efforts made by both government and non-government agencies in addressing the problem, highlighting the debates, the potential and strengths of various approaches and inherent constraints in tackling the problem. The final section provides recommendations of the Study Group.

#### What Constitutes Child Labour?

That children should not have to work is universally accepted, but there are no universal answers to why the problem of child labour persists and how it needs to be tackled. The approach one takes determines the policies and programmes designed to tackle the problem of child labour.

There are basically two arguments on what constitutes child labour. The first argument identifies child labour to be work done by children from poor households outside their home/ family for a minimal wage. The work done by these children is not suited to their young age

and the conditions in which they work are detrimental to their well-being and safety. Thus, according to this argument child labour is synonymous with exploitation of poor, young children working outside their homes by their usurious employers. It is apparent that this definition does not consider work done by children within their home/family as being exploitative, and therefore, child labour.

Thus, the conventional definition/concept distinguishes between child-work and child labour. Child labour is perceived to be an economic necessity of poor households and the exploitative aspect in children's work is associated with the profit maximising motive of commercial enterprises, wherein children are made to work long hours, paid low wages and denied opportunities for education.

This traditional concept of child labour is also endorsed by organisations such as the International Labour Organisation (ILO). As the ILO states, it is "not concerned with children helping in family farms or doing household chores" and defines child labour to "...include children leading permanently adult lives, working long hours for low wages under conditions damaging to their health and physical and mental development, sometimes separated from their families, frequently deprived of meaningful educational and training opportunities that could open up to them a better future" (ILO 1983). The World Bank, on a similar vein, argues that child-work that does not involve an exploitative relationship should be distinguished from child labour. It further argues that in some instances, work done by children within the family may even contribute to the development of the child. "Not all child labour is harmful. Many working children are within a stable and nurturing environment with their parents or under protection of a guardian can benefit in terms of socialisation and from informal education and training"(World Bank 1998).

The other definition of child labour put forward by groups critical of this conventional definition argues that the issue of child labour is not merely a question of whether work done by a child is exploitative and remunerative or not. According to them, all forms of work are bad for children, and any form of distinction work between one form of work or another done by children is completely arbitrary. It is particularly so as there is nothing to prevent the child from transiting from one category to another. For instance it needs to be noted that in recent years much of the paid work that used to be outside the home has now been transferred to home-based work within the home. There has been a tremendous rise of home-based work in the last decades and many activities like carpet-weaving, match-making and glass works which used to be done in factories and sheds is now done by children within the homes. Thus the distinction between work done by children within the home and outside the home has become blurred.

Further, the concept of segregating work done by a child into exploitative 'labour' and non-exploitative 'work' suffers from basic flaws and raises more issues than it resolves. First,

under what circumstances can work be considered exploitative, especially since it is working conditions and not the work itself that determines the levels of exploitation? For instance, there may be situations where a child is working in less exploitative conditions in a carpet loom than in a family-owned farm. Hence there is no simple method by which activities done by children can be classified as either 'work' or 'labour'. Second, activities done by children can be classified into more than two categories depending on the perceived levels of exploitation. Thus in reality, every working child is a child labourer, irrespective of the degree of exploitation.

Pointing to the close links between child labour and education, the proponents of this viewpoint further argue that all children who are out of school should be considered as child labourers. An out-of-school child is inevitably drawn into supplementing family labour, either on a full time basis, to help in the family occupation or manage family assets or simply engage in different 'adult-releasing' activities. Hence, any out-of-school child is a potential child worker.

Votaries of this argument point out that restricting the concept of child labour to wage employment is particularly detrimental to the interests of the girl child. First, it takes little or no cognisance of work done by the girl child (for it is normally the girl children who work at home assisting their mothers with household tasks such as cooking, washing and cleaning and looking after younger siblings) and hence her contribution to the economy. More importantly, such a narrow interpretation of the concept will result in fewer efforts by all concerned to get girls out of work and into school. Thus, it is imperative to treat all working children (boys and girls) as out-of-school-children and child labourers.

This definition of child labour which equates all children not going to school with child labourers emanates from the rights-based approach towards development which considers being-out-of school as a denial of child's right to education. "The right's based approach when applied to the problem of out-of-school children, dictates an inclusion of all children into the schooling system, irrespective of whether they work in agriculture, in industry or at home"(UNDP, 2001).

## Types and Dimensions of Child Labour in India

In India, estimates of the number of child labourers vary, owing to the differences in methodology used for enumeration of their numbers as well as because of conceptual differences in defining child labour. While statistics from the government of India conducted Census indicate a progressive decline in the number of child labourers over the decades, results from other survey suggest the contrary. However, in spite of these differences in estimates, it is undisputed that over 10 million children in India are working as child labourers, 2 million of whom are doing jobs that are detrimental to their health and safety. These include children who work in the more visible and well-documented industrial sector as well as the not so visible children who work in agriculture sector.

### Some stark illustrations...

First, there are the children who actually work in factories and workshops of different industries. These children work in both the organised as well as unorganised sectors and can be found in urban and semi-urban areas. While some of them work for wages, a sizeable section of these children who work in industries and factories work as bonded labourers. The carpet industry in the Mirzapur – Badohi belt of Uttar Pradesh (UP) and the beedi industry in Andhra Pradesh, Madhya Pradesh and Tamil Nadu are particularly notorious for employing child bonded labour and the plight of these children are well documented. Many of these children, who belong to the Scheduled Caste and Scheduled Tribe community, are pledged by their parents either to the factory owners or their agents or middlemen in exchange for small consumption loans. The children work for long hours and are paid wages that are much below the prescribed minimum wage. As a parent of a child working in the beedi industry observes:

*"I have mortgaged my seven-year-old girl, and eight-year-old boy to a Sheth (money lender) three years ago for a loan of Rs. 200 (Rs. 100 on each child). They work all the time for the master. Their total wage should be at least Rs. 20 a day. However, the Sheth has been paying them each Rs. 2. 50 a day, out of which he deducts half the money every day".*

Most of the children are very young when mortgaged. In the carpet industry, middlemen even encourage families to mortgage children less than 12 years. Many of the mortgaged children become bonded over very small sums of money and many of them continue to be in bondage in spite of paying off both principal and interests. This is because loan repayments are manipulated by the creditor against the interests of the illiterate parents of these children.

Besides working in the factory/industry, children are also forced to do other work for their employers such as grazing cattle, working in agriculture, fetching water from wells and other odd jobs. They are never paid for these jobs. Children who try to escape are often severely tortured.

*"I tried to escape three times but I was caught and severely beaten. My feet and hands were tied together and I was slung onto a jackfruit tree in front of Pannalal's house. I was tied with a rope and repeatedly lifted and thrown on the ground. I was beaten with sticks and shoes and sometimes even with an iron panja (the fork used for weaving). Once my thigh was branded with a hot iron rod when I tried to escape and was caught".*

Koiler Bhuian, child worker in a beedi factory

Besides employing children who are mortgaged by poor parents, other methods are also used to recruit children to work in industries. A very common practice in the brass industry is to use the services of middlemen or contractors, who are paid a commission for bringing child workers. Contractors and workshop owners prefer children because they are easy to control. Their parents are offered an advance of Rs. 100 or the equivalent of a month's wages. If a parent takes an advance, the child has to work whether he likes it or not. If he plays truant, the wages of other children from the same village are cut: some control is maintained in this way. Instances of children being kidnapped for the purpose of working in the carpet industry have also been reported. Again, children are often lured by false promises of education and good wages.

Parik Ram, a child worker in a carpet factory, narrated that he was promised by Shiva Kumar, the thekedar, that every afternoon after 4 o' clock, arrangements would be made for his education. He was also told that he would be given three good meals, clothes and Rs. 20 a day as wages and that if he were to feel unhappy, he could go back home.

Bonded child labour is not confined to the carpet and beedi industries. A study conducted in the Sivakasi match factories in Tamil Nadu, reported one woman as saying : ...' the child in the 'womb' is pledged to the factory, and consumption and maternity loans are obtained on the undertaking that the child born, girl or boy, would work for the factory! A large number of children also work as bonded slaves in glass factories.

*Raju, aged 12 years and Murlu, aged 8 years are two little boys working in a pakai bhatti (a unit where bangles are baked in layers on metal sheets covered with silica sand) in Chandwar village, just outside Firozabad. Their job is to arrange bangles on the trays which the pakaiwala (the person who places trays of bangles into the furnace and also stokes it) would put into the furnace. The heat is unbearable as the temperature soars to 800° C. The older boy was studying in school till a few months ago. When his father had an accident working on a thresher and lost his arm, the boy was withdrawn from school and brought to*



*Firozabad. His father had taken an advance from the thekedar (contractor) and the boy was to pay off the loan from his wages. Both the boys had been left behind by their parents as mortgages against advances taken from the thekedar. These two boys live alone in the pakai bhatti unit and cook their food on the silica-covered trays.*

This is not merely the story of one or two children but of hundreds and thousands of them. Depending on the nature of work, the industry in which they work and the circumstances of their coming to work, children are subjected to various forms of exploitation. Their working conditions are abominable. In extreme cases, they are often tortured and made to work for 20 hours a day without a break. It has been reported that in some units little children are made to crouch on their toes, from dawn to dusk everyday, severely stunting their growth during formative years

*In one of the huts in Tila Thi, a village in Mirzapur Dt. UP, a carpet that could be destined for New York, Los Angeles, London or Paris hangs half finished on a loom. This loom stands in a pit dug about four feet into the earth in back-less wooden bench on which sit two adults and seven children. The dim light there is barely adequate to illuminate the coloured paper diagram that hangs on the wall. The air is damp and close and laden with chocking particles of woolen fluff. The only sound is the steady chop of razor-sharp, heavy iron knives cutting the sharp ends of the woolen knots and the thwack of heavy iron combs jamming the knots even closer together as the carpet slowly grows. These tasks are exciting and dangerous. There is no talking.*

*Eight year old Devi sits on the backless bench in that hut from 10 am to at least 6 pm seven days a week, tying knots, chopping off ends and pressing them into the pile. It takes the nine workers several months to finish a carpet. An overseer provides the yarn, checks the quality of their work and makes sure the dead line for completing the carpet is met, which usually means working far into the night under the light of kerosene lamps for weeks on end.*

*Work in the carpet industry is seen as a cause of tuberculosis in a large proportion of workers, and it is considered one of the most hazardous. But this industry employs the largest number of children.*

Besides these children who actually work in factories and workshops, a number of working children are also found in home-based work, helping their parents. Their parents are normally piece-rate workers, who are paid according to the number of units of output they are able to produce. The children are inadvertently drawn into this work to help their parents, owing to abysmally low rates that are paid to an adult. Such home-based work is quite typical to a number of industries such as the agarbatti (incense sticks) industry spread out in Andhra Pradesh, Madhya Pradesh, Maharashtra and Gujarat, the garment industry in West Bengal, the coir industry in Kerala and the beedi industry in Tamil Nadu, Karnataka, Andhra Pradesh, Gujarat and Maharashtra.



Apart from factories and workshops, children are also employed to work in mines. They are primarily employed because of their size factor. They work in very narrow trenches, where adults can only crawl. Once the children outgrow their size advantage, they are immediately thrown out of the job by their employers. Young children below the age of fourteen years, together with women, form a very sizeable proportion of the labour force in the mining and quarrying industry. While in Rajasthan, they work mainly in marble mines, in Madhya Pradesh and Meghalaya they work in limestone quarries. They work mainly for private mining companies, in unorganised kilns, quarries and mines, and are engaged in back-breaking work, carving out chunks of stone from the earth, breaking them up and then carrying them in baskets to the edge of the pit.

Besides industry, children work in the agriculture sector as well. In fact, a major proportion of the child labour force is found in this sector. Many of these children work as agricultural labourers, some of whom are bonded labour. Child bonded labour in rural areas/ agriculture is an intergenerational phenomenon. Most of child bonded labourers in the rural areas are sons of bonded labourers. Usually a grandfather or father has taken a loan. After working for several years when the man becomes too old to work, his master demands that the young son/s be sent to replace the father. Thus around the age of ten the young child is introduced in the system of bondage.

The not so visible face of child labour in agriculture are the young boys and girls who work as a part of family labour. Coming from poor rural households, these children are forced to take on a number of adult - releasing tasks so that their parents are free to engage in directly productive activity. This is especially true of the girl child, who has to take on the responsibility of fetching fuel wood and fodder, looking after younger siblings, cooking, washing utensils, and grazing cattle. However, despite evidence to the contrary, the contribution of these children to the economy is not considered. There is also evidence that children are employed in plantations. Studies show that the percentage of child labour in the tea plantations of Assam and West Bengal is quite high. An analysis of the Plantation Act reveals that the Act in fact allows children above the age of 12 to be employed as permanent workers. This is contrary to the Child Labour Act 1986, which prohibits employment of children below the age of 14 in any occupation.

Urban metropolitan centres and semi-urban areas are home to another category of working children viz., street children. These children who work for survival, usually live in public places such as railway stations, bus stops and footpaths and are without the protection of their families. While some of these children, such as shoeshine boys, newspaper vendors, rag-pickers, hawkers and vendors, are self-employed, others work in establishments like dhabas (small way-side eating places), or as domestic servants and coolies (porters), or as casual labourers on construction sites, as helpers in shops, and so on. A factor that is common to all street children is the physical separation from their families. Fear of physical

abuse, either at the hands of their parents, or a previous employer, is the main reason why children leave their home.

*Rasheed and Baheed are two brothers aged 13 and 8 years. Both brothers were escaping from their respective employers in Lucknow when they were apprehended by the police at the Aligarh Railway Station and taken into protective police custody.*

**Rasheed and Baheed have been on the run for several years. First, they ran away to escape the beatings of their alcoholic father, a vegetable vendor in Lucknow. They went to the Lucknow railway station and slept on the platform. Here they swept the trains occasionally and earned a little money. One day, the two hungry brothers were approached by a man who offered them food. The man took the boys to a nearby hotel where he let them eat to their hearts' content. After they finished their meal, he told them to pay for the food or work for him. The boys had no choice but to agree to work. The man even offered to pay them Rs. 200 a month and give them food. But when they arrived at the hotel, they were locked up in a back room. For two months, they worked from 6 a.m. to 10 p.m. without wages. They washed the plates and vessels, and swept the floors, but were never allowed to serve clients. For that work, the hotel owner employed adolescents who were trusted. After several unsuccessful attempts, the boys finally managed to escape. But when they went home, they had to face physical violence again from their father who compelled them to work in a factory. They found the work at the bakery very hard as the baker made them carry heavy trays of baked goods on their heads from the bakery to the shops. In despair they ran away once again back to the railway station where they swept the floors of the compartments in moving trains and earned some money. It was while they were loitering in the platform that the police apprehended them.**

Working children are also often to be found amongst migrant families. They work at construction sites, sugar factories, brick-kilns, mines and plantations where circumstances do not permit the parents to leave the children behind their homes. Numerous studies have documented that children of migrants form a very large percentage of the non-domestic non-monetary child labour force. Another sub-group falling into this category is made up of children, particularly girl children, who accompany their mothers working as part-time domestic servants. This is often because of the perceived vulnerability of the female child to sexual abuse in the setting of the urban slum, which pressurises the parents to see that she is never alone. Further domestic work, categorised as non-hazardous by the Act, can turn hazardous for a child. Being beaten for breakages, for not being quick enough, being starved, are commonly mentioned as penalties imposed by the employer. Innumerable such instances are reported by many researchers and activists who have painstakingly interviewed these child workers and also rescued them.

These examples reveal the travails of millions of children in India and the exploitative nature of child labour, its sociological and economic dimensions. It needs to be mentioned here that the above portrayal of working children is not exhaustive. Also, the categories of different types of child labour are not mutually exclusive. Children are also found to be victims of disasters natural as well as man made, drug abuse, suffer physical neglect within the family, are sold and trafficked for prostitution, producing pornographic material and drug peddling. Besides, there are also children whose services are dedicated to a deity in early childhood (eg. *Devadashis, Jogins*). These children are not paid for their services and often end up in prostitution in adulthood.

Another important point to note is the impact that the work itself has on their health and education. Working in unhygienic and crowded conditions, children suffer from many occupation related diseases. In the lock industry, children work with potassium cyanide, trisodium phosphate, sodium silicate, hydrochloric acid and sulphuric acid. They inhale noxious fumes, are exposed to electric shocks, and suffer from tuberculosis, bronchitis, asthma and other diseases. Tuberculosis is a common occupational health hazard in the carpet industry too. In the brass industry, children work at high temperature and inhale the dust produced in polishing. The glass industry is particularly hazardous since children carry molten glass and work around furnaces with intense heat. Children working in hazardous occupations, including agriculture-related work often do so without safety equipment and are thus prone to accidents.

*Santosh is a bright-eyed child of nine years with an eager smile and quick intelligence. Since the age of six, he has been spending 12 hours a day, six days a week, squatting in semi darkness on damp ground, polishing little pieces of metal on a high speed grinding wheel. In the lock factory in Aligarh where he works, the gloom is broken only by a few narrow shafts of light entering through holes in the brick walls and by a single light bulb. The air is visibly thick with metal dust, the temperature about 120 degree F. The bare floor is damp with acid that sloshes from big vats onto the ground.*

*Santosh is small and alarmingly thin. Though his skin is normally brown, by noon, every inch of him has turned metallic grey-black coated with metal dust. His hair is stiff with it and voice is hoarse with it. All round the child, the unprotected belts that drive the grinding wheels whir. Metal pieces rasp and clang when Santosh bends over to work, his face few inches from wheel, splinters of metal occasionally fly up into his eyes. He has never seen a pair of goggles.*

Furthermore, children who work in hazardous industries, tend to lose their working capacities and their health at a very early age. They become old and unproductive citizens at a time when most other people are just beginning to participate in a full life. Early entrance into the labour force is no assurance of a higher wage later. Wages paid to adults are not determined

by whether or not they worked as children. Where the growth of children is stunted as a result of premature employment, their wages as adults may be less than those who enter the labor force at an older age. Employers have a notion of children's work, involving speed, patience, manual dexterity, suppleness, and so forth, which is of benefit to employers. Since some of these attributes diminish with age, their early use does not necessarily enhance the employability of children as they grow older. To the contrary, the high risk associated with this work can reduce the subsequent opportunities for employment.

With regard to education, it has been observed that child workers in India are largely illiterate. Most have never been to school. Since education is not compulsory, children begin work at very young ages. Even children of pre-primary-school age can be seen working in cottage industries. In fact, child labour is keeping children out of school and contributing to the growth of illiteracy especially among girls. Employers prefer to employ young girls since they are paid lower wages than boys. Again many children who work do so at the cost of education. As stated earlier many children drop out from school unable to cope with both work and school. This is especially true for the girl child for whom an opportunity to get educated is always a struggle. The circumstances of these children may be deplored in intellectual and academic discussions; in India however there appears to be a social acceptance of the "harsh reality of child labour and a scant sense of outrage about children out of school".

Few children outside of agriculture can be said to be apprentices learning traditional family skills. Glass bangle-making and glass-blowing are no longer hereditary occupations and the children employed in them are not acquiring special skills. In the lock industry children work on buffing machines, electroplating, spray painting, filing components, making springs, assembling and packing locks. The urban working children described here are in relatively new occupations and few are following in the footsteps of their parents. The image of the child as an apprentice to a master craftsman is a romantic one unrelated to reality. The "skills" acquired by the children are rarely those that could not be acquired at an older age. Indeed, the skills are typically of a low level: simple, routinised, manual tasks or carting.

The above portrayal of child labour of the types and dimensions of child labour has largely been drawn from the following sources.

- *Bonded Labour in India : National Survey on the Incidence of Bonded Labour, Final Report* (New Delhi : Biblia Impex Private Limited) 1981.
- *Born to Work, Child Labour in India*, Neera Burra, Oxford University Press ,1997
- Juyal, B.N. et al, *Child Labour: The Twice Exploited* (Varanasi:Gandhian Institute of Studies) 1985.
- Marla, Sarma, “ *Bonded Labour in Medak district (A.P.)*” in NLI Bulletin, vol. 3, no. 10, October 1977.
- Mehta, Prayag, “ *Mortgaged Child Labour of Vellore. Women Beedi Workers Tale of Woe*” Mainstream, vol. XXVII, no. 1, 3 September 1983.
- *The Child and the State in India*, Myron Weiner, Oxford University Press, 1992



## **Group's Approach to Child Labour**

The approach of the Group on Child Labour is that the child, the child's welfare and the child's future should be central to our programmes, and to our laws. Children are the future of our society and also of our economy and every child should have the opportunity to develop his or her skills and potential, to participate both as a citizen and as a worker. In today's society, a certain level of schooling is necessary for each person to feel an equal part of society. At the same time with the rapidly changing economy, to deny schooling to any group of children, is to forever deny them an opportunity to earn a decent livelihood. A child-centered approach to child labour is therefore not only to save the child from severe exploitation, but also to ensure that she or he has the chance to a future.

Any programme seeking to deal with the problem of child labour has to address all the children out of school. It brings into its ambit all working children out of school irrespective of the nature of work. A second equally significant consequence is that the tasks of eliminating child labour and universalising elementary education become synonymous. One cannot be achieved without achieving the other. The task of withdrawing children from work therefore, becomes the same as inducting children into school. The fundamental belief on which the programme has to be based is that parents, even poor parents, are not only capable of sending their children to formal daytime schools but are also willing to do so. Viewing all out-of school children as child labour, irrespective of the nature of work done by them, would treat the elimination of child labour and the universalisation of elementary education as inseparable processes, the success of one automatically leading to the success of the other.

Briefly stated therefore, the entire strategy would have to be based on promoting the norm that no child should work and all children should be in schools. In other words, the programme should treat all out-of-school children, irrespective of the nature of their work, as the target group. Only then will children engaged in agriculture, consisting nearly 85 per cent of the child labour force, become part of the strategy and only then will a significant impact be made on the situation of child labour, especially girls.



## ***Some facts about child labour in India***

### ***Numbers***

- ❖ India has the largest number of child labour in the world in absolute numbers. While the 1991 census puts the number at 11.28 million, the 50<sup>th</sup> round of the National Sample Survey (NSS) conducted in 1993-94 estimated the child labour population at 13.5 million. The Operations Research Group in a study in 1980, estimated 44 million children below the age of 15 years to be working in economic, non – economic and household activities.
- ❖ An important source of data to estimate the number of working children is the data on children out of school. As per the estimates for 1995-96, there were 173 million in the age-group of 6-14. Of these, 110 million children were estimated to be out of school. Out of the 110 million children 60 million are girl children.<sup>1</sup>
- ❖ There are about 74 million children who are neither enrolled in schools nor accounted for in the labour force, who come under the category of “nowhere” children.

### ***Sectors***

- ❖ An aspect of child labour in India is that it is much more a rural phenomenon than urban. More than 90.87 per cent of the working children are in the rural areas and are employed in agriculture and allied activities and in household chores. Cultivation, agricultural labour, livestock, forestry and fisheries account for 85 percent of child labour.
- ❖ In the urban informal sector, child labour is found in small-scale cottage industries, in tea stalls, restaurants, workshops, factories, domestic servants and on the streets.
- ❖ Children working in manufacturing, servicing and repairs account for 8.7% of the urban child labour force. Out of this only 0.8 percent work in factories.
- ❖ In the non-agricultural sector, child labour is found in many activities such as in the:
  - Carpet industry in Mirzapur-Bhandohi belt of Uttar Pradesh (UP)
  - Match and fireworks industry of Sivakasi, Tamil Nadu
  - Diamond cutting industry of Surat
  - Glass industry of Ferozabad
  - Pottery industry of Khurja
  - Brassware industry of Moradabad
  - Tea plantations of Assam and West Bengal
  - Silk weaving industry of Varanasi
  - Sports goods industry in Meerut and Jallunder

- ❖ About two million or so children are engaged in hazardous employment. In certain communities where social and caste factors are important, bonded child labour is also present.
- ❖ Commercial and sexual exploitation of children in the form of prostitution is also present in the urban areas.
- ❖ The unorganised and informal sectors, both in rural and urban areas account for almost all the child labour force.

### ***Distribution***

- ❖ The incidence of child labour is high for Scheduled Castes and Scheduled Tribes and agricultural labourers
- ❖ State – wise, child labour is predominant in the states of Uttar Pradesh, Bihar, Madhya Pradesh, Andhra Pradesh, Orissa, Karnataka and Tamil Nadu, and is mainly found in poor areas and among disadvantaged and marginalised groups in society.
- ❖ The distribution of child labour in various states appears to indicate certain correlations:
  - States having a larger population living below the poverty line have high incidence of child labour.
  - High incidence of child labour is accompanied by high dropout rates in schools.

### ***Male/Female ratio***

- ❖ There is no appreciable predominance of male or female children in child labour population. Male: 54.82%; Female: 45.18%
- ❖ The concentration of female workers in the agriculture sector is quite high (83%). Of this 52% are agricultural labourers.
- ❖ Among the male child workers, 78% are concentrated in the agricultural sector.
- ❖ More females are engaged in low paid jobs as opposed to males.

<sup>1</sup> GOI 1995-96 Estimates MHRD, NCERT, SAIES provisional Statistics

## Debates On Child Labour

Having examined the various faces of child labour, it is not difficult to concede that the use of children to get work done is to be decried. Although it has been universally acknowledged that child labour is an evil practice that needs to be done away at the earliest, there are debates on several issues related to the problem. Some of the major debates have focussed on the following issues:

- Is poverty the cause or result of child labour?
- Should legislation on Child Labour be regulatory or prohibitory?
- Is there a need to distinguish between hazardous and non – hazardous work?
- Should incentives be given to withdraw child labour?
- Is the formal education system or the non–formal education system more appropriate to tackle child labour?
- Do developed countries have the right to impose trade ban on countries with a high incidence of child labour?

### Is Poverty the Cause or the Result of Child Labour?

What is the cause for child labour? Opinion on this issue is divided. Basically, there are two schools of thought. One school of thought argues that child labour is result of poverty. Thus, so long as poverty exists, child labour is there to stay. The other line of argument is that it is child labour that perpetuates poverty and the only way to address child labour is by making elementary education available for all.

**Poverty causes Child Labour:** The basic premise of this argument is that children work because of poverty. It has been observed that most child labourers come from poor families. Survival of a poor family is impossible unless earnings from children supplement the household's income. Children's contribution, be it cash (through wages) or in kind (through assuming responsibilities for household chores, thereby freeing parents/mothers to work outside the home) is crucial and integral to a poor family's survival strategy. Thus, child labour is an inevitable outcome of poverty and any legal initiatives to abolish it will be impractical and accentuate the economic stress of affected families. Instead, child labour should be banned in hazardous industries and efforts should be directed towards reducing the exploitative conditions under which these children work.

***Child labour perpetuates poverty:*** This is the argument put forward by those who view the phenomenon of child labour from an educational and rights of the child perspective. As an advocate of this argument succinctly observes, "child labour is the result of the exploitation of the weak and vulnerable and it is always the poorest sections of the society who are the most vulnerable to this exploitation. When children start working at a young age, they remain illiterate, unskilled and unable to demand their rights for equal wages and better conditions of work. Working long hours, they burn themselves out and their health is severely impaired. As adults, in situations like this, they are often heavily in debt. The circumstances of unemployment, if not unemployability, combined with their inferior position in the hierarchies of caste and class, predispose them to putting their own children to work. And so the downward spiral of poverty and exploitation is perpetuated.

Advocates of this view rightly point out that apprehensions about the survival of affected families without the additional income of their children if child labour is stopped is unfounded. In fact, children's incomes are pathetically meagre. Also it is precisely owing to the large number of children in the work force that adult wages are depressed, that unemployment increases, as does general poverty levels. In fact, the non-payment of minimum wages for adults is closely linked to employment of children. When adults receive less than the Minimum Wage, they are unable to support the family and must pull the children into work. This is particularly true of all piece-rated work especially home-based work. When the piece rates are kept below minimum wages, all members of the household are pulled into doing the work, and the result is child labour. Conversely, when children work the wages are kept very low as children are docile and meek and cannot demand more. So, child labour causes the wages to fall. Child labour is both a cause and an effect of non-payment of minimum wages.

**The group believes that although poverty leads to child labour, child labour also perpetuates poverty. It is therefore necessary to deal with the child labour as a problem in itself.**

#### **Regulation or Prohibition of Child Labour?**

A question that is the subject of much debate is whether legislation on Child Labour should be regulatory or prohibitory? Advocates of prohibition argue that if one accepts that child labour is an evil practice, it must be abolished immediately and the question of regulation should not arise. For regulation implies the acceptance of child labour and legitimises this abusive practice. The objectives of regulation and elimination of child labour are mutually exclusive. Therefore, any legislation on child labour must focus on prohibition. At present, the law prohibits the employment of children below the age of 14 years in certain industry-based hazardous occupations and processes. It thus ignores more than 90% of Indian children who work in family based enterprises, agriculture and other non-hazardous occupations. This may encourage child labour in industries where regulatory provisions of the Act apply.

**The Group feels that if one is seriously committed to the intent of eliminating child labour, then prohibition is the only answer.**

Those who view child labour to be the result of poverty, primarily advocate regulation of child labour. They argue that regulatory provisions are necessary for these children who have no option but to work because of poverty. These children are vulnerable to exploitation by their usurious employers and regulation of hours of work and working conditions is essential. In such cases regulation can be an important strategy to prevent the exploitation of children. Thus, they argue that prohibition can be the best way to abolish child labour only if appropriate amendments are made in the existing statutes and effective mechanisms (such as rehabilitation packages) are first put in place. In the interim period, regulation can play an important role in checking the exploitation of children.

However, at present rehabilitation provisions for child labour remain weak. The law on prohibition is limited to a few hazardous industries and industrial processes. There is thus the danger of the disappearance of child labour from these identified hazardous/prohibited occupations and its (child labour) re-emergence in hitherto unidentified hazardous/prohibited occupations.

#### **Hazardous and non – hazardous child labour**

Those who believe that it is necessary to distinguish between hazardous and non- hazardous work argue that labour must be looked at in relation to the nature of labour and not in isolation. Certain occupations are definitely more hazardous than others. For instance, the work done by a bonded child labourer, a child in a stone quarry and the shoe shine boy are different. Thus children doing hazardous work must receive priority. Detractors argue that the distinction should not be made between different kinds of work, as this will dilute the efforts of eliminating child labour. Distinguishing between hazardous work and non-hazardous work while protecting the child from working in exploitative conditions, will inevitably lead to the employment of children in occupations or processes that are not deemed to be hazardous and exploitative. Thus, there is a danger that there may be an overall increase in the incidence of child labour.

#### **Incentives**

Another contentious issue with regard to child labour is whether incentives should be given to parents who withdraw children from child labour. Those who are in favour of incentives point out that most of the children who work come from poor families. These children are forced to work by necessity in order to supplement their families' meagre incomes. Since the wages of these children are critical to the survival of their families, many parents do not

send their children to school even though they want to. So unless these poor parents are given incentives in the form of monetary compensation to offset losses in income, they will not be willing to withdraw their children from work.

Detractors of this view however argue that no parents should be given monetary incentives to stop them from sending their children to work. Rather the government and trade unions should work together to ensure that the Minimum Wages Act is strictly enforced. All adults should be paid minimum wages according to the number of hours worked. If necessary, right to work should be made a fundamental right for all adults under the Constitution. Also, instead of giving incentives to stop parents from sending their children to work, incentives should be given to encourage parents to send their children to school. Besides making education a fundamental right for all children under the Constitution, incentives such as free books, uniforms, mid-day meals and scholarships should be provided. They argue that many poor parents are willing to send their children to school rather than to work. However, given the high costs of education, especially indirect costs such as uniforms and textbooks, they are forced to pull out their children from school.

**The Group believes that in order to motivate the parents to send the children to school, incentives should only be in the form of scholarships, free uniforms, midday meals etc and not as direct benefit to the families of the children.**

#### **Formal and non – formal education**

Proponents of the formal system of education are those who look at the issue of child labour from the educational perspective. They consider any work done by children, whether it is inside the home or outside and whether they are paid for the work or not, that interferes with their education to be child labour. Thus all children who are out of school are either working already or are potential child labourers. In order to prevent children from becoming child labourers, it is necessary that all children attend full-time day school. And the only system that supports this is the formal education system. While they concede that the curriculum in the existing formal education system suffers from several shortcomings, nevertheless the formal education system is the only one which protects children from child labour.

The advocates of non-formal education (NFE) question the relevance of the formal education system. They argue that education is not just about going to school and learning what is taught there. Education is a part of life. While agreeing that education is necessary, proponents of NFE do not agree that school education alone can solve the problem of child labour. Education should be looked at as something that helps to solve life's problems. Thus children need appropriate education that enables them to participate.



**The Group believes that the solution lies in the spread of formal education and schools. The quality of formal education is also important and must receive adequate attention. However, in many instances non-formal education and bridge schools may be needed to motivate children to begin attending regular schools**

### **Trade Restrictions**

Another recent debate is about the imposition of trade bans on countries with a high incidence of child labour. Those in favour of sanctions argue that these sanctions will increase the pressure on the government to take immediate and effective measures to abolish child labour. It will also hasten the process towards India's ratification of the more progressive ILO conventions/ resolutions.

By and large, most activists and organisations working on the issue of child labour do not favour a general trade ban. First, no country has any right to dictate to a sovereign country like India, what it should do and what policies it should follow with regard to labour, children or any other issue for that matter. On the contrary, they concur with the opinion of several economists who see this move to link trade and market access with labour as a motivated exercise by some developed countries. Economists such as Bhagwati and Srinivasan argue that the economic rationale behind the developed countries' demand for a social clause enforced through trade bans is a protectionist device. Measures such as codes of conduct for multinationals, and specific sanctions on those products where there is an overwhelming evidence of the use of child labour is likely to be more effective.

**The Group feels that trade restrictions linked to child labour are harmful to the interests of the families as well as the children. In practice it is found that trade restrictions usually linked to protectionists and business interests. Furthermore, trade restriction lead to a worsening of the economy that leads to poverty and misery for the children and their families.**

The next section discusses the legal framework for State action in India as well as the initiatives and experiments that have been successful in addressing the problem of child labour and in enhancing both quality and access to school education.

## **Towards Eliminating Child Labour: Legal Framework for State Action**

### **Constitutional Provisions**

State actions directed towards children are guided by certain fundamental legal norms. In the Indian context, these are rooted in two important documents:

- (a) **The Constitution of India (COI):** The COI, through various articles enshrined under the Directive Principles of state policy, lays down that child labour in factories, mines and other hazardous occupations should be prohibited. (Article 24), and that free and compulsory education should be given to children below the age of 14 years (Article 45) as the tender age of children should not be abused and that they are not forced by economic necessity to enter avocations unsuited to their age and strength (Article 39-e). Additionally, it states that children are to be given opportunities and facilities to develop in a healthy manner and conditions of freedom and dignity and that children are protected against moral and material abandonment (Article 39-f).
- (b) **UN Convention on the Rights of the Child (CRC):** The CRC is the first and most comprehensive instrument on children's rights that is legally binding on all the States which ratify it. It was unanimously adopted on 20<sup>th</sup> November, 1989 and was ratified by India in 1992. This implied that India accepted the legal obligations of bringing its existing laws, policies and programmes in line with the international standards as laid down by the Convention. The CRC recognised the indivisibility and inalienability of child rights and not merely objects of rights. It provided the following principles for examining the implementation of the convention:
  - i. The principle of non-discrimination (Article 2);
  - ii. Best interests of the child (Article 3);
  - iii. The right to life, survival and development (Article 6); and
  - iv. Respect for the views of the child (Article 12).

### **Legislation on Child Labour in India**

Legislation on Child Labour in India seeks to address three broad concerns associated with this phenomenon:

- (a) Prescription of a minimum age limit for employment of children and regulation of working hours for children;
- (b) Ensuring a compulsory minimum level of education for children; and
- (c) Ensuring the health and safety of child labourers by prohibiting the employment of children in hazardous work.

While the first two types of legislation are interventions that attempt to discourage / reduce / prevent the incidence of child labour, the latter intervention may be termed as a 'direct' intervention in that it attempts to deal with issues that directly affect child labour, viz., health and safety.

The main legal instruments for the prescribing minimum age limits and regulate working conditions have been the various Indian Factories Act (IFA), and the Indian Mines Act (IMA) and their numerous amendments (see Appendix). The first IFA which was passed in the colonial period (1881) fixed the minimum age of employment at seven (7) and maximum number of hours at nine per day. It also provided for four monthly holidays. The Act was applicable to only those factories that employed more that 100 workers with the results that children working in smaller establishments were excluded from its purview.

The IFA was since amended almost every ten (10) years with each amendment providing for an upward revision of the minimum age of employment. Later amendments (e.g., 1891 & 1954) also disallowed the employment of children during night time.

The IMA, besides setting age limits and working hours, also provided against the employment of children in activities that were dangerous to their health and safety, such as mining, excavations, etc. The first IMA was passed in 1907 and was subsequently revised several times.

Subsequently, a number of Commissions and Committees — the Whitely Commisison in 1929, the Rege Committee in 1944 and the Gurupadaswamy Committee of 1979— recommended laws to regulate child labour. Based on these recommendations the Government of India passed the Child Labour (Prohibition and Regulation) Act, 1986, a fairly comprehensive piece of legislation. The salient features of this Act are summarised below:

- Defines " child " as a person who has not completed 14 years of age.
- Prohibits the employment of children below 14 years in specified occupations and processes.
- Lays down a procedure to make additions to the schedule of prohibited occupations or processes.
- Regulates the working conditions of children in occupations where they are not prohibited from working.
- Lays down penalties for violation.

#### **Legislation on Child Labour: A Review**

As discussed above, India has a history of legislative action against child labour starting with The Factories Acts during the British Colonial Period to the more recent The Child Labour (Prohibition and Regulation) Act 1986. While the earlier laws were more piece meal efforts to regulate the employment of children in particular industries, the 1986 Act was conceived

as a comprehensive piece of legislation to deal with the problem of child labour. However, as with the earlier acts, the 1986 Act also operated within a regulatory framework with the belief that child labour cannot be abolished so long as poverty exists. As such, the law has several legal and procedural loopholes.

**Scope:** The law is very limited in scope. It covers only the organised sector, where only 8% of children work, and is applicable to only certain industry – based and hazardous occupations and processes. It is silent on children working in the un – organised sector and excludes children working at home or family – based enterprises. Yet, this is where more than 90% of Indian children work, often at the cost of education.

**Premises:** The law is based on the premise that the decision as to whether children should work, especially within the family or household, is that of the parents. So long as the child is not forced to work in an exploitative environment, the State should not take any drastic legal action. It pre - supposes an employer – employee relationship where child labour is concerned and assumes that exploitation of children is not possible within the family premises, even though the processes or occupations are otherwise hazardous.

**Definition of 'Hazardous' occupation:** Although the Act prohibits the employment of children in certain hazardous industries and processes, it does not define what constitutes hazardous work. It only provides a list of hazardous occupations/processes. As a result, this loophole presents the danger of the employment of children in hitherto unidentified hazardous occupations and processes.

**Focus:** The law does not recognise the child as an individual being who should be the focus of the Act. Instead the focus is on the establishment, administration and procedures. The entire focus is on cleansing the establishments of child labour with no provisions for the child's rehabilitation. It does not say what should happen to the child labourer once the employer is prosecuted. It is only recently after the Supreme Court judgement on the M C Mehta vs. Tamil Nadu case that government set up a Child Labour Rehabilitation and Welfare Fund.

**Implementation and Enforcement:** The implementation of the Act depends entirely on the State's bureaucratic machinery. It assumes that a poorly staffed and ill – equipped bureaucracy will be able to ensure that children do not work in hazardous processes and occupations and regulate the conditions of work in non – hazardous settings. The bureaucracy will also be able to determine whether a child is working in a non – hazardous process in a hazardous occupation. Again, under the law, the employer is supposed to notify the Labour Department of any children working in the establishment. This is akin to asking the murderer to report the crime. Also, the onus of proving that a child is under – age lies with the prosecutor and not the offender.

## **Legislation on Education**

Education is referred to in three different types of Acts: The Compulsory Education Acts, The Persons with Disabilities Act and The Juvenile Justice Act. The State laws on Education operate on the premise that State intervention is necessary to send children to school. The education of the child is seen to be more important for the society rather than the child or the child's family. Thus, instead of empowering parents to send children to school, the law empowers the State to take punitive action against parents who do not send their children to school.

### **Legislation on Education: A Review**

The laws on education suffer from similar shortcomings as the law on child labour. The State laws on Education operate on the premise that State intervention is necessary to send children to school. The education of the child is seen to be more important for the society rather than the child or the child's family. Thus instead of empowering parents to send children to school, the law empowers the State to take punitive action against parents who do not send their children to school.

The laws on education club children with their families and make them duty-bound. The rights of the child within the school system are not recognised. Often violation of such rights such as non-discrimination, respect of child's dignity, rights of indigenous communities and minorities either keep children away from school or compel them to drop out of school. The legal framework also does not clearly indicate the unit of entitlement for the right to education. Is it the child who can enforce laws on behalf of himself/herself against the State as well as the parents; or is it the children/parents/community who can enforce their right against the State?

The laws on education are only enabling. The State is not obliged to provide facilities for schooling. It is only with recent progressive Supreme Court judgements such as J P Unnikrishnan vs. State of Andhra Pradesh that education up to the age of 14 years is being considered a fundamental right. The implementation of the laws is left to interested local bodies thereby excluding children belonging to areas where local bodies do not implement the provisions of the Acts. Exemptions from compulsory school attendance were to be permitted if a school was not available or if the child's help was required in the vocation of the parents. Disabled children were given exemptions if there no facilities were available for their schooling. Thus the laws enable a large proportion of children to be legitimately outside the purview of law and to continue to be out of school. The problem is further compounded by the absence of schools/infrastructure and the falling fund allocation to education. Even where schools are present, poor quality of education provided in these institutions is a major problem.



### **Other Lacunae in Legislation**

It is clear from the above review that the 1986 Act and the laws on education have many lacunae. Both laws effectively cover only a small proportion of the children for whom the laws are actually meant. Both the laws leave little or no scope for participation of people in the enforcement and monitoring of these laws and programmes therein. The laws have failed to take advantage of the 73<sup>rd</sup> and 74<sup>th</sup> Constitutional Amendments which provide tremendous opportunities for local community involvement in the elimination of child labour and universalisation of primary education.

Again, while ideally policy should precede legislation, in India, it has been the reverse in the case of both child labour and education. Though the National Policy on Education talks of universal elementary education, it is not universal and up to 14 in the laws. Pre – primary education is not legislated upon. Non – formal education, rehabilitation and general development programmes are talked about in the National Policy on Child Labour (NPCL) but are not made a part of law. Both laws on education and children also ignore 'nowhere' children. Equal wages for children and adults are ensured though they find mention in the NPCL.

Also, considering the close links between education and the prevalence of child labour, there should be a convergence of education and child labour laws. However there is a plethora of fragmented laws on these issues. While laws on education speak about penalising employers who employ child labour, child labour laws do not speak of education, except in the M C Mehta vs. Tamil Nadu case. Education is referred to in three different types of Acts: The Compulsory Education Acts, The Persons with Disabilities Act and The Juvenile Justice Act. The laws on Child Labour are fragmented in The Child Labour (prohibition and Regulation) Act, 1986, Factories Act, Mines Act, Plantation Act, Bonded Labour (Abolition) Act, etc.

The problem of elimination of child labour is not only a question of the protection of the child but especially a question of development of the child. Our approach is that each child has a right to development, and at a minimum this means a right to basic education. At the same time it means that children should not have to do work which is injurious to their health, safety, their dignity and their future.

**The Group feels that the laws on Child Labour should not only protect but also lead to development of the child. The Law should not only prevent a certain type of work but also ensure access to education. We propose that the law pertaining to child labour should be both protective and developmental. Several progressive Supreme Court Judgements provide useful pointers in the right direction.**



## **SUPEREME COURT JUDGEMENTS**

Apart from these laws, there are several Supreme Court (SC) judgements on child labour. Among these the SC judgement on the M. C. Mehta vs. the State of Tamil Nadu is particularly noteworthy in that it is the first time that rehabilitation of children withdrawn from child labour finds mention. The salient features of this landmark judgement are presented below:

On December 10, 1996, a three-member bench of the Supreme Court of India gave its verdict on the petition of M.C. Mehta (NO. 465 of 1986) and sought to involve the power of the judiciary under Article 32 of the Constitution in the matter of gross violation of the Article 24 by the employment of children in the Match Industries of Sivakasi.

The court observed :

“ Sivakasi has ceased to be the only centre employing child labour. The malady is no longer confined to that place...”

“By now ( child labour ) is an all India evil, though its acuteness differs from area to area. So, without a concerted effort, both of the Central Government and various State Governments, this ignominy would not get wiped out. We have, therefore, thought it fit to travel beyond the confines of Sivakasi...”

- The court avers that providing an alternative source of income to the family is a pre-requisite to eradicate child labour.
- Employers of children must pay a compensation of Rs. 20,000/- as per the provisions of the Child labour (Prohibition and Regulation) Act, 1986, for every child employed.
- The fine is to be deposited in the Child Labour Rehabilitation-cum-Welfare Fund.
- Employment should be provided to an adult in the family in lieu of the child working in a factory or mine or any other hazardous work.
- In the absence of an alternative employment, the parent/ guardian will be paid the income earned on the Corpus Fund, the suggested amount being fixed at Rs. 25,000/- for each child. The payment will cease if the child is not being sent for education. In case of non-hazardous employment, the employer will bear the cost of education.
- The States contribution/grant is fixed at Rs. 5,000/- for each child employed in a factory or mine or any other hazardous employment. The sum shall be deposited in the corpus fund and the district is determined as the unit of collection.

Progressive judicial pronouncements such as these and the Unnikrishnan vs State of Andhra Pradesh in 1993 (which stated that the right to education be considered as fundamental right), have proved to be important landmarks in dealing with the problem of child-labour and lends it a perspective that could be of immense value for evolving the State's approach.

## **NATIONAL POLICY ON CHILD LABOUR AND NATIONAL CHILD LABOUR PROJECTS**

The National Policy on Child Labour was formulated by the Government of India in August 1987 with the aim of rehabilitating children withdrawn from employment and reducing the incidence of child labour in child labour endemic areas. The policy lays emphasis on:

- (i) Legal action to ensure the strict and effective enforcement of various legal provisions to combat child labour;
- (ii) Centering general development programmes of different ministries to benefit children and create socio – economic conditions that will reduce compulsions that make children work and instead encourage them to attend school; and
- (iii) Project – based action plans for children in areas where there is a high concentration of child labour.

While not much headway has been made in the first two components of the policy, certain concrete steps have been taken to implement the project – based action plans through the implementation of National Child Labour Projects (NCLP).

### **National Child-Labour Projects**

The main thrust of the NCLP is to reduce the incidence of child labour in project areas, thereby encouraging the elimination of child labour progressively. Under these projects, attempts would be made to integrate elements of various development programmes to benefit working children. Activities in project areas would include:

- Stepping up the enforcement of child labour laws
- Raising public awareness to educate people about the undesirable aspects of child labour
- Setting up special schools/centres for working children with provision for education, vocational training, supplementary nutrition, healthcare etc.
- Strengthening formal education structure
- Including families of working children as beneficiaries in poverty alleviation and income-generating programmes
- Monitoring and Evaluation

The NCLP was launched in 1988 with the following nine projects in areas where there was a high concentration of child labour in hazardous work:

- Tile industry in Jaggampet in Andhra Pradesh
- Slate industry in Markapur in Andhra Pradesh
- Slate industry in Mandsaur in Madhya Pradesh
- Precious stone polishing industry in Jaipur in Rajasthan
- Match, fireworks and explosive industry in Sivakasi in Virudhnagar district in Tamil Nadu.
- Glass and bangles industry in Ferozabad in Uttar Pradesh (UP)

- Brassware industry in Moradabad in UP
- Handmade carpet industry in Mirzapur, Varanasi and Bhadohi in UP
- Lock-making industry in Aligarh in UP.

Subsequently in 1994, NCLP were launched in Sambalpur (Orissa), Thane (Maharashtra) and Garhwa (Bihar). An additional 64 NCPL were sanctioned in 1995 – 96 bringing the number to 76. Under these projects, 1,800 special schools were opened to enrol about 1.05 lakh children. Till the end of January 2001, 96 NCLP have been sanctioned in child labour endemic states for the rehabilitation of nearly 2 lakh children.

**Institutional Framework for Monitoring and Implementation:** At the national level, the programme is carried out under the auspices of the Ministry of Labour (MOL). A central Monitoring Committee has been set up for the overall supervision and evaluation of various child labour projects under the National Child Labour Policy. Representatives of ministries/ state governments and projects are included in the committee.

The NCLP are implemented through the District Child Labour Project Society constituted at the district level under the chairpersonship of the District Collector/Magistrate, with the involvement of representatives from line departments and other organisations concerned at the district. The execution of the project is entrusted to a Project Director, who is normally an officer of the state government. The actual implementation of the project is done by local NGOs with the involvement of trade unions, employers and grassroots organisations.

#### **The Necessity of Convergence**

So far our policies have approached the situation of the child in a fragmented way. We have tried to deal with the problem of universalising education on the one hand and approaching child labour as a hazard on the other. This fragmentation of approach has been matched by a lack of convergence of effort as reflected in our programmes/ schemes of the various departments.

The number of Ministries and Departments (of both the States and the Centre) that deal with schemes and budgets that deal with children, are numerous. To illustrate:

1. The Ministry of Labour
2. The Ministry of Human Resources Development (which includes Education and the Women and Child Development)
3. The Ministry of Agriculture
4. The Ministry of Health and Family Welfare
5. The Ministry of Social Justice and Empowerment

In addition Ministries/ Departments such as Textiles, Mines, Food also have components relevant to children. Certain schemes, since the Budget of 2000 are routed directly from the Central Government to the Districts/ Panchayats bypassing the States. Similarly at the level

of State Government, the following Departments would need to co-ordinate their efforts if genuine convergence were to take place:

1. Department of Education
2. Department of Labour
3. Department of Agriculture
4. Department of Backward Castes and Minorities
5. Department of Economics and Statistics
6. Department of Employment and Training
7. Department of Factories and Boilers
8. Department of Finance
9. Department of Health and Family Welfare
10. Department of Rural Development and Panchayati Raj
11. Department of Social Welfare
12. Department of Women and Child Development
13. Department of Welfare of the Disabled

In addition to these there are other Departments that are expected to look after specific categories of employment such as Departments of Fisheries, Horticulture, Mines, Sericulture. These occupations employ a large number of children and Departments run special schemes for the welfare of adults employed in these sectors. Similarly Food and Civil Supplies Departments implement schemes (such as mid-day meals in schools), and so do Revenue (rehabilitation of bonded labour) Department.

What is evident is that a very large number of government agencies are currently offering welfare and other services which are meant to reach children. The fragmented approach to child care and child development is exemplified in this illustrative list. Unless convergence takes place in operational terms, laws and schemes related to child-labour and child development will fall short of intent.

## **EDUCATION AND CHILD LABOUR NGO AND STATE INITIATIVES**

### **Education and Child Labour**

As discussed in the preceding sections, the issue of child labour and the opportunities for education, or the lack of these, are closely related. Therefore, education must be a critical component of any strategy to weed out the practice of child labour. This section highlights some of the successful initiatives undertaken by NGOs and some of the states in this direction.

### **Education and economic support**

Affordable education of good quality and which is relevant to the needs of children and their families will ultimately be the most effective instrument for the elimination of child labour. School attendance has a major effect on eliminating child labour in hazardous work. At the very least, it should reduce excess hours of work among children and go a long way to eliminating child labour in hazardous industries where workers need to be at the worksite for a full shift. Schooling has, moreover, a number of other positive effects that help reduce child labour over the longer run. Educated persons are more aware of their rights and so less likely to accept hazardous working conditions; educated persons make more informed and active citizens; educated persons (especially women) have fewer, better educated and healthier children when they themselves become adults, and these smaller family sizes and educational expectations should reduce child labour in future generations; and educated persons are more productive workers and so help increase economic growth rates and wealth. Factors such as these are why economists and others stress the high social return to education and how it exceeds the private return to education. This divergence between social and private returns to education is especially large for poor families for whom immediate survival is such a pressing concern that they have difficulty fully taking into consideration the long and short term benefits of education.

The Constitution, as enshrined in Article 45, envisages free and compulsory education for all children up to the age of 14 years within ten years of the country's independence. Today, after more than 50 years, universal primary education remains an elusive goal. A major reason for this is the absence of any provision in the Constitution that makes this directive enforceable in a court of law. It is in this context that the proposed 83<sup>rd</sup> Amendment to the constitution, gains significance.

## NGO Initiatives

NGOs have played a critical role in combating the practice of child labour as well as in universalising primary education in India. NGO initiatives include public awareness campaigns, policy advocacy, direct interventions to release and rehabilitate child labourers, mobilisation and innovative educational interventions to prevent child labour. They have focused on marginalised and vulnerable sections of the population such as Dalits, tribals and the girl child. These initiatives are noteworthy and extensively documented in existing literature. Some excerpts are presented here.

### CREDA

For the past 18 years, CREDA (Centre for Rural Education and Development Action), Mirzapur, U.P. has been in the forefront of efforts to fight for the release and rehabilitation of the working children and children trapped in the bonded labour. CREDA believes that people's participation is vital for the elimination of child labour. So far, 32,500 child labourers, including the bonded labourers have been withdrawn from the work and enrolled in schools. CREDA's approach of eliminating child labour through social mobilisation and education has been a successful intervention. CREDA's major support partners were Ministry of Labour, Govt. of India and ILO-IPEC from 1989 to 1998 and presently UNDP.

CREDA made a small shift from NCLP model to community cottage school model concept adapting it to link education to the basic human rights of all children, irrespective of the sector of activity in which they were working and also specially focus on the education of girl child workers. Community model schooling of the child workers receives a part support from the community and parents of child labourers withdrawn from all type of works and enrolled in community schools. The organisation has managed to successfully integrate the community resource base for the elimination of child labour and contribution to school development in the following ways:

- Participation in identifying potential villages/areas.
- Participation in survey/identification of child labour/out-of-school children.
- Support in rescue/withdrawal of child/bonded child labour.
- School enrollment of withdrawn children.
- Vigilance on replacement of one child with another by the employer.
- Vigilance on withdrawn children reverting back to work.
- Participation in primary school enrolment drive.
- Support for land and building for school.
- Community 'shramdan' and support in kind for school construction.
- Supplementing the mid-day meal.
- Organising cultural programmes focusing on child rights and education.
- Participation in making the village child labour free.

CREDA believes that good primary education is the cut-off point for child labour. Their experience shows that whenever schooling has been provided, community mobilised and parents taken into confidence, they have made adjustment in themselves and sent their children to school. Even parents have withdrawn the pledged children and opted for their education.



### **M.V. Foundation, Andhra Pradesh**

The work of M. Venkatarangaiya Foundation (popularly known as M.V. Foundation) in Ranga Reddy district of Andhra Pradesh (AP) is involved in removing child labourers from employment and placing them in the formal schools since 1987. Their work is based on certain non-negotiable principles. These are:

- all children must attend full-time formal schools, not night schools or non – formal education centres;
- any child out of school is a child labourer;
- all work, irrespective of whether it is termed 'hazardous' or 'non-hazardous' whether it is wage employment or non-wage employment, is hazardous to the child; and
- all justification perpetuating the existence of child labour must be condemned as it is anti-child and goes against their real development.

M V Foundation's area of operation covers 400 villages in rural Ranga Reddy district in Andhra Pradesh. Over the years, 50,000 children have been pulled out of work and rehabilitated. It all began when a few children were released from bondage and the question of what should be done with them arose. There was a need to remove children away from the village to escape harassment from parents and employers. The possibility of putting them back to school was envisaged and hence education camps were started for these children outside the village. At the end of three months, they had managed to attain Class 3 level. It was realised that targeting specific groups of child labourers would not allow universalisation of education. The importance of preventing child labour was then realised.

M V Foundation's Programme today prepares children to enter the formal schools through the bridge courses. Children below eight years are directly enrolled in the schools through the enrolment drives. They follow different strategies for different age groups. Summer camps are the cornerstone of MVFs work. The community, especially the educated dalit youth who are also first-generation learners, actively participate in their activities.

Some of the main lessons learnt from this experience are:

- Parents want their children to go to school.
- They are willing to undergo enormous sacrifice to make this happen.
- It is possible to change the existing social norms which are against abolition of child labour through the involvement of all.
- When children are removed from employment in large numbers, the production processes are required to undergo changes to suit the depleted labour force.
- A political will is required to translate commitment to education into action.

Some of the persistent difficulties experienced by M V Foundation are continuance of many girls as bonded labourers and lack of teachers and infrastructure in many villages.

### **Lok Jumbish, Rajasthan**

Initiated in 1992, Lok Jumbish was an innovative project for universal elementary education in Rajasthan by SIDA, Government of India and Government of Rajasthan. Lok Jumbish goes into the roots of educational backwardness, which indicate the complex intertwining of several factors – low status of women, apathy of the community towards teachers and, in turn, apathy of teachers towards children and schools, lack of people's involvement and poor quality of education which in turn demotivate parents.

Some of the innovative strategies adopted by Lok Jumbish included school mapping to ensure access to education; micro-planning to monitor participation and retention; systematic inputs to promote improvement of quality; using girls' participation and retention as indicators of progress and emphasis on the involvement of the teachers and people in general. Apart from Lok Jumbish's main intervention in the formal school system to improve the quality of education through systematic and organised efforts, it also runs *Sahaj Shiksha Kendras*. These *Kendras* are alternative and non-formal education centres for children who are unable to attend formal schools, such as drop outs over-age children, working children (about 15% in the 6-14 age group), girls working at home and children in habitations where a school cannot be justified. This programme is built upon equivalence with the formal education with space for flexibility and variety. It also builds on children's strengths with a stress on girl's empowerment. The special feature is that the teachers are identified by the community and their final selection is made after a period of initial training and evaluation of their performance in the training. Democratising educational management was a special feature of Lok Jumbish and school enrollment and retention increased. Some of the problems faced by Lok Jumbish were related to low educational qualification of teachers and a heavy demand made on the teachers due to the multi - grade system of teaching.

Lok Jumbish covered 75 blocks which constituted one third of Rajasthan rural area with a population of 12 million. It ran 2,700 centres, 900 during the day and 1,800 at night. The centres ran for two to two and a half hours per day and were multi-grade and multi-group. Although its overall impact has been slower than expected, the strategies and achievements are noteworthy.

### **Eklavya, Madhya Pradesh**

Eklavya in Madhya Pradesh (MP) is involved in improving the quality of education in formal schools for over twenty years. It is based on the philosophy of 'self-learning', and on the legend of Eklavya which is actually a declaration on the right to education for all. Eklavya who belonged to the Bhil tribe, had to sacrifice his thumb to his guru for having dared to learn archery by himself. What is not so well known is that he managed to pull the bow again later using two of his fingers in place of the thumb. The Bhils, a tribe from Madhya Pradesh still pulls the bow with two fingers. Thus Eklavya as an organisation, attempts to equip all children to become independent learners.

Its main objective is to make school education more meaningful and joyful to children so that they are not pushed out of schools. Another crucial aspect of Eklavya's work is that it does not attempt to create a parallel system of education, but instead it works with the Government in an attempt to transform its school system which is expected to universalise education. In order to do this Eklavya has developed a number of curriculum programmes which encompass teaching learning materials, teacher training, continued teacher support and evaluation methods. This integrated curricula for primary schools promoted by Eklavya, is based on the concept of a holistic understanding of knowledge, wherein there is no division into subjects. Emphasis is on the development of children's independent thinking and creative abilities, instead of their passive reception of knowledge. Eklavya is also interacting with the teachers to sensitise them towards the children of the underprivileged.

Eklavya's model has been worked out on a medium scale i.e. for a whole block that is replicable at the larger state level. The necessary administrative and financial structures for implementing such methods on a wider scale have been evolved with the collaboration of the state government. On the basis of the block level model Eklavya is now collaborating with the DPEP and the SCERT (State Council of Educational Research and Training) to develop a state model of primary education.

Eklavya now covers 75,000 children in 500 government middle schools through its science teacher programmes and about 15,000 children in 150 primary schools through the Primary Education Programme. Through the programme developed in collaboration with DPEP and the SCERT, its approach spreads across the 75,000 primary schools in the state.

#### **Bodh Shiksha Samiti, Rajasthan**

Bodh Shiksha Samiti works on appropriate education of urban deprived children in parts of Rajasthan. It runs 17 schools in Jaipur covering over 3,000 children. It works towards an integrated school involving the child, the teacher and the community in a participatory relationship, making it a child, teacher and community centered endeavour. The aim is to foster cognitive abilities, democratic attitudes, human sensitivity and outlook. Bodh believes that all knowledge is available in the community and depending on the reality, one can decide what knowledge is appropriate for the child. There are no rigidities in the system, no textbooks, punishment or fear of examinations. The only concern is to give the child experiences in living as a dignified human being. It is based on the philosophy that the child's specificity and individuality must be developed. However possibilities for the child to move ahead after primary school need to be opened.

#### **Panchayat Toofan, Karnataka**

Panchayat Toofan Programme is a project of the Concerned for the Working Children in Karnataka and is currently underway in Kundapur Taluk of Dakshin Kannada district in Karnataka and covers 17,000 children in 56 formal schools, 42 extension schools and 70

centres. It is based on the belief that education is not just what is taught in schools. It is part of life and should help solve life's problems.

Under this programme, children have been organised to fight for their rights through '*Bheema Sangha*'. There is also a children's panchayat (called the '*Makkala Panchayat*') where the children take decisions regarding issues that affect them at the panchayat level. There are task forces involving children's representatives and the panchayat officials through which their decisions are implemented. Children's panchayats and task forces are also organised at the taluka level. Anganwadis in the areas have been transformed through the intervention of children's panchayats. A Regional Resource Centre of the organisation provides training to teachers as well as skills to the children in the local crafts. The children are exposed to field programmes and class programmes suited to the specific geographical area from where they come – coastal area, hill area or plains.

The programme indicates that only a comprehensive approach can provide a permanent solution to child-labour and that children's participation is essential for the success of any intervention. It believes that all major actors can come together at a village or a ward level to identify, plan and implement solutions for the problems children face.

#### **Vidhayak Sansad, Shramjeevi Sangathana and Samarthan, Maharashtra**

*Bhonga Shalas (BS)* is an experiment on primary education, conceived by *Vidhayak Sansad (VS)* and *Shramjeevi Sangathana (SS)*, for tribal children working in brick kilns of Thane district in Maharashtra. These organisations have been working on bonded labour and issues related to atrocities against tribals for over 20 years. BS were initially opened to organise brick kiln workers who are often amongst the most oppressed tribals.

*Bhonga Shalas (BS)* are mobile schools held in bhongas (shacks) set up with the help of the local community at the site of the brick kiln. The teachers are local village youth who are given three months intensive training by VS. The curriculum followed in the BS is the same as that of government schools run by the Zilla Parishad (ZP). However, the teaching methods are more innovative and adapted to suit the needs of these tribal children, many of whom are first generation learners. Children attending BS are required to pass an exam conducted by the education department of the ZP, following which they receive certificates that allow them to enrol in native schools.

#### **Pratham, Mumbai**

Pre-primary education is a pre-requisite for achieving universalisation of elementary education. *Pratham* is a trust set up to work for Universalising Pre-primary Education by a corporate body, the ICCI, as part of its community initiative. It works in the city of Mumbai in collaboration with the Mumbai Municipal Corporation with the objective of achieving access, attendance and achievement in education. In 1994, UNICEF and Mumbai Municipal

Corporation started a joint programme for this purpose and *Pratham* became an important partner. As a strategy *Balwadis* were initiated covering 356 schools and 4 lakh children. All the 23 wards of Mumbai Municipal Corporation are being sought to be covered.

The *balwadis* or the pre-school centres are run by the local women in the slums. Priority is given to enrolment of girls and each *balwadi* is assigned not more than 100 households to ensure total coverage. The cost per child works out to Rs.200 per month. *Pratham* works closely with the 8,000 teachers working in the corporation schools to facilitate transition of pre-primary school children into schools.

The key lessons learnt from their experience is that there needs to be a large-scale community participation and a partnership between the corporate and the voluntary sectors can yield good results.

### **State Initiatives**

#### *DPEP, Karnataka*

The Karnataka experience shows that wherever interventions with teachers' training, strengthening of the DSERTs and DIETs, coupled with child-centred learning through competency-based and activity-based work-books, etc, have been undertaken, there has been an improvement. In District Primary Education Programme (DPEP) areas of Karnataka, the *anganwadi* timings are synchronised with primary school timings and this has shown considerable improvement in the attendance at the primary level. In Heggadadevana Kote in Karnataka, an experiment with UNICEF assistance has been undertaken in 270 schools based on the Rishi Valley School approach which is based on the following principles.

- The child learns in a free environment
- The curriculum is learnable by the child
- The child determines her activity card for the day
- The child learns by herself, at her own pace
- The teacher encourages responsibility in the child
- Minimum Levels of Learning are expected
- The child and parents are not over-burdened by homework
- The child who is unable to attend the class regularly, has scope to continue from where she left off.
- No child needs to be afraid of failing!

An attempt is also being made under the DPEP-Karnataka programme to modify the text-books so as to reflect the child's local environment with which the child could easily identify.



## **State efforts in Himachal Pradesh**

The schooling revolution in Himachal Pradesh (HP) is one of the most enlightening development of post independence period in the field of elementary education. It presents an impressive illustration of what a state initiative and public response can jointly achieve. (This section is excerpted from PROBE, 1999, p. 115-127).

### *The odds:*

- The State was regarded as a backward region of North India (Report of States Re-organisation Commission, 1955)
- In 1961, HP had a low literacy rate of 21% for males and 9% for females (lower than the all India rates of that time)
- Incidence of child labour was high as households were dependent on environmental resources for their livelihood and large proportion of adult women worked outside the household.
- The settlement pattern is unfavourable, with villages scattered over large areas.

### *The Achievements:*

- In 1991 literacy rates ( age 10 to 14 years) were 94% for males and 86% for females.
- This progress continues, bringing it close to near universal primary education, ranking 3<sup>rd</sup> amongst Indian states, after Kerala and Goa.
- Attendance level in schools is high, with remarkably low gender bias in school attendance.
- Transition from mass illiteracy to near universal primary education in a very short period (compared to Kerala and Goa)
- Low Socio-economic disparities in access to elementary education.

### *Some Immediate Factors Contributing to Success*

Some popular explanations for success are, believed to be that many people have a job in the armed forces; HP receives a lot of assistance from the Central Government; income levels in HP are relatively high. While these may be relevant to an extent, the more substantive reasons are:

- **Factors in the Family**

High family motivation with a broader understanding of the value of education. People believe that education enables a person to stand in Panchayat elections, do bank work, travel anywhere without fear, participate with confidence in modern society.

Further, education ranks high among spending priorities. At home children's studies receive much attention not only from parents but also from the relatives. They also tend to have a supportive attitude towards teachers.



- **Social Consensus**

Widely shared passion for education, not just for their children but for all children. Most parents support compulsory education, not only at elementary level but upto Class X.

- **Low Gender Bias**

Parents in HP have ambitious educational goals for girls too. Even among economically or socially disadvantaged families, it is common for adolescent girls to go to school. The reason offered for a daughter's education is not related to marriage alone, but also related to improving prospects of getting a good job and other reasons reflecting a sense that education contributes to a woman's well being.

- **The School Environment and Staffing**

Although physical infrastructure of village schools in HP is no better than elsewhere, with minimal facilities and the average distance from home to school remaining much higher in HP due to adverse settlement pattern of the hilly terrain, school facilities tend to be better maintained and utilised.

Village schools tend to be relatively better staffed with the average primary school having more than 3 teachers and the pupil teacher ration being 27:1.

Records are well maintained (including accurate enrolment and attendance registers) and attendance is well published through boards fixed on the outer walls of the school. These management practices have an overall positive impact on enhancing the value of schooling.

Schools demonstrate higher classroom activity and in comparative terms, there are more 'exemplary schools' and many exemplary teachers.

Work culture of teachers on the whole, reveals a responsible attitude towards school duties, genuine interest in pedagogy. Organisation of the school gives the general impression of the school being oriented to the needs of pupils and regard for the convenience of the teachers. The percentage of female teachers is much higher than in other states, a remarkable feature in the context of acute problems of residence and commuting for females in HP.

### ***A Broader Explanation***

Part of the credit certainly goes to the State Government. Development planning in HP has included a consistent emphasis on developing the rural infrastructure with roads and schools receiving high priority. Public policy also involves an explicit commitment to the rapid expansion of education, sorely lacking in the other states of north India. One symptom of this commitment is high level of per-capita expenditure on education, which is about twice the all-India average.

Another explicit policy objective is the reduction of inter - regional disparities in development indicators, including education levels. This has led to high investment in the remote tribal districts (e.g. Kinnaur, Lahul and Spiti) which have caught up remarkably fast with the rest of the state. There is an interesting parallel here with Kerala, where the elimination of regional disparities also became a major goal of public policy after 1947, enabling Malabar to catch up rapidly with Travancore and Cochin.

For instance, there are many incentive schemes for disadvantage pupils, including free textbooks until class 10 for scheduled-caste and scheduled-tribe children. All this is in sharp contrast with the gross neglect of 'backward areas' and disadvantaged communities in many other states.

For instance, when Operation Blackboard declared war on single-teacher schools, HP took the lead. The proportion of such schools tumbled from 28 per cent in 1986 to less than 2 percent in 1995. Similarly, the official goal of giving priority to women in teacher appointments has been taken seriously in HP.

The fact that the government of HP has made full use of this assistance is also to its credit. In other states, notably Bihar and Uttar Pradesh, financial assistance for education from the central government is routinely underutilised.

In addition, the PROBE document discusses in detail other factors such as parental demand and civic co-operation that have helped the state come close to universal elementary education.

### *Conclusion*

It is acknowledged that there are a series of problems such as resource constraints, teacher and infrastructure problems, irrelevance of curriculum confronting the goal of eliminating child labour and universalising education. However, these can be overcome by public response, state commitment and creativity, as demonstrated by examples cited above. Some of the lessons that can be learnt from these successes are:

1. Elimination of child labour requires a belief that each child should be in school and have a basic education
2. Elimination of child labour requires co-operation of the whole community, and involve parents, panchayats and local opinion.
3. It requires a close co-operation and convergence of the efforts of department of education and department of labour
4. It requires vigilance to ensure that children's labour is not being exploited for profits, and strong and effective action from the Department of Labour.
5. It requires a campaign and visionary approach.
6. The solutions must have both a legal as well as a programme approach.

## Recommendations

### Definition of Worker

In present day labour law a worker is defined as an 'employee' and only those who can be included under the employee-employer relationship are covered. However, with liberalisation and globalisation, the employer-employee relationship is disappearing. Furthermore, in India, many people and especially women, work not only for the market economy but also for self-consumption, such as subsistence agriculture and collection of forest products.. If the protection of labour laws is to reach the large number of women workers in the unorganised sector, the definition of worker will have to be changed and become more inclusive.

The group on Women Workers and Child Labour proposes a new definition of worker, which takes into account the entire range of work that a women worker does and includes her contribution to the economy. The new definition is as follows:

***A worker under labour law should be any person who contributes to the Gross National Product by his or her work. It includes work for market economy and for self or home consumption.***

For purposes of labour law, the workers who are to be excluded from the definition are:  
 —those workers only engaged in cooking and cleaning and child-care for the family  
 —those workers with an income greater than a specified amount (we may say four times the poverty line).

### Employment

In the context of Globalisation and liberalisation there are a number of rapid changes in the economy which are having major impacts on the employment of workers, particularly women workers in the unorganised sector. For women workers their main need is to get enough work, so we need to be thinking seriously about generation of employment, and to worry about how to prevent loss of employment. The following recommendations are for increasing employment opportunities.

- 1. Make employment the Centre of all economic policies.** Each policy before being passed by the Ministry of Finance should evaluate how much employment is going to be created especially for women.

**2. Review policy and put safeguards into place.**

In situations where large numbers of people lose employment without anyone gaining, the policy will have to be examined very carefully as to whether there is some way of reducing or preventing employment loss.

**3. Establish a rehabilitation package as part of the policy.**

Rehabilitation packages can be offered to those whose livelihood has been displaced on a large scale. Some rehabilitation schemes may in fact, not even be costly, but just need changes in policy. For example, resettlement of street vendors may require merely allocation of appropriate places in the urban areas.

**4. Introduce large scale skill upgradation for women workers.**

a. *Skill training and upgradation of skills for women on a widespread and continuous scale.* In each sector, however, the emerging required skills need to be identified and a system of reaching skills to the unorganised sector needs to be set up. This must be the joint responsibility of the Government and the Industry. This issue has been dealt with in much more detail in the Skills section of this report.

b. *Identification and spread of appropriate technology.* For any task there are usually a number of different technologies available. We need to identify and promote technologies which increase productivity of the workers, are usable by them with some training, and which have the least negative effect on employment. Some examples are hand tillers as opposed to tractors; smaller powered and specialised stitching machines, which can be used at home or in small workshops; home-based tile and block making machines. Another good example is in food processing sector. Many technologies such as cryogenic spice grinders, cryo-containers and refrigerators, quick fish freezing systems and controlled atmosphere food storage systems have already been developed but not yet made accessible to small producers. These technologies need to be fully exploited.

**5. Where there is informalisation of work, and the work becomes insecure and low paying, introduce and enforce security measures and minimum wages.**

**6. New emerging markets for women in the unorganised sector should be encouraged by measures such as training, credit, market exploration and direct marketing links.**

We have seen that there are many areas where there has been real increase in employment opportunities. However, we feel that with different policies, these opportunities can be increased even more. Furthermore, many of these employment opportunities yield less incomes and do not have much opportunity for advancement.

- a) Every sector needs policies, which would increase employment opportunities for women in the unorganised sector. We have given some recommendations sector-wise in this regard. For example, Forestry is a sector where women's employment can be increased many-fold. Reforestation is a priority for the country, and forests need to grow. Reforestation programmes of nursery growing, plantations and tending of plants can be handed over to women's groups. Collection, processing and sale of minor forest produce is another major area. One calculation showed that if the nursery growing for the Forest department in Gujarat was done through women's groups it would increase employment for one lakh women for 6 months..
- b) In the health sector, policies which would link 'informal' health providers especially midwives with the formal health system, would increase both employment and earnings of the health providers.
- c) Increasing microfinance would increase employment opportunities through livelihood development (detailed recommendations in sector).
- d) Direct access to markets would increase employment opportunities as well as earnings. Recommendations are given in a number of sectors including crafts, livestock, garments, food processing, agriculture and forestry.
- e) Training and skill development would enhance productivity and earnings as well as opportunities. (again specific recommendations, sector-wise)

#### **Informalisation of Work: Income and Security**

Although work is the first necessity for workers, it is not enough. Often workers, especially in the unorganised sector, may work very hard for many hours a day and yet be deprived of a minimum income. Furthermore, with the spread of work-informalisation, many workers, especially male workers, lose their secure jobs. Others, especially female workers—home-based and sub-contracted gain employment but at extremely low rates and insecure work. How do we assure a minimum level of income and security to all workers regardless of where and under what employment relations they work. We propose the following measures:

1. Very strict implementation of the Minimum Wages Act and high penalties for breach. All trades to be included in the Act, regardless of schedules.
2. Expanding the Act to include workers under piece-rates, regardless of whether employer-employee relationship can be proved or not.
3. Identification of all workers and issuing them identity cards

4. Ensuring social security to all workers (this dealt with more in Social security section).
5. Special policies for women workers in the EPZs.
6. We have proposed laws and policies for certain category of workers (dealt with in more detail in the sector-wise recommendations).

### **Special Laws and Policies**

Certain policies and laws recommended by previous commissions and committees need to be formulated and implemented. The proposed new policies are

- *National policy for Home-based Workers (in accordance with the ILO Convention. This policy approved by Tripartite conference)*
- *Agricultural Workers Act (Bill has been drawn up and introduced in Parliament earlier)*
- *Domestic Workers Act (Still to be finalised)*
- *Manual Workers Act (On the lines of Gujarat or Tamil Nadu Act)*
- *National Policy on Vendors*
- *Protection for women workers in the EPZs*
- *"Umbrella" Legislation for the unorganised sector.* The Commission has the task of recommending an "Umbrella" Legislation for the unorganised sector. A separate Study Group has been set up to draft this legislation. The Group on Women Workers and Child Labour, endorses the approach of the Group on Umbrella Legislation. However, we feel that it is necessary for the Commission to include the special concerns of women and child labour within this new legislation. We have mentioned our special concerns in the recommendations chapter.
- *Child Labour (Prohibition and Education) Act:* The Group recommends enactment of a new law on prohibition of child labour. See Part V of this report for the draft of the bill.

### **Sectoral Recommendations**

Based on the studies conducted by the Group and the submissions made to the commission, the Group makes the following sectoral recommendations:-

#### **Agriculture**

Introduce the pending Agricultural Workers Bill.



### **Construction**

1. Expand the skill-base of women workers.
2. Recognize women construction worker: Women construction workers should be recognised and supported as a distinct labour.
3. Implement the Construction Workers Act in all states.
4. Amend the Construction Worker Act.
5. Strictly implement the provision of creches at the *worksite*.

### **Crafts**

1. Provide an Integrated Package of Skills and Technology.
2. Establish mechanisms to directly reach the market to increase profits and ensure better returns.
3. Develop technologies specific to women's crafts work (tools, machinery, processes) which would make production of goods easy at homes, less labour intensive and time consuming.
4. Carry out technology assessment of crafts technologies from gender point of view in order to assess their suitability of operation by women and identify modifications in these technologies to make them women-friendly in their operation.

### **Food Processing**

1. Invest in the small producers, particularly women.
2. Skill Development.
3. Establish linkages with the Corporate Sector.
4. Ensure Protection of Women Workers, particularly in fish processing and in cashew production against exploitation and abuse.

### **Forestry Sector**

1. Hand over nursery growing in forests to women's groups to generate employment.
2. Ensure that collection of minor forest produce is done through women's groups or co-operatives.
3. Afforestation programme can be handed over to women's groups.
4. Allow the use of forest produce for artisans in forest areas, such as those artisans who make items out of bamboo, grass etc.
5. Use a portion of the Forest Revenue for skill development, new technology and social security for forest workers.

### **Livestock Sector**

1. Recognise that women are the main workers in the Dairy and other Livestock Sector.
2. Establish women's cooperatives and enroll women as members of dairy cooperatives.
3. Training on Livestock care and new technologies for women.
4. Train women as para-vets.
5. Provide women training and support for product diversification.

### **Midwives and other Traditional Health Providers**

1. *Recognise the midwives as part of the health system, and transform their status from menial workers to health professionals.*
2. Link the midwives with the health system by providing back-up referral services.
3. Provide training on a large scale to midwives throughout the country in birth, and ante- and neo-natal care.
4. Improve the income earning potential of midwives by training them to become community health workers.

### **Home-based Workers**

Formulate a National Policy on Home based Workers.

### **Textiles and Garments**

#### ***Garment Factory Workers***

1. Fixation and payment of minimum wages at different levels of skills.
2. Payment of all social security benefits—provident fund, ESI, gratuity etc. as per applicable labour laws.
3. Continuous skill upgradation and training for women workers so as to enable them to have higher productivity and work on new machines as they come in.

#### ***Small Scale and Home-based Production***

1. Cover them by the National Policy on Home-based Workers which includes minimum standards and social security.
2. Continuous training and guidance to keep up with the new machines coming in.
3. Continuous exposure to new designs and fashions.

#### ***Handloom Weavers and Spinners***

1. Upgradation of Spinners and twisters.
2. Introduce small scale machines and give the required training to women.
3. Upgrade the handlooms being used today and give the required training.

4. Provide good quality cotton yarn by upgrading both quality and quantity of cotton produced as well as increase spinning capacity in the country. Furthermore hank yarn of the counts required for handlooms should be made available to them in the quantities required.
5. Expose women weavers to new designs and products. The new Fashion and other institutes set up need to help redesign the handloom products to reach the modern markets.
6. Help women weavers to form their own co-operatives and revamp the existing co-operatives to make them more market oriented and effective.

### **Hawkers and Vendors**

1. A National Policy for Street vendors should be formulated and accepted by all towns and cities in the country.
2. The present form of licensing should be abolished.
3. *Recognise all existing street vendors, currently estimated at 2.5% of each cities population.*
4. Identity cards should be issued to all street vendors.
5. *Integrate Street Vendors into City Plans.*
6. *Vendors should be provided access to microfinancial services through and various forms of social security through self-help groups and micro-finance institutions.*

### **Skills For The Majority**

We believe that development of a system for skills for women in the unorganised sector is the only way that these women can meet the challenge of liberalisation, otherwise, unemployment, inequality and social discontent will continue to grow.

1. *Recognise existing skills by compiling a directory of skills of women workers at the local level as part of local area planning.*
2. *Find out market demand by an exhaustive listing of possible employment opportunities.*  
This should be:
  - a. Sector wise with special attention to growing sectors such as services.
  - b. Looking at possibilities of linking the organised and unorganised sector.
3. *Build new tiers of skills through training.*

There are no 'unskilled' workers. Each person has some level of skill. We need to build up infrastructure to train at each of these levels of skills. We also need to build a system of continuous learning whereby a person can move from one 'threshold' to another as her competence and experience grows.

4. *Build the Human infrastructure— the teachers, by mixing the formal and informal methods of teaching skills:*
  - Encourage traditional teaching methods such as *Guru-shishya, Mother-daughter, Ustad-shagird.*
  - Encourage teachers in the formal systems to adapt their teaching methods to the educational and knowledge levels of the unorganised sector.
  - Encourage the apprenticeship system especially in private sector enterprises .
  - Introduce local workers (farmers, crafts persons etc) as part-time teachers into the school systems, as part of vocationalising education.
5. *Build the physical infrastructure by multi-use of existing training facilities, use of public spaces like panchayat buildings, use of private space, on the job space etc.*
6. *Recognition and Accreditation:* A system of accreditation should be developed to ensure a minimum quality as well as to increase the marketability of the skill.

### **Social security**

It is the view of this Group, that for women workers Child-care and Maternity should be the main priority.

### **Child-care**

Child-care is a major developmental program. Our children are the future of the country. Consider the following facts:

- 35 per cent of Indian infants are born with low birth weight.
  - 53 per cent of children under 5 are malnourished.
  - 40 per cent of the world's total malnourished children live in India
1. *Make Child-care the responsibility not only of the woman worker, but of the family and of society.*
  2. *Create a flexible, autonomous Child-care Fund. We recommend starting with a child-care Fund of Rs 2160 crores per year.*
  3. *All labour legislation should include provision of crèche where there are 10 or more workers irrespective of the gender of the worker so that whether the worker is a mother or father, the child can be brought into the crèche.*
  4. *Strengthen ICDS schemes.*
  5. *Recognise child-care as part of the education policy.*
  6. *Low-cost community based approaches should be encouraged and multiplied*
  7. *The important role of child-care worker should be recognised and compensated.*
  8. *Training of child-care workers and upgradation of their skills should be taken up as a large-scale programme.*

## **Maternity Benefits**

**1. Implement a National statutory scheme for the implementation of maternity entitlements** The scheme would cover all women, under an income criteria and would provide financial support for childbirth and care in the first few months of the child's life. The funds would be multi-sourced including a combination of employer, employee and state contributions, through cesses and through community contributions. It will be linked with the maternal and child-health provisions of the public health system. The scheme will apply to all child-births and there will not be a limit on number of children.

## **Welfare Funds**

### **1. Constitute New Funds**

We propose the following new funds be set up:

- Agricultural Workers Welfare Fund.
- Home-based Workers Welfare Fund.
- Construction Workers Welfare Fund.
- Forest Workers Welfare Fund.

### **2. Make the Funds more Women-sensitive**

**3. Change the structure of the Funds to make them more decentralised, reach more benefits and become more efficient.**

## **Pensions**

*Pension scheme within the existing Provident Fund Act should be devised for women workers in the unorganised sector which would provide them coverage for old age, disability and widowhood.*

## **Micro-insurance**

Decentralised systems of micro-insurance need to be devised to reach insurance to women in the unorganised sector.

## **Labour Laws**

The labour laws in effect today were enacted more than half a century ago and have been designed keeping in view the industrial workers. Their view of women tends to be paternalistic and usually do not conform to the reality of women workers today. We have made a number of suggestions for changes in various laws, to make them more positive for women workers and for workers in the unorganised sector. We have looked in particular at Laws relating to child-care and to the Equal Remuneration Act. We have suggested ways for better implementation.

### ***Equal Remuneration Act***

- (1) The Act should be amended to apply across units on occupation, industry and regional basis, not only within an establishment.
- (2) The Act should be amended so that the phrase "same work or work of a similar nature" should be replaced by the phrase "work of equal value."
- (3) The Act must be amended so as to intervene in the process of wage fixing, especially the need to remove the incompatibility between the piece rate and the time rated systems of fixing wages.
- (4) Guidelines should be provided to inspectors in order to help them to identify discriminatory practices pertaining to the ERA.
- (5) The advisory committee under the ERA needs to be converted into an empowered committee and be given a role to oversee the functioning of the Labour Commissioners Office in relation with the ERA. The Act should also be suitably amended to include the role of the social organisations in the implementation of the act and monitoring of labour authorities.
- (6) The advisory Committee of ERA has to function as a watch dog panel. It has to play greater innovative role and vested with some authority and armed with powers to question the discrimination and disparity in the case of women workers. The composition of the Committee has to comprise of dynamic individuals, with knowledge, courage and familiarity with issues of the women labour, labour legislation and the general economy. Coupled with these, the serving members of the Committee must have a commitment to social justice, with uncompromising stand to do justice to women. As far as possible, they should represent organisation of women workers.
- (7) For the purpose of filing claims and registering the cases of discrimination and disparity of matters of emoluments in the case of women, the regional branches of the Trade Unions, some of the willing members of the Committee, capable of contacting the management of enterprise, plant or industrial unit on receipt of the complaint could be suggested. Good social organisations may also be authorised to register the cases.
- (8) A separate Inspecting agency to detect and identify the discrimination and unequal emoluments for the same/equal value of work based on skills, efforts and responsibility is recommended.

### ***Industrial Disputes Act, 1947***

Include all sexual behavior as defined in Hon. Supreme Court's order in both the parts of Schedule V(c) of the Industrial Disputes Act 1947.



***Maternity Benefit Act, 1961***

It is suggested to expand the sphere of this Act to cover:

- (1) Shops and establishments employing fewer than 10 employees.
- (2) Unorganized workers who complete 180 days of work in a year.

It is suggested to authorise 15 days paternity leave of absence to accompany the leave of such female employees.

It is suggested that the eligibility criterion of 80 days (in Section 5(2)) be remove; no period to be prescribed, the benefit to be given to all workmen during that period. Further ,on loss of pay for a period of six months to be allowed.

***Minimum Wages Act, 1948***

It is suggested to have a "Common National Minimum Wage" for the schedule employment having home-based, unorganised female employees

It is suggested that minimum piece rates be included as part of minimum wage and that mechanisms for fixing these wages be included.

***Inter-State Migrant Workmen (R.E.C.S.) Act, 1979***

At present, the Act applies only to workers who are brought by contractors. Those who have migrated from one state to another state on their own are deprived of the protection of this Act. To remedy this situation, it is suggested that

*The Act should also cover any such establishments where not less than 5 migrant workmen from another state are working and who have migrated on their own.*

***Building and Other Construction Worker's (Regulation of Employment and Conditions of Service) Act, 1996***

**Amend the Act to include**

- To include creches as an essential provision under the Act, regardless of whether workers are male or female.
- To extend the coverage of this Act to residential building projects of less than Rs. 10 lakhs as well.
- To extend the coverage of this Act to contractors and construction projects involving less than 10 workers.
- To directly extract the levy from contractors from their construction budget at the time that they submit it to the necessary authority (e.g. Municipal Corporations) for approval.

### ***Factories Act, 1948***

Section 48 of this Act prescribes creches in factories where more than 30 women workers are employed.

*It is suggested that creches should be provided in factories employing more than 10 workers, regardless of whether they are men or women.*

*It is suggested that in place of 14, 18 years should be inserted under Section 67*

### ***Trade Unions Act, 1926***

This Act is very archaic and needs drastic amending to suit the needs of the current times in the world of work since large chunks of women are part of the work force, in the unorganized sector. Besides amending Section 22, the changes are required with a view to give statutory coverage and protect the workers in the informal sector with the right to form union/Association and right to bargain and to secure guarantee for job security and fixing of minimum wage. This would be a step forward in the efforts to integrate the women work force with the working class movement in keeping with ILO standards.

### ***Night Work***

The Group feels that the restriction on night work does limit the employment opportunity for women. On the other hand, night work opens doors for exploitation, especially sexual exploitation. We therefore recommend that night work be allowed on a case to case basis, only if adequate transport and security is provided. The case of each industry for allowing night work would have to be examined by a committee to be nominated by the ministry of labour.

### ***Mechanisms for Implementation of Labour Laws***

The following mechanisms need to be put into place in order to ensure enforcement of labour laws:-

### ***Strengthen the Labour Department***

- The Labour Departments should concentrate on enforcement of Labour laws for the unorganised sector. More than 80% of their time and personnel should be entrusted to this task, of which 50% should be for women workers
- The numbers of labour department personnel should be increased and given more facilities for travel and reaching the unorganised sector.

- The officers should be trained to understand and respond to the situation of women workers, and the laws covering them.
- The labour department should be given more powers to penalise employers on the spot (details in labour law section).
- Corruption of labour officers should be strictly punished.

#### ***Widen the Enforcement machinery***

Bring in more persons who can carry out inspections and monitoring. It is found that there are many organisations, especially social service organisations, NGOs and trade unions, which work with women in the unorganised sector. These organisations may be given powers of inspection, monitoring, power to file cases and powers of penalising under various Acts. They could work closely with the labour departments.

#### ***Create Tri-partite and Multi-partite Systems of Enforcement***

A good example is the various Hamal Workers Boards in Maharashtra. Other examples, are the various Boards in Kerala, the Tamil Nadu Construction Workers Board and the Cloth Market Board in Gujarat. The advantages of the boards are that they involve all interested parties in the implementation and enforcement of the Act. Also, they help the weak workers to organise.

#### ***Recognise Organisations of Women Workers***

#### **Organising**

Organising is the process by which women in the unorganised sector can overcome their isolation and vulnerability and come together to make their voice heard. The organisations can be of many forms. They can be *mahila mandals*, trade unions, co-operatives, associations, societies etc. In this report we have focussed on the membership-based organisations of the women themselves. These organisations can be helped and promoted by NGOs, Governments, large trade unions etc.

Organising is an activity that is self-help and lies essentially outside the sphere of governmental functions. An active role played by the Government helps to change the voluntary and self-help character of the organising effort. However, Governmental rules and regulations can encourage or discourage these efforts. Organising can also be encouraged by the existing and established organisations in society such as trade unions and NGOs. At the same time, membership-based organisations themselves need to learn from the experiences of others before them. These recommendations are therefore directed at Governments, organisations of civil society and membership-based organisations themselves.

## **General Recommendations:**

1. The Trade Union Act is very archaic and needs drastic amending to suit the needs of the current times in the world of work since large chunks of women are part of the workforce in the unorganized sector. Besides amending Section 22, the changes are required with a view to give the statutory coverage and protect the workers in the informal sector with the right to form union/association and right to bargain and to secure guarantee for job security and fixing of minimum wage.
2. There is a need for large-scale mobilisation and awareness of women workers. This mobilisation will have to be undertaken by all concerned especially NGOs, government, TUs and other organizations and individuals concerned with social change.
3. The need to recognise and issue identity cards to women workers in the unorganised sector;
4. The need of the women workers for their own membership-based organisations, that are either independent or functioning as part of mixed organisations;
5. The need for multi-activity, multi-organisation clusters which would intervene in the economy as well as social and political processes at various levels and would not confine its activities to employment and earnings of its members.
6. The need to upscale the existing membership-based organisations; and
7. The need to create systems wherein the organisations can have Voice Representation.

## **Governments should**

1. allow widespread registration of MBOs under the Trade Unions Act and prepare special guidelines for all Labour Departments;
2. promote Mutually Aided Co-operative Acts in each State and issue special guidelines for the registration of co-operatives of women workers;
3. frame and enact a special Act for microfinance organisations;
4. ensure that the economic demands and struggles of women workers' organisations are not treated as 'law-and-order' problems;
5. issue identity cards to all women workers;
6. recognise MBOs as initiators and implementing agencies for Government schemes;
7. set-up Voice Representation systems for MBOs of women workers at the following two levels:
  - setting up of recognised councils of women workers' MBOs which include Government representatives from different Ministries as well as representatives of industry and agriculture; and

— setting up councils for each sector that are empowered to bargain on specific issues, e.g. in the forestry sector, this council can bargain for rates of minor forest products as well as criteria for issuing licences.

8. Invest in training and research organisations for capacity building for MBOs.

#### **NGOS, Trade Unions and Other Organisations should**

1. play a promotive and supportive role for MBOs;
2. support mobilising efforts for MBOs, especially to increase awareness and membership;
3. support the setting up of capacity building systems including many types of training programmes;
4. support both the campaigns and the attempts of MBOs to enter markets; and
5. advocate and assist in the setting up of various forms of Voice Representations for MBOs.

#### **MBOs should**

1. try to aim towards financial and managerial sustainability;
2. recognise that growth and upscaling are important;
3. try to develop second- and third-level leadership;
4. take the support of Government and NGOs to build capacity; and
5. advocate for systems of Voice Representation.

#### **Child Labour**

The approach of the Group on child labour is that the child, the child's welfare and the child's future should be central to our programmes, and to our laws. Children are the future of our society and also of our economy and every child should have the opportunity to develop his or her skills and potential, to participate both as a citizen and as a worker. In today's society, a certain level of schooling is necessary for each person to feel an equal part of society. At the same time, with the rapidly changing economy, to deny schooling to any group of children is to forever deny them an opportunity to earn a decent livelihood. A child-centered approach to child labour is therefore not only to save the child from severe exploitation, but also to ensure that she or he has the chance to a future. So the task of eliminating child labour and universalising elementary education become synonymous.

#### **The Need for Multi-pronged Approach**

The interconnections between child labour and the social conditions of the child and his / her family should be at the centre of all development policies. It is well established that effective action for elimination of child labour requires political commitment and the creation of broad social consensus, that includes government and all sectors of society, about the value of education for all children.

Child labour is a manifestation of deep-rooted malaise in our society. Efforts like improving and regulating working conditions of these children can only be palliatives. What is required is a multi – pronged strategy that goes to the roots of the problem: ineffective education opportunities, social prejudices, discrimination and denial, poor enforcement of existing legislation (such as Minimum Wages Act) and inadequacies of other instruments to tackle the problem. In the ultimate analysis a society must uphold children's right to live in dignity and make childhood for each child an experience ought to be: joyful, carefree and happy.

When a child is born, "It is a soul with a being, a nature and capacity of its own, who must be helped to find them, to grow into their maturity, into a fullness of physical and vital energy and the utmost breadth, depth and height of its emotional, intellectual and spiritual being" (Justice Bhagwati in a judgement on international adoption of children in 1985).

Similarly the Supreme Court of India while disposing the writ petition (C) No. 12125, in 1984 in *Bandhua Mukti Morcha, etc. vs Union of India and others* observed,

"...Children are the greatest gift to humanity....The parents themselves live for them....Children signify eternal optimism in the human being and always provide the potential for human development....If children are deprived of their childhood socially, economically, physically and mentally — the nation gets deprived of potential human resources for social progress, economic empowerment and peace and order, social stability and good citizenry".

For a child, every form of work affects his/her health, implies denial of access and deprivation of pleasurable activities associated with childhood. Therefore the stipulation and enforcement of a minimum age for entry into the workforce is essential, whether it be for wages, for survival or otherwise. This calls for a redefinition of child labour in the existing Act.

### **Redefine Child Labour**

All out-of-school children must be treated as child labourers or as those who have the potential to become child labourers. The advantage of this re-definition is at once two-fold: it moves towards eliminating child labour and universalising primary education. Thus, all work done by children, irrespective of where it is done, must be considered as child labour. Only then girls and children working within the family become a part of the strategy to eliminate child labour, and significant headway will be made towards achieving the goal of eliminating child labour. "The starting point for any program to eliminate child labour is the promotion of the norm that no child should work and that all children should attend formal day schools. A focussed campaign on promoting this norm should be taken up, to emphasise the fact that the State strongly supports any effort to ensure withdrawal of a child from work and enrolment into schools."



### **Prohibition on Children Working for Employer/Contractor**

There should be a strict prohibition on children working for employers or contractor in factories or work sites such as quarrying, construction or small establishments outside the home. The employers/middlemen employing such children should be penalised and the penalty collected should be used for rehabilitation of children.

### **Education**

#### ***Universalise Elementary Education***

Researchers and grassroot programmes run by NGOs and some of the state governments have clearly demonstrated especially during the last decade, the linkages between child labour and education. Affordable education of good quality and which is relevant to the needs of children and their families will ultimately be the most effective instrument for the elimination of child-labour. School attendance has a major effect on eliminating child labour in hazardous work. At the very least, it should reduce excess hours of work among children and go a long way to eliminating child labour in hazardous industries where workers need to be at the work site for a full shift. Schooling has, moreover, a number of other positive effects that help reduce child labour over the long run. Educated persons are more aware of their rights and so less likely to accept hazardous working conditions. Educated persons make more informed and active citizens. Educated persons (especially women) have fewer, better educated and healthier children when they themselves become adults, and these with smaller family size and educational expectations should reduce child labour in future generations. Educated persons are more productive workers and so help increase economic growth rates and wealth. It has been asserted that it is much easier to implement laws on compulsory education than laws on child labour. Therefore any strategy to eliminate child labour must include education as a critical component. The government should begin with a focus on elementary education and gradually increase it to include secondary education, depending on educational status of the population in each region. School education for children up to the age of 18 must be universalised.

#### ***Enhance Quality of Education***

- a) **Content:** Along with the goal of universal elementary education, adequate attention needs to be paid to the quality of education in schools, especially those run by the government. Efforts must be made to make the curriculum attractive to students to sustain their interest in learning. The practical utility of education and its relevance to the circumstances of the students have been a matter of much debate in the country. In the long run, schooling and education should equip students to deal with their environment and take advantage of employment opportunities in society. After providing minimum basic education, children may be trained through vocational training centres. "However, the development of curriculum on these lines needs to be an universal effort and not an aspect that concerns working children alone".

**b) Administrative Constraints:** There are other issues related to the provision of elementary education. These include the language of instruction in schools and availability of teachers and teaching equipment. The problem of teachers' availability must be viewed in the overall context of working conditions of teachers. Some states have come up with innovative solutions to address the problem of absentee teachers. The '*Siksha Karmi*' Programme in Rajasthan and the '*Gurudevi*' Programme in Madhya Pradesh, which train local rural youth to take the place of absentee teachers are notable initiatives. Another alternative can be to train married women in the community as teachers. This ensures that teachers do not leave the village after marriage. There are other benefits of this solution. It will help change the gender bias in the teaching profession in villages which is presently dominated by males. This may also encourage more girls to attend school. As far as possible the medium of instruction should be the local language or the mother tongue so that students can comprehend what is being taught in school. This will especially benefit tribal children and help to reduce drop out rates in schools. However projects such as *Shiksha Karmis*, however laudable, must only be stop-gap arrangements to deal with absentee teachers, and not as permanent solutions to address the problem.

#### ***Amend provisions of the Proposed 83<sup>rd</sup> Amendment to the Constitution***

The amendment seeks to make free education a fundamental right for all children between the ages of six and fourteen. However this right should be revised to include children up to the age of 18 years. The proposed amendment will make it obligatory for the government to provide infrastructure and other facilities necessary for elementary education, and to ensure that each child is enabled to go to school. It will also restore elementary education's rightful place as a priority in the country's education policy. The 83<sup>rd</sup> amendment should be viewed as a very powerful instrument to achieve the goal of universal elementary education, and by extension, eliminate child labour.

#### ***Provide Incentives to Increase Enrolment in Schools***

Incentives such as free textbooks and uniforms, scholarships and mid-day meals should be provided to encourage poor parents to send their children to school. Many parents, despite recognising the role of education, are compelled to withdraw their children from school, as they cannot pay for textbooks and uniforms with their meagre wages. The incentives enumerated above will thus, increase school enrolments, reduce drop-outs and offset perceived losses in income. The last incentive will also improve nutritional status of children. However providing direct wage compensations to parents for withdrawing and sending children to schools, should be avoided as it has the undesirable impact of parents already motivated to send children to school, viewing this as a deprivation of benefits of cash doles. They may remove children and await cash compensations for resending them to school.

However, care must be taken to ensure proper management of and implementation of incentive packages as problems, such as dual or false enrolments in schools, may arise. These measures are often reported to be adopted by parents / teachers to take advantage of incentives.

It bears repeating here, that over and above all the incentives referred to above the best incentive is to ensure quality of education in schools. It is however a well-documented truth that this is the biggest incentive that encourages even "poor" parents to send their children to school.

### ***Address Concerns of Vulnerable Children***

#### ***Children of SCs and STs:***

Special efforts must be made to address the concerns of children from Scheduled Castes (SCs) and Scheduled Tribes (STs). The school curriculum should be designed to integrate concepts that are familiar to their context. This will make it easy for them to relate to what is being taught in school and make education relevant to their life situation. It will also enable first generation learners to overcome problems of comprehension and other learning difficulties. Teachers must also be sensitised to the needs of these children and not discriminate against them.

#### ***Address concerns of girl child***

A vulnerable category of child labour is the girl child. For reasons discussed earlier girls' education is not a priority in many poor families. There is therefore an urgent need to:

- (a) Strengthen the '*Anganwadi*' component of the Integrated Child Development Scheme (ICDS). *Anganwadis* should be set up close to primary schools in villages. *Anganwadis* should also be set up in areas where this facility is not available at present. The timings should be adjusted to suit the convenience of rural working women. Besides encouraging mothers to send their toddlers to the *Anganwadi* and reducing the incidence of infant mortality a strong child-care programme will:
  - Relieve the girl from the responsibility of looking after her siblings and allow her the time to attend school. It will also re-assure mothers that their children are being looked after.
  - Introduce pre-primary toddlers to the rhythm and discipline of going to school.
- (b) To provide mobile crèche facilities in the work place of mothers. This is especially important in urban pockets and areas where *anganwadis* do not exist and for families of migrant labour.
- (c) Communicate more effectively, the importance and the benefits thereof, of girls' education to all parents, especially mothers.

- (d) Amend the existing law on child labour, viz. The Child Labour (Prevention and Regulation) Act 1986 to include family labour.

***Increase investment in education***

Investment in secondary education needs to be increased to consolidate the gains of primary education and equip children to explore more gainful sources of employment in adulthood. There is therefore a need to provide and geographically expand/increase facilities for secondary/higher level education. The suggestion to increase the upper age limit for minimum education from 14 to 18 years in the proposed 83<sup>rd</sup> Amendment to the Constitution is extremely valuable in this regard. There is also a need to increase capital expenditure on education. At present only 10% of the expenditure on elementary education is directed towards development of education facilities.

***Promote Public Private Partnerships in Education***

The importance of forging public – private partnerships in promoting primary education and eliminating child labour needs to be recognised. The corporate sector is increasingly talking about its social responsibility and should be encouraged to bear expenses towards primary education of poor and deprived children. Their involvement could take various forms — providing physical resources such as furniture and other teaching aids, funding salary of vocational education teachers, repairing schools, funding research for curriculum revisions and funding NGOs that work on primary education. The proposition of levying a cess needs to be examined carefully and mechanisms should be evolved for the same.

***Adopt Campaign Approach***

Adult Education Programmes (AEP), literacy campaigns, extension work and other developmental programmes should be encouraged to bring about attitudinal changes, spread awareness about the ills of child labour, popularise the importance of education and sensitise parents about the importance of girls' education.

***Enforce and Periodically Revise Minimum Wages***

There is need to stringently enforce legislation on minimum wages for all workers. It has been argued earlier that this will reduce the demand for child labour as the advantage of 'cheap' labour will no longer operate. Enforcement of any legislation requires a strong political will. Simultaneously, regular revision of 'Minimum Wages', which is mandated, must be ensured by each state. It is important for the Ministry of Labour to acknowledge these vital linkages in perpetuation of child labour practices and examine policy and administrative implications of a preventive approach.

### ***Involve Local Community in Monitoring and Vigilance***

There is a need for vigilance to prevent and eliminate child labour. Local community involvement in this regard is of critical importance. Some recommendations towards this are:

- (a) Formation of village/neighbourhood child labour watch committees. Every possible effort must be made to ensure that each child goes to school and that no child is working. This requires active support of local groups which may be Panchayats or community based organisations, including women groups.
- (b) The support of the *Panchayats*, *Gram Sevaks*, and teachers could be enlisted to identify households that have children who do not attend school.
- (c) In certain states such as Maharashtra, Gujarat and Andhra Pradesh, water committees have been formed for managing agriculture under Participatory Irrigation Management (PIM). These committees are influential and have representatives from various communities in the village. These committees may also be enlisted in identifying child labour, building public opinion against child labour and monitoring the progress of efforts towards eliminating child labour.

These are only illustrative and not exhaustive. Other creative ways may also be utilised.

### ***Government -NGOs partnerships***

NGOs, community-based organisations (CBOs) and trade unions (TU) have demonstrated that concerted efforts at the community level do impact the extent of child labour. Creating awareness against child labour, both among parents and employers, changing social perceptions and practices that perpetrate child labour, is possible. NGOs, CBOs and TUs have played a crucial role in one or more of the following:

- (a) Mobilising community action against child labour
- (b) Identifying areas and industries and households where child labour is practised
- (c) Sensitising public against discrimination towards SC and ST communities
- (d) Designing appropriate curriculum
- (e) Providing support facilities for education, e.g. crèches, balwadis, night shelters for street child etc.
- (f) Identifying and replicating, where possible, successful initiatives to eliminate child labour.



The government should thus use the available experience and expertise of NGOs in this regard to make its own efforts towards the elimination of child labour more effective.

### ***Publicise Supreme Court Judgements***

Until such time as the 83<sup>rd</sup> Amendment to the Constitution is enacted, widespread publicity should be given to some recent facilitative Supreme Court (SC) judgements on child labour and education. Notable among these are *Mohini Jain vs. the State of Karnataka* (1992), *Unnikrishnan vs. the State of Andhra Pradesh* (1993) and *M. C. Mehta vs. the State of Tamil Nadu* (1996). The first judgement declared education to be a Fundamental Right, without distinguishing between different levels of education. The second judgement declared free education up to 14 years to be a fundamental right while the last judgement also referred to rehabilitation of children withdrawn from work. Thus, the judiciary recognised the child's right to demand education and the state's obligation to provide education.

### ***Develop a Perspective and Converge Schemes of Different Departments***

Although the argument of convergence has been propagated, it has failed to deliver simply because child labour continues to be "a problem to be dealt with by the Labour Department". At the operational level, the linkages between child labour, education and health facilities, minimum wages (each dealt with by a different Department viz: Labour, Education, Health and Revenue) are not examined. The Departments and their officials do not interfere with each other (read co-ordinate their efforts) to successfully meet the everyday demands of the working child. A rigid, legalistic approach in identifying and dealing with child labour is clearly ineffective. Merely running schemes and programmes targeting only those identified as child labourers is completely inadequate.

*Inter-ministerial coordination and field level convergence of all rural development and human resource development programmes will have a synergic effect.* There is a need to converge schemes from departments of education, women and child development, health and family welfare, science and technology, labour and rural development to deal more effectively with the problem of child labour. This also requires a clear understanding of the child as possessing a set of indivisible rights. There is a need to create one nodal agency to administer policies and programmes related to children, rather than break them up into a set of government departments with conflicting views and plans. A clear perspective on how the practice can be eliminated must be reflected in the state's commitment to a set of obligations.

### ***Amend the Child Labour Act***

The problem of elimination of child labour is not only a question of the protection of the child but especially a question of development of the child. Our approach is that each child has a right to development, and at a minimum this means a right to basic education. At the same time it means that children should not have to do work which is injurious to their health, their dignity and their future.



Laws on child labour should not only protect but also lead to development of the child. The law should not only prevent a certain type of work but also ensure access to education. We propose that the law pertaining to child labour should be both protective and regulatory as well as developmental. How can this be done? We have the following suggestions:

**Coverage:** The law on child labour should cover not only children of a minimum age, who work in specific listed operations, but all children out of school. These children should be classified into three categories:

1. Children out of school and working for an employer or contractor under the supervision of the employer/contractor.
2. Children out of school and working indirectly for an employer or contractor, but mediated by the parents and home. For example, home-based bidi-workers.
3. Children out of school but not belonging to any of the above categories.

**Provisions:** Children in all the three above categories should be required to be at school. Children in category 1 should be required to be removed from work and the employer/contractor penalised, as per the existing labour law. The employer/contractor should be compelled to pay a minimum wage and hire adults. Children in category 2 should be in school during school hours. The employer/contractor should be compelled to pay a minimum wage for this work so that the children are not compelled to supplement the work of adults.

**Obligations:** The onus for implementing this law should be jointly that of the Ministry of Labour and the Ministry of Education. It shall be the legal obligation of the Ministry of Education to ensure that each village has a school up to the required standard. It shall be the legal obligation of the Department of Labour to ensure payment of minimum wages and ensure that no employer/contractor directly employs child labourers.

**Programmes:** The law should also include programmes to be carried out for the elimination of child-labour and for ensuring universal education. It is the obligation of the Central/State Governments to provide funds for these programmes.

**Implementation and Enforcement :** When the law is enacted, the agency for enforcing the provision of the law has to be named otherwise the law will remain only on paper. The responsibility for enforcement of the Law is jointly that of Ministry of Labour and Ministry of Education. The implementation of the Law should be through local Committees or Boards consisting of the two departments, Panchayat and local NGO. Since NGOs have been the most active in elimination of child labour, they should be widely involved in programmes under the Act.

The approach to elimination of child labour has to recognise that child labour is a complex problem, and that its solution must be multi-pronged as well as integrated.

**A Draft of the Child Labour (Prohibition and Education) Bill is enclosed.**

For reasons discussed earlier in the report, women, especially poor women and child workers, comprise one of the most vulnerable sections of our society. Their vulnerability is compounded by the fact, that by and large, these workers are in the unorganised sector and are not able to combat existing social norms that are prejudicial towards them. They also find it difficult to challenge vested interests that prevent them from accessing existing policies and programmes specifically designed to meet their needs and concerns.

While laws and policies have been framed to protect and support these workers and to improve their situation, they have met with limited success. One of the primary reasons for this is the scant attention paid to the need to organise these workers. The Study Group is thus of the firm belief that the recommendations made in this report will be effective and meaningful only if simultaneous and concerted efforts are made to organise these workers in order to build their capacity and empower them. Organising the unorganised is thus the key to empowering this vulnerable segment of our workforce. Only when organised will they be able to assert their rightful place in our society. Creating conditions for this, then, must be viewed as an important challenge in translating the recommendations of the study group to long term affirmative action.

Smt. Renana Jhabvala  
Chairperson

Dr. Kumud Sharma  
Member

Prof. Janki Andharia  
Member

Shri Tushar Kanjilal  
Member

Dr. Vijyalakshmi  
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Shri Shamshad Khan  
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Dr. Shantha Sinha  
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We especially thank Ms Shalini Sinha, who co-ordinated the Group and contributed greatly to the final writing. We would also like to thank Ms Moushmi Barua for her help in writing the section on Child Labour.

## **Part-II**

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## The Process

The Government of India through its resolution dated 15<sup>th</sup> October, 1999 constituted the Second National Commission on Labour (NCL)<sup>1</sup> with the twin objective of suggesting rationalisation of existing laws relating to labour in the organised sector and to suggest an 'umbrella' legislation for ensuring a minimum level of protection to the workers in the unorganised sector.

The NCL in turn constituted study groups to examine different aspects of the labour situation. To examine in depth the relevant issues relating to women and child workers, the Group on Woman Workers and Child Labour, to be chaired by Ms Renana Jhabavala, was constituted. The group was to undertake its work in the context of the general objectives laid out by the National Commission, with special reference to women workers and child labour.

### The group had the following as its members

1. Dr S. Vijaylaxmi
2. Dr Shamshad Khan, CREDA (Centre for Rural Education and Development Action), Mirzapur, U.P.
3. Ms H. Mangalamba Rao, Bhartiya Mazdoor Sangh, Bangalore
4. Ms Mercy Ravi, INTUC Central Women Workers Committee, New Delhi
5. Mr Tushar Kanjilal, Tagore Society for Rural Development, Calcutta
6. Ms Janki Andharia, Tata Institute of Social Sciences, Bombay
7. Dr Kumud Sharma, Centre for Women Development Studies, New Delhi
8. Ms Shanta Sinha, MV Foundation, Hyderabad
9. Dr Ratna Sudarshan, National Council for Applied Economic Research, New Delhi.

### 20<sup>th</sup> September, 2001

The first meeting of the group, attended by all the members was held on the 20<sup>th</sup> of September 2000. The meeting decided to constitute two sub-groups – on child labour and women workers. It was also decided that two workshops on women workers and child labour would be held at a later date, in order to invite expert opinion.

### **8<sup>th</sup> December 2000**

The sub group on Child Labour met on the 8<sup>th</sup> of December, 2000 at the office of the National Commission on Labour, New Delhi. Four members of the group including the Chairpersons, Ms Renana Jhabvala and Dr Janki Andharia, officials from the National Commission and a consultant attended the meeting. Ms Jhabvala also notified the meeting that ILO has agreed to support a study on 'Experiences of organising women workers in India', to be conducted by IHD on a consultancy basis. The group finalised a timetable for the next few months, booking dates for next meetings and finalising deadlines for the activities. The group discussed the final report and identified issues and concerns to be examined in the report. It was decided that the successful initiatives taken by the government, industry (individually or in partnership), NGO and/or any other best practices must be documented to make concrete policy recommendations. Partnerships which are demand-led and highlight government participation with community efforts must be examined.

### **8<sup>th</sup>-10<sup>th</sup> January 2001**

The Group on Women Workers and Child Labour met again on the 8<sup>th</sup>, 9<sup>th</sup> and 10<sup>th</sup> of January, 20001 in New Delhi. Presentations by international donor agencies and NGOs to the group, interactions with members of other study groups and brainstorming within the group to finalise further course of action were the highlights of the agenda of this three-day meeting.

#### **Presentation by International Labour Organisation**

The agenda for this day included presentations by ILO, UNDP and Forces. ILO presented its stand on child labour and the efforts it is making to combat child labour in India. Recommendations by ILO included universalisation of primary education, to set a time frame for elimination of child labour, to bring in home-based child labour within the legal and policy framework and the ratification and implementation of ILO Conventions 138 and 162 by the Government of India.

#### **Presentation by UNDP**

Neera Burra, Assistant Resident representative, UNDP, New Delhi made the presentation on behalf of UNDP India. UNDP India office has been working on the issue of child labour since 1997. Apart from dedicated projects for child labour elimination to a process of community empowerment and education child labour concerns have been mainstreamed into major poverty alleviation projects supported by UNDP.

Recommendations by UNDP included modification of child labour act to include family labour, studies to assess the contribution of women and children to the economy, role of social mobilisation as a strategy for the elimination of child labour and establishment of a National child labour elimination mission like the National literacy Mission.



### **Presentation by FORCES**

FORCES, Forum for Crèche and Child Care Services, is a network of organisations, committed to the cause of care for pre-school children of the poor and underprivileged in India. Dr Vandana Prasad and Devika Singh along with Women construction workers, members of mobile crèche made this presentation.

The main recommendations of FORCES were : provision for maternity benefits, breast - feeding breaks and childcare services as part of entitlements for women workers, setting up of special funds for crèches and child care services, increased overall allocation for Maternity and Childhood Care and developing of alternate sources of funding, formal recognition of childcare workers and increase in their wages and entitlements and identifying sibling care as a category of child labour. FORCES also recommended the inclusion of children under sixes for the right to education in the Constitution 83<sup>rd</sup> Amendment Bill.

### **10<sup>th</sup> January 2001**

The members of the group on women workers and child labour interacted with Dr. Sasi Kumar from the study group on globalization. The objective of this meeting was to develop a framework for a study on globalization and its affect on women's employment and conditions of work — an important area of study identified by the women workers group..

Presenting his group's views on the subject, Mr. Sasi Kumar said that his group was taking 1980 as the cut off point for its analysis. They were essentially examining secondary sources but some qualitative information is also being gathered by the group in identified sector and regions.

He also identified the following key issues for the group on women workers :

- Assessment of impact on employment, gender, contracts of employment, recruitment practices.
- Effect on wages and wage determinants
- Restructuring redundancy and redeployment, especially technology inflows, restructuring strategies, estimates of redundancy and available compensation package.
- Technology , sub -contracting and outsourcing.
- Industrial relations.
- Effect on business and investment.
- Foreign investment.

Dr Sasi Kumar suggested that the women worker group should focus on women workers in the informal sector. He also identified the five most expanding informal urban sectors.

- Manufacturing
- Petty trade
- Construction workers
- Education and health
- Transport
- Informal services.

In the rural areas he suggested horticulture, floriculture, livestock, food processing, fisheries.

The Group also interacted with Mr. Shankaran, Chairman, Group on Review of Law, National Commission on Labour. He mentioned that his Group would be looking at labour laws in general, and would rely on the Group on women workers and child labour for specific suggestions in their field.

During its brainstorming the Group felt that since liberalisation and globalisation were having major impact on the economy, and since there was very little information on this, the Group should commission studies on this area. It also decided to commission studies on other topics as listed below.

Since the deadline for the Group was given as May end, the Group felt that all its substantial work should be done before end of March. It was decided to have Two Workshops, one on Women Workers and one on Child Labour. The workshop on Women Workers was to be a large one, where many types of experts would be invited and the draft studies would be presented. This would help to finalise the studies as well as to get a wide spectrum of opinions on issues. It was decided that the participants' list would include selected individuals from the following categories

- Academics
- Activist in the field
- Persons from the trade unions
- Senior bureaucrats with relevant experience from the Ministries of Labour and Women and Child Welfare
- Chairpersons from the other study groups set up by the National Commission on Labour
- Persons from International Organisations with expertise in the relevant fields.

The Child Labour Workshop would be a small one with activists actually working in the field with Child Labour.

As a follow up to the meeting, the Group commissioned the following studies in late January.

**Title of Papers**

1. Early Childhood Care and Development in India: Policy Perspectives
2. Designing a model for Social Protection: The Workers Welfare Boards
3. Maternity Entitlements for Women Workers
4. Women In Financial Services – Present Status And Prospects
5. Cities For All: A Note On Globalisation And The Women Street Vendors
6. Relocating Space For Women Workers In The Construction Industry
7. Globalising Handicrafts Market And Marginalisation Of Women Crafts-Workers
8. Harvesting Global Markets And The Conditions Of Women Workers In The Indian Food Processing Industry
9. The Impact Of Globalisation On The Forestry Sector In India With Special Reference To Women's Employment
10. Productive Linkages Of Indian Industry With Home-Based And Other Women Workers Through Subcontracting Systems In The Manufacturing Sector
11. Globalisation And Women's Employment In The Livestock Sector
12. Globalisation And Women's Employment In The Textiles And Garments Industry In India
13. Employment Of Women In Nursing Profession
14. Informal Sector Health Workers
15. Background Statistical Paper on women workers
16. Microfinance and Women
17. A Review of Laws, relating to Child Labour
18. A Review of Efforts in India at elimination of Child Labour

**3<sup>rd</sup> March 2001**

The Group on Women Workers and Child Labour again met on 3<sup>rd</sup> March, 2001 at SEWA Bank in Ahmedabad. The agenda of the meeting included reporting on the progress of the work in the child labour and women workers sub-groups', brainstorming on the approach of the group and discussing the agenda and participation list for the March workshop on women workers..

The main item discussed were issues relating to Child Labour. These issues were:

1. The definition of child labour
2. Causes of child labour
3. The issue of banning child labour in hazardous industries
4. Which Government schemes/programs have worked and why; which NGO schemes/programs have worked and why.
5. Looking at the Acts. The strengths and weaknesses.

The Chairperson shared the agenda for the workshop on women workers. The title for the workshop was 'Women Workers: An Agenda for the Future' and the dates were 19<sup>th</sup> and 20<sup>th</sup> March 2001. The objective of the workshop was to discuss the approach to the issue and to present the papers that have been commissioned by the Group.

#### **Workshop on Women Workers, 19<sup>th</sup>-20<sup>th</sup> March 2001**

The Group on Women Workers and Child Labour organized a workshop on 'Women Workers: An Agenda for the Future' on 19<sup>th</sup> and 20<sup>th</sup> March 2001. The venue for the workshop was Scope Complex, Delhi. The agenda of the workshop is attached. The workshop was attended by over a hundred participants, including specialist academics, bureaucrats, activists, trade unionists and members of the Commission.

This workshop was designed as a 2-day consultation of the sub-group on women workers to get the views of the participants on the various issues and papers commissioned by it. Inaugurating the workshop, the Chairperson said that the Commission was faced with the responsibility of reviewing labour legislation in the light of the many changes underway in the economy. *Smt Kaliben*, a minor forest produce gatherer from Madhya Pradesh engaged in tendu patta collection, was a keynote speaker at the inauguration. She shared her life experience, highlighting how important the needs for basic security in terms of employment, food and health security are, in the life of a self-employed woman worker. *Smt Ela Bhatt*, Member NCL, also gave the keynote speech.

#### **Workshop on Child Labour, 29<sup>th</sup> March 2001**

A consultative workshop on Child Labour was organized in Delhi on the 29<sup>th</sup> of March. The workshop was attended by Group members, activists and academics. The issues discussed were

- Should legislation on Child Labour be regulatory or prohibitory?
- Is there a need to distinguish between hazardous and non – hazardous work?
- Should incentives be given to withdraw child labour?
- Is the formal education system or the non- formal education system more appropriate to tackle child labour?
- Do developed countries have the right to impose trade ban on countries with a high incidence of child labour?

The agenda, list of participants and the report of both the meeting are contained in Part IV of the Report.

**6th June 2001**

A brainstorming session on Skill Development for Women Workers was organised at the Institute of Applied manpower Research, New Delhi. The Chairman of the Group, Dr Ratna Sudarshan, Dr Rashmi Aggarwal and Ms Shalini Sinha attended along with Prof H. Ramachandran, Director, IAMR, Ms Sandra Roethboeck, ILO; Mrs Neera Ramachandran, IHD, Ms Adarsh Savaria, Director of Training and Employment for Women, Ministry of Labour and Vladamir Glasskov, ILO.

The meeting identified the training needs for women workers, debated on the nature of existing training and made recommendations on improving access and ensuring quality for training.

A near final draft version of the Report of the Group on Women Workers and Child Labour was circulated to the group members in the middle of August and the final report was handed over to the Commission on the 18<sup>th</sup> of September, 2001.

### **Selected Sectors: Studies and Recommendations**

#### **Agriculture**

Agriculture is the occupation of maximum number of women and men of India. According to the 1991 Census, over 64% of all main earners work in agriculture. 79% of women main earners work in agriculture out of which 45% are agricultural labour. Cultivators constitute the next largest share. However, the percentage of female workers amongst cultivators is 29.13% while amongst agricultural labour it is as high as 62.16%. (Table 1) From the data it is evident that despite the fact that women work on land, they seldom own the resources. Naturally, they have limited access to other supportive resources like credit, technology, training etc.

**Table1 Ratios of Female and Male Workers in Major Sectors**

<b>Activity</b>	<b>Female Worker/Male Worker %</b>
Cultivator	29.13
Agricultural labour	62.16
Livestock, forestry, fishing, plantations, orchards and allied	23.45
Mining and Quarrying	14.16
Manufacture, processing etc. in Household Industry	49.08
Manufacture, processing etc.in other than Household Industry	12.7
Construction	8.35
Trade and Commerce	7.32
Transport, storage and communications	2.67
Other services	22.26

**Labour Input – Operation wise**

The operations and tasks in agricultural operations vary widely, depending on such factors as the crop pattern, nature of land, irrigation facilities, land ownership and capital investment. However, in almost all parts of the country, agricultural activity is characterised by a very strict gender division of labour. Some tasks are done almost exclusively by women and are usually the most back-breaking and low paying, e.g. transplanting, weeding, winnowing, threshing, harvesting and so on. These are monotonous, repetitive tasks that involve harmful postures, wet conditions and handling of toxic materials. Some jobs are done by men and are better paid and involve the use of implements or tools, e.g. ploughing. (Chattopadhyay, 1982, pp. 52-54). While there are other jobs that are done by both men and women, like leveling fields, hoeing and sowing, here too women are inevitably paid less than the men. It must be noted that for agricultural and other home-based work, a woman's engagement with multiple activities and the simultaneity in the performance of several of these activities often changing with the seasons, leads to the perception that women's work is a mere extension of household work. In many instances, women themselves do not perceive themselves as workers even though they may be providing a considerable proportion of the family earnings.

**Increasing casualisation**

The pattern and trends in employment show a trends towards casualisation, i.e. an increase in the number of casual workers, for both male and female workers in rural areas. However, casual workers form a large proportion of women work-force as compared to their male counterparts. Also, the trend of casualisation both for females and males has been more in rural areas as compared to urban areas, especially for females. In rural areas, the proportion of casual labour, both male and female has increased phenomenally. Kaur (May



1999) also points out that the share of casual labour among female workers is much higher than that among male workers. This means that a large number of women agricultural workers have no permanent jobs, their work is seasonal and they are not employed on all days of the month. Unni(1999) points out that a large proportion of semi-landless and marginal land holders work as casual wage labourers. The increase in landless households and precariously smallholdings increases the pressure on the casual labour wage market. She also highlights that while men in landless households are able to find other kinds of work, women in such households are confined to wage work. An option of diversification to non-agricultural employment which is better paying is increasingly limited for women.

### **Agricultural Mechanisation**

It has been seen time and time again that whenever a new technology is introduced, operations which were traditionally performed by women are taken over by men. The Indian agriculture scenario is no different: it is evident that modern agriculture technology has not benefited women. Men have taken over from women those activities in which technology has substituted machinery for manual labour. All other labour intensive tasks are still left to women. Therefore, the introduction of tractors, harvesters, insecticides, weedicides, hormone accelerators, high yielding variety seeds and mechanical cotton pickers has meant that tasks traditionally performed by women and on which many women depend for their livelihood have been appropriated.

Various micro studies have shown that technical change has eliminated many jobs traditionally performed by women and alternative job opportunities have not been created for women at the same rate as for men. Weeding in paddy producing areas is a female dominated task. When chemical spraying replaces weeding, men perform the spraying. Similarly, the introduction of rice mills has displaced hand pounding done by rural women. Rice mills utilise husking equipment with the consequence that women who use traditional husking mechanisms have lost their means of livelihood. In addition to this, many women have problems gaining access to technological inputs due to lack of training. Besides, mechanisation of the rural economy has only benefited large farms, often resulting in the displacement of small farmers and tenants and a decline in the labour force. It is estimated that in Punjab, after the Green Revolution, the decline in female labour- force was as high as 90%.<sup>2</sup>

### **Migration of male labour**

The concentration of land ownership, agricultural mechanisation and the falling growth rate in the agriculture sector has meant that surplus male labour has been forced to move to urban areas. This migration affects gender relations too. Male out-migration has meant that women have had to assume additional responsibility for agriculture. Women's share of work in agriculture besides household production has increased. Seasonal and long term migration of working age males leaves women responsible for much of the labour input

necessary to meet subsistence needs. The 'money-order' economy of the villages of Uttaranchal is a case in point.

The work of a woman worker is seasonal and they have few opportunities for income-generation at other times. They are constantly looking for ways to supplement their income. They work for long hours but the wages are low. Instability and insecurity in their livelihoods leads to deprivation in primary health and education facilities for themselves and for their children.

### **Commercialisation of agriculture**

The 1990s have seen the impact of liberalisation policies on the organisation of agricultural production. There has been change both in land use patterns and the organisation of production, with land under food crops being diverted to the cultivation of cash crops, and being controlled by a few, large, capitalist farmers, across country. This trend has received considerable policy support, as the objective is to boost trade, particularly exports, that can earn foreign exchange and thus help resolve the balance of payments crisis. Though figures of the impact of this trend are not easily available, several micro-studies do reveal the impact of increasing commercialisation of agriculture on women workers.

Maharashtra has shown the highest percentage change in terms of putting irrigated area under 'other crops', from 2.5 to 19.5% between 1971-72 and 1992-93. The value of output under this category has been rapidly increasing. Horticultural products, for instance, have increased from 340 crores in 1980-81 to 13114 crores in 1992-93, almost a forty-fold increase in value of output<sup>3</sup>. Trends of small farmers selling their land-holdings to large capital-owning farmers or industrial houses, or entering into contract-farming arrangements are visible, though not yet widespread. New technologies are being introduced, and by and large women have no access to these. For women, then, this trend has often meant displacement from their villages and migration to urban areas in search of employment, food insecurity, coping with increased alcoholism and violence

### **Wages**

Women wage workers in the agricultural sector earn substantially lower wages than their counterparts. (NCAER/HDI Survey, 1994, as quoted by Kaur 1999). The ratio of male and female real wage earnings for agriculture for the period 1993-94 for All-India is 1.5. This is less than in non-agriculture where it is 1.9.

**Table2: Male – Female Real Wage Ratio in Agriculture**

<b>States</b>	<b>1974-75</b>	<b>1977-78</b>	<b>1983</b>	<b>1987-88</b>
<b>Real Wage Earnings Agriculture</b>				
All India	1.5	1.5	1.4	1.3
Andhra Pradesh	1.3	1.5	1.4	1.4
Bihar	1.1	1.1	1.3	1.1
Gujarat	1.2	1.1	1.2	1.1
Haryana	1.3	1.1	1.1	1.4
Karnataka	1.6	1.4	1.1	1.4
Kerala	1.4	1.5	1.3	1.4
Madhya Pradesh	1.5	1.3	1.2	1.2
Maharashtra	1.8	1.7	1.5	1.5
Orissa	1.4	1.3	1.2	1.4
Punjab	1.9	1.6	2	2.6
Rajasthan	1.4	1.4	1.8	1.1
Tamil Nadu	1.5	1.5	1.4	1.5
Uttar Pradesh	1.3	1.4	1.6	1.3
West Bengal	1.3	1.1	1	1.3

Source: Unni Jeemol (1996)

**Table 2 shows that compared to men, women have lower average wage earnings in agriculture activities in all states. The data shows that earnings differentials among male and female workers do exist and regional variations are high. The ratio of male to female earning in agriculture is calculated as around 1.5 in 1955. The ratio is found stagnating since 1987-88 and in some states the ratio has gone up. Wage differentials are found higher in the southern states such as Kerala, Andhra Pradesh and Karnataka, which are quite striking.**

Table 3 below presents the real wage earnings in agricultural and non-agricultural activities among workers in rural labour household during 1964-65 to 1993-94. The real wages for both agricultural and non-agricultural activities and for both adult males and adult females rose over the sample period. (Unni, 1999). The all India real wage ratio between average male wage earnings and female wage earnings show a steadily rise of 1.3 in 1987-98. It suggests that female real wages increased faster than that of males. It increased till 1977-78 and then declined, picked up again in 1993-94. The data suggests that work environment has become conducive to women workers.

**Table 3 : Rural Agricultural Wage Earnings among Wage Worker in Rural Labour Households at 1960-61 Prices**

	1964-1965	1974-1975	1977-1978	1983	1987-1988	1993-1994
<b>Adult male</b>						
Agricultural						
<b>All India</b>	<b>1.0</b>	<b>0.9</b>	<b>1.2</b>	<b>1.0</b>	<b>1.4</b>	<b>1.9</b>
Andhra Pradesh	0.9	0.8	1.2	1.1	1.6	2.0
Bihar	0.9	0.8	1.0	0.9	1.3	1.4
Gujarat	1.1	1.0	1.4	1.4	1.8	1.9
Haryana	-	1.4	1.7	1.2	1.5	2.3
Karnataka	0.8	0.8	1.0	0.8	1.4	1.7
Kerala	1.6	1.6	2.2	2.0	2.6	3.3
Madhya Pradesh	0.8	0.6	0.8	0.7	1.2	1.4
Maharashtra	1.0	0.7	1.0	0.9	1.4	1.8
Orissa	0.9	0.7	0.9	0.6	1.1	1.4
Punjab	1.5	1.9	2.2	1.8	2.3	3.2
Rajasthan	1.2	1.0	1.4	1.1	1.5	2.2
Tamil Nadu	1.0	0.9	1.3	1.0	1.5	2.2
Uttar Pradesh	0.7	0.8	1.1	0.8	1.3	1.6
West Bengal	1.3	1.0	1.3	0.9	1.8	2.2
<b>Adult female</b>						
Agricultural						
<b>All India</b>	<b>0.6</b>	<b>0.6</b>	<b>0.8</b>	<b>0.7</b>	<b>1.1</b>	<b>1.3</b>
Andhra Pradesh	0.4	0.6	0.8	0.8	1.1	1.4
Bihar	0.8	0.7	0.9	0.7	1.2	1.2
Gujarat	0.9	0.8	1.3	1.0	1.5	1.8
Haryana	-	1.1	1.5	0.9	1.1	1.8
Karnataka	0.5	0.5	0.7	0.7	1.0	1.2
Kerala	0.9	1.1	1.5	1.6	1.9	1.1
Madhya Pradesh	0.6	0.4	0.6	0.6	1.0	1.2
Maharashtra	0.5	0.4	0.6	0.6	0.9	2.8
Orissa	0.6	0.5	0.7	0.5	0.8	1.1
Punjab	1.0	1.0	1.4	0.9	0.9	2.8
Rajasthan	0.8	0.7	1.0	0.6	1.4	1.8
Tamil Nadu	0.6	0.6	0.8	0.7	1.0	1.4
Uttar Pradesh	0.6	0.6	0.8	0.5	1.0	1.3
West Bengal	1.0	0.8	1.2	0.9	1.6	1.7

Estimates of average daily wage earnings received by men and women engaged in agricultural operations in 1993 -94 are presented in Table 4 along with the statutory

minimum wages in agriculture. The average daily wage of a woman is highest in Punjab and lowest in West Bengal. In some states such as Bihar, Orissa<sup>4</sup>, Rajasthan, Haryana and West Bengal, the average earnings of women in the rural households is close to (if not lower than) the prevailing legal minimum wages.

**Table 4: Average Daily Wage Earnings in Agricultural Operations and Minimum Wages in Agriculture Fixed under the Minimum Wages Act**

States	Average daily wage earnings in rural labour household. 1993-94		Prevailing minimum wages as on December 1993
	Men	Women	
Andhra Pradesh	19.12	13.61	8.40-30.39
Bihar	16.93	14.78	15.00-26.93
Gujarat	20.06	19.17	11.00-31.00
Haryana	30.54	24.22	24.00-33.85
Karnataka	19.20	14.13	7.75-26.80
Kerala	43.18	29.88	12.00-40
Madhya Pradesh	17.04	14.29	11.00-26.70
Orissa	16.30	12.09	25.00
Punjab	41.98	36.82	31.70-33.95
Rajasthan	27.66	22.56	22.00
Tamil Nadu	25.11	15.09	7.00-35.00
Uttar Pradesh	21.59	16.57	10.50-28.85
West Bengal	23.45	10.71	10.40-19.65
All India	21.52	15.33	14.15-33.00

### Ownership of Resources

Land reform programs as well as the tendency towards the break up of communal land holdings have led to the transfer of exclusive land rights to males as heads of households. The 'head of family' concept which is used as the basis of land redistribution has historically ignored both the existence of female headed households and the rights of married women to a joint share in land.

The ecological decline in common property resources and the decline in access to what remains due to privatisation has meant that women work harder and are less able to fulfil their multiple roles in the maintenance and care of farming systems and farm households.

Rights in land among poor households could reduce women's own and the household's risk to poverty and destitution. Many studies have shown that women of poor households

typically spend almost all their income to purchase goods for the general consumption of the family and the children, men usually spend a significant part on their personal needs, tobacco, liquor etc. Children's nutritional status tends to be much more positively linked to the mother's earning than the father's. Therefore, the risk of poverty and the physical well-being of the women and the children depend significantly on whether or not she has direct access to income and productive assets such as land, and not just access mediated through her husband or other male family members. For female-headed households (19-29% of all households), the link between direct access to economic resources and physical well-being needs no emphasis.

### **Health hazards**

The work processes women agriculture workers are involved in have a specific and severe impact on their health. Manual planting and sowing involve uncomfortable postures. The working methods and implements are often a legacy of the past or, products of local traditions or conditions, where concern for the well being and comfort of women was as distant as it is now (ILO, 1983,). This lack of concern is especially true of those work processes, which are the responsibility of women, or areas of women's jurisdiction. Most of the operations involve working in a bent or crouching posture or require a great deal of energy. Simple improvements like increasing the length of handles or forks would go a considerable way in reducing effort, pain and health problems due to agricultural labour.

Several studies have shown a symbiotic relationship between women's work in agriculture and their reproductive health. One indicator of the adverse consequences of such work is relatively high child mortality, especially where paddy cultivation dominates (Swaminathan, 1997). An earlier study in an agricultural area in Maharashtra showed how during the months of the transplanting operations, when women do the work in a squatting posture all day long, for up to 12 hours, there was a very strong clustering of child deaths. Over 37% of the deaths occurred in these months. (Batiwala, 1983; Daswani, 1984). There seems to be a close relationship between that position, the pressure on the uterus and early delivery. The excessive strain and pressure on the uterus could well have resulted in premature births and high risks to the mother (Batiwala, 1983). And since there is no evidence that women receive the required increase in nutrition during pregnancy, the foetus at seven or eight months is too underweight to survive. Such birth attrition would aggravate or rather accelerate the vicious circle of poor nutritional status of women – high fertility, high infant mortality – and further deplete the health status of women (Batiwala, undated, ).

According to another case study in the State of Madhya Pradesh, women have to carry a metal vessel containing seed grain mixed with fertiliser powder in the operation of sowing. The vessel usually weights 3 to 4 kgs., and is suspended by straps from their shoulders, the vessel resting against their abdomen. Women experience great difficulty due to the heavy load, the long distances and the posture of the arm required for sowing the seeds.



For the operation of weeding, the women assume a sitting posture and inch forward slowly and pull out the grass or cut the bigger plants. The posture during the harvesting operation causes great strain on the muscles of the back and the legs. Back ache and leg pain are the most common problems (Saxena, 1987). Women have to speed up their pace of work as the monsoon sets in and drenches them. In the hurry, the sickle or the hand holding the grass slips and this results in serious injury. Their feet are unprotected as they have to work in the field conditions and are often exposed to thorn pricks which easily get infected; more common is the biting of the muck, an itch developing in between the toes probably due to fungal infections (Saxena, 1987).

Another report by the Department of Science and Technology (DST), shows that women who are employed in large numbers in the operations of cotton picking and pod opening, have to work in the open at high temperatures. The continuous opening of pods causes bleeding of the fingers (DST, 1983).

*Chemical hazards:* Recent technological advances in cultivation methods have led to new risks for women workers. These are even more serious in view of the already precariously low levels of health and resistances to infection that result from various chronic and endemic diseases women workers are vulnerable to. Some of the chemical products used for weeding, controlling plant diseases and eradicating insect tests are known to be toxic substances harmful to the health of people handling those. The use of surface spraying equipment and the aerial spraying of pesticides and insecticides are particularly harmful to the health of workers. By their body constitution, women workers are much more susceptible to these risks (ILO, 1984)

Chemicals like DDT, endrin, malathion and BHC, used in agricultural operations not only affect the respiratory system, but also the optic nerves and reproductive organs. A high incidence of tuberculosis, bronchial ailments, loss of eyesight, including injury to the optical nerves, foetal injury and other hazards have been noted in tea plantations (Ray, 1986). Lung infections and bronchial troubles are also common (ILO, 1983, ).

According to WHO estimates in the mid 1980s, India accounted for about a third or more of all cases (5,00,000 cases every year) of pesticides' poisoning in the underdeveloped countries. In the mid 1980s, 70% of the total agrochemicals used in India were either banned or their use severely restricted in the developed countries (Parikh, 1985). Different chemical ingredients of pesticides cause different types of poisoning. It may be of either temporary or permanent nature. It may cause temporary upset or instantaneous death or long-term neurotoxicity, which may not kill but may damage some important system of the body (Akhouri and Sinha, 1983, pp. 179).



*Accidents:* The main hazards from agricultural implements as noted by the ILO are as follows: 'Physical injuries from the cutting edges of implements such as sickles and machetes. As first aid facilities are often non-existent or very poor, and medical attention may not be available, there is the risk of small injuries becoming serious and there is also the danger of tetanus. Working barefoot with implements like machetes, without any hand and arm protection increases risks of accidents' (ILO, 1983).

In a study by IIT and JNU , agricultural activity accounted for 30% of all injuries sustained by women in the villages of Haryana. Agricultural activities include weeding and cutting in the fields, preparing fodder for the animals, looking after them at home etc. Most injuries were caused by two kinds of equipment: threshing machines and fodder machines. Some of the fodder cutter injuries involved deaths and amputations (Mohan, 1990).

According to study in U.S., 'women farm workers are exposed to a multitude of biological, chemical, physical and mechanical hazards. High rates of machinery-related accidents and respiratory occupational illnesses are seen among agricultural workers. Many occupational diseases in women go undiagnosed if the 'farmer's wife' is not asked what she does on the farm or if the physician is unfamiliar with occupational diseases' (Engberg, 1993).

*Access to health care:* The health problems faced by agricultural workers are of serious nature and are made all the more grave because they go largely unattended due to the lack of access of the workers to basic health care facilities. Often the provision of health care facilities is not adequate. The availability of health care in India is unfortunately skewed in favour of urban areas as against rural areas, where the majority of agricultural workers live. The few health care facilities that are available in rural areas may not be accessible to women workers due to the fact that they come from very poor families, often from disadvantaged castes and ethnic groups and even among poor families and households, it is men and boys who are given priority in terms of distribution of resources, due to social attitudes and customs. Several studies have shown how women are the last to get medical attention or other health inputs. Most of the problems that women face, for example where children die due to postural problems of women's work, are normally seen as a given condition for most women. Besides, there are lacunae in the quantity of information on occupational health problems of women but even where it exists, it is hardly even communicated to women workers.

## **Recommendations**

### **Introduce the pending Agricultural Workers Bill**

The Salient features of the pending Agricultural Workers Bill are:

- a) The definition of agricultural land is proposed to be kept sufficiently wide to cover all types of agricultural occupations and allied activities but excluding 'plantations' as defined in the Plantation Labour Act, 1951.
- b) Provision for registration of agricultural workers and land owners having one hectare or more of agricultural land and issue of identity cards to agricultural workers.
- c) Provision for standard terms and conditions of employment such as hours of work, rest period, overtime, harvesting wages and for giving preference for employment to such workers as have worked on land in the previous season.
- d) Provision for first aid, shelter and other amenities.
- e) Appointment of conciliation officers for redressal of agricultural disputes.
- f) Provision for arbitration in the case of failure of conciliation at the local level.
- g) Creation of an Agricultural Workers Welfare Board at the district level to be financed by employers' contributions on the basis of earning from land and token voluntary contribution by the workers. The Fund will undertake various welfare / social security measures including financial assistance in the case of death or injury / payment of group insurance premium, health, maternity benefits, old-age pension, housing and children's education etc.
- h) Provision relating to penalties, monetary and imprisonment including trial of offences by Executive Magistrates and to exclude jurisdiction of Civil Courts.
- i) The State Government would be required under the proposed legislation to constitute District Level Welfare Boards which will administer the fund. The cess is proposed to be collected by the State revenue machinery and the Boards would be permitted to incur up to 5% of their expenditure on salaries and other administrative costs of the Fund. The Welfare Fund is proposed to be financed through :-
  - i) Contributions made by landowners.
  - ii) Any grants / loads by the Government.
  - iii) Contributions made by beneficiaries.
  - iv) Such other sources as may be decided by the Government.

## **Women Workers in Construction Industry**

Highly invisible in terms of their sweating contribution to a male-dominated sector, the women workers in the construction industry have remained, for ages, as secondary-helper workers - extremely underpaid, exploited and marginalised. Yet new aspirants as migrant labour from rural areas keep on arriving in increasing large numbers on construction sites in the hope of exchanging their labour in return for a sustainable livelihood.

The construction industry is one of the largest segments of the unorganised sector in the country, next to agriculture in terms of investment and employment. It may be the second largest employer with three lakhs organisations offering work to a large number of skilled, semi-skilled and unskilled workers. According to NSSO Survey (1993-94), the construction workers constituted 3.2 per cent of the total workforce. 4.17 per cent of all male workers and 1.27 per cent of all female workers were engaged in construction activity. According to the Ministry of Labour, in 1996-97 there were 8.5 million workers in construction. According to trade union sources, in 1995-96 the number of construction workers was as high as 1.30 crore amongst whom more than one crore (83 per cent) were contract workers.

There are considerably more women working in this sector in the urban areas than men. Among women construction workers more than 98 per cent are casual workers, whereas the proportion of casual workers among women workers in all industries together is much less - about 75 per cent.

Within the sector, women are workers deployed in various types of construction operations in the country. They work in construction and maintenance of buildings (including aerodromes), construction and maintenance of roads, railway bridges, tunnels, pipelines, ports, harbours, runways, etc and construction and maintenance of water-ways and water reservoirs such as bunds, embankments, dams, wells etc. It is evident that apart from building construction, they also work in infrastructure development projects and in water management projects in large numbers.

### **Unskilled work**

Unlike other industries, where women are employed in semi-skilled or sometimes even in skilled jobs, in construction industry they are engaged only in manual work (see Table 5). The jobs, in fact, are far more strenuous than in manufacturing industries. They are mostly head-load workers, who carry bricks, cement, sand and water from one place to the other, sometimes over great heights along precariously balanced wooden beams or structures. They are also involved in cleaning up, concreting and earth work. In construction industry women workers represent a very large segment of the unskilled workforce which is nearly 85 per cent of total workforce in this sector. They are completely absent in the apprenticeship trades (accounting for nearly 50 per cent of workforce) and specialised non-craft occupations (Subramaniam, 1982). Women are also engaged in substantially large numbers in brick kilns where they carry out operations like spreading raw bricks to be spread in the sun, turning the bricks on all sides for even drying etc.

**Table 5:Categories of Construction Workers according to Type of Skills**

Workers' group	Presence of women workers	Workers' group	Presence of women workers
<b>(a) Unskilled workers</b>		<b>(c) Skilled Workers</b>	
Weight Lifter	High	White washer	Nil
Dust Lifter	High	Sand blast operator	Nil
Digging Worker	High	Carpenter	Nil
Watchman	Nil	Plastering Operator	Nil
Waterman	Medium	Mason	Low
Centering Worker	Nil	Tile fitter	Nil
<b>(b)Semi-skilled Workers</b>		Painter	Nil
		Plumber (iron)	Nil
Steel Bender	Nil	Cement finisher	Nil
Concrete Mixer	Low	Glazier	Nil
Brick layer	Low	Electrician	Nil
Glass fitter	Nil	Blacksmith	Nil
Scaffolder	Nil	Pipe lifter (cement)	Nil
Machine operator	Nil	White washer	Nil

Source: Subramaniam (1982).

The women workers begin at the lower rung of the job hierarchy and remain there till the end of their working life. They can never aspire to move up in this hierarchy to become skilled masons, painters or carpenters. While a male unskilled worker can acquire skills over a period of time, a female unskilled worker remains unskilled even after her retirement. There seems to be a very small number of women masons/brick layers. They are found mostly in rural areas. \*

Given the strenuous nature of work and the difficult conditions in which it is carried out, young women are employed in the prime of their youth. In most cases the work- life of a woman in the construction industry comes to an end at the age of about 35 years (John, 1997a).

### **Poor working Conditions**

#### **Low wages**

The contractual/casual nature of the employment results in substantial differences in wage rates. The unskilled workers are differentiated far more in respect of wages and other facilities than those employed on a semi-permanent basis. The existence of a chain of sub-contractors between the main contractor and the workers directly engaged in the



performance of the tasks, also depresses their remuneration. This is as much true of the male workers as of the females. In the industry, unskilled men, as helpers, also do head-load, concreting and earth work, but women are always paid less than men for equal work (Pal, 2000, Noronha, 1998 and Girija, 1988).

In construction projects in rural areas, a large number of tribal women are involved and they are paid less than the non-tribal women. In areas where there is lower demand in agricultural work, wages of women workers in construction are generally low (Sinha and Ranade, 1975). The average daily wage earnings of casual women workers in construction sector in 1993-94 was as low as Rs.9.56 (at 1982-83 prices). The wage of male casual labour was only slightly better. (Table 6 )

**Table 6 :**  
Average Daily Wage Earnings of Casual Wage Labour in Various Industries  
(in Rupees at 1982-83 prices)

Activity Status/Sector	Male		Female	
	1987-88	1993-94	1987-88	1993-94
Rural Casual Labour in Public Works	8.36	9.46	6.16	7.01
Other Types of works in Agricultural sector	8.19	8.91	5.41	6.25
Non-agricultural sector	10.25	11.36	5.87	6.54
Urban Casual labour in Works (Other than public works)				
Agricultural sector	9.49	10.54	5.60	6.81
Mining and quarrying Manufacturing (of which)				
Consumer goods	11.56	12.68	5.20	6.00
Capital goods	11.11	12.12	5.74	5.80
Electricity, gas and water	11.19	15.39	6.98	8.87
<b>Construction</b>	<b>12.83</b>	<b>14.41</b>	<b>7.86</b>	<b>9.56</b>
Trade	9.93	10.62	5.58	7.71
Transport, storage and communication	11.67	13.18	9.92	7.57
Financial and business service	11.16	10.90	1.15	9.88
Community, social and personal services	10.96	10.30	5.87	7.15
Non-agricultural sector	11.61	12.72	6.1	7.27

Source: NSSO 43rd Round (July 1987 to June 1988) and 50th round (July 1993 to June 1994); taken from Singh (2000).

The level of skills also determines the regularity of work. While skilled workers are absorbed on regular-work period, the unskilled women workers are absorbed workers up-to-work period, leading to irregular availability of work and low average yearly wages (Subramaniam, 1982). The short duration of employment, frequent movement from one site to another makes it difficult for them to have a settled life and stable household (Pal, 2000).

### **Casualisation of workforce**

The employment of workers in the construction industry exhibits very high casualisation and contractualisation. More than 95 per cent of the 3.5 million construction workers in the country are temporary workers. An additional 6.5 million seasonal workers are also engaged in the unorganised sector, a large proportion of them being women (Shankran, 1994).

### ***Invisible employer-employee relationship***

The operations of the construction industry are based on the system of contracting, sub contracting and labour contracting. The labour sub-contracting system continues to be the main mechanism for the recruitment of construction workers. The labour contractors exercise a dominant influence in matching the supply to the demand for various skills and so also in the wage determination of construction workers.

As a result of above system, there is no direct relationship between the employer and the worker. Throughout his/her career a worker remains invisible to the principal and to the prime contractor. The principal employers in both public and private sectors do not organise the labour process. The work is contracted to private companies or individuals, who need to have no knowledge about the production process or the labour organisation (Subramaniam, 1982 and Van der Loop, 1996).

Contractual construction work falls within the organised sector of the economy; hence the Minimum Wages Act, Equal Remuneration Act, Contract Labour (Regulation and Abolition) Act, Workmen's Compensation Act and certain labour welfare regulations including stipulations on overtime are applicable. Despite the existence of rules and regulations on wages and conditions of work, these are not implemented.

### **Safety and health hazards**

Although India has ratified the ILO Convention 55 on safety measures, construction industry has remained one of the worst accident-prone sectors in the country. The most common occupational hazards are: failure or collapse of scaffolding, cantering of structures, improper guard against the work environment, working during night with poor lighting, fire and electrocution, excessive noise, handling of heavy, finished and semi-finished materials like metals, blasting, underground work, etc. Equally damaging are the health hazards which lead to many incurable diseases (see Table 7). Women workers suffer also because of the

drudgery of their work and the manner in which they have to shift materials on the construction sites.

Medium and small construction firms which employ more than 90 per cent of labour do not follow any kind of safety guidelines. Some of the unskilled labourers know that there do exist rules that call for compulsory observance of safety measures, but they never get any safety gadgets, not even simple protections like helmets, gloves and ear plugs. Medical first aid facilities at most construction sites are either absent or inadequate. Employers often do not pay compensation in cases of accidents and even death of workers on the sites.

**Table 7 :**  
**Common Health Hazards in Construction Industry**

<b>Cause</b>	<b>Effect</b>
Cement dust	Irritation to lungs, cancer and skin disease
Plaster	Irritation to lungs, eyes and skin and lung cancer
Wood Burning	Asthma and lung cancer
Sand	Silicosis
Asbestos	Asbestosis (lung disease)
Work at heights	High blood pressure
Sound	Loss of hearing stress and high blood pressure
Heat	Heat cramps and sun burns
Vibration	Numbness of hands and fingers
Repetitive Work	Sprain and Rheumatism

*Source: Menon (1997).*

### **Suffering motherhood**

A majority of construction workers live at the construction site itself. Contractors rarely build temporary sheds for workers and even these sheds lack basic amenities and have no proper sanitary or lighting facilities. Workers always have to live with the non-availability of fuel and drinking water. As usual, it is the women workers who bear the brunt of this lack of basic facilities. All these factors directly contribute to the poor health of the workers and their children.

According to the provisions in the Factories Act (1948) and the Building and Construction Workers (Regulation of Employment and Conditions of Service) Act (1996), the employers are bound to provide separate water and toilet facilities for men and women workers. These are seldom adhered to, exposing the women workers to embarrassment and subtle and manifest sexual abuse (Pal, 2000) .

Women workers are entitled to maternity benefits, but most of them do not avail of these and work until the day of delivery, and they are back at work within three to four weeks after childbirth lest they lose a day's earnings. Though there is a provision for crèches on construction sites, not a single company is reported to have provided this facility (Labour Bureau, 1996). The utter callousness to the needs of working mothers and the non-provision of any facilities for basic education to their children creates a situation of a high incidence of child labour in construction industry. At tender ages, in the absence of alternatives, children start assisting their parents and end up as child labourers.

The plight of women construction workers has become so acute that a very large majority of them desire occupational change; they want jobs involving less strenuous work in a better work environment. Many women workers would even like to leave their jobs if their husbands could earn enough (Subramaniam, 1982 and John, 1997).

### **Rapid privatisation**

Under the prevailing WTO regime, the essential requirement of global tendering has facilitated the entry of many MNCs in the Indian construction scene in a big way. The presence of some of these companies is increasingly visible in many infrastructure development projects being undertaken under government funding as well as under bilateral/multilateral assistance arrangements. Major foreign companies which have already arrived are: Bechtel (USA), Hundai (Japan), Mitsui (Japan), Obayashi (Japan), Savdesa (Sweden) and Trafal House (UK).

Many world leaders in construction have already arrived staking claim on projects for building of petrochemical plants, refineries, factories, roads, bridges and metro rail projects. Highly technology-smart and equipped with huge paraphernalia of latest machinery and construction methods, the entry of these companies is going to have far reaching implications for the domestic construction industry as well as the labour. The changes in business and technology would lead to much greater casualisation of labour. This is because the massive growth in investments is being obtained under the conditionality of a liberalised labour market put by the international and other donor organisations. This coupled with the building of large conglomerates of foreign and domestic private builders and contractors would make the employer-employee relationship far less visible.

### **Increasing mechanisation**

In the post liberalisation period, Indian construction industry is witnessing many structural changes which are going to radically transform the business as well as the construction labour market. Clearly, women construction workers are going to be worst affected by this emerging scenario of increasing privatisation and mechanisation.

With increased mechanisation, there would be massive displacement of labour in nearly all construction operations. Women labour would be completely eliminated from the main operations in which they have been traditionally deployed, namely, soil digging and carrying, carrying inputs in concrete mixing and placing, concrete curing and brick carrying. Although data on labour deployment on construction sites using modern construction methods is not available, it seems that the overall deployment of labour will become 1/5th to 1/50th of the earlier numbers. ( Table 8 ) Obviously manual labour, and especially the women workers, would be increasingly eliminated from the construction sites.

**Table 8 :**  
**Major Construction Equipment/Accessories being Factory-produced**

<b>Equipment/Accessories</b>	<b>Impact on Labour</b>
Excavators	Reduction to 1/20th of present workforce
Ready-mix concrete (RMC) plants	Reduction to 1/20th of present workforce
Concrete pumping machines	Reduction to 1/10th of present workforce
Chemical concrete curing	Reduction to 1/5th of present workforce
Bar-bending machines	Reduction to 1/5th of present workforce
Steel structures with high tension bolts	Reduction to 1/10th of present workforce
Wall panels (made from flyash-based cement)	Reduction to 1/10th of present workforce
Pre-fabricated segments	Reduction to 1/10th from 1/5 <sup>th</sup> present workforce
Complete pre-fabricated steel structures	Reduction to 1/20th of present workforce
High-strength concrete ASC slabs of different sizes (made from flyash-based cement)	Reduction to 1/20th of present workforce
Auto-dov wall panels using flyash cement (aerated, light weight half of a mud brick weight, low cost and high heat isolation property; most useful in earthquake prone regions)	Reduction to 1/20th of present workforce
Pre-engineered buildings	Reduction to 1/50th of present workforce

Source: Information collected from industry sources.

Apart from massive displacement of unskilled and semi-skilled labour, the changes in business and technology would lead to much greater casualisation of labour. This is because the massive growth in investments is being obtained under the conditionality of a liberalised labour market put by the international and other donor organisations. This coupled with the building of large conglomerates of foreign and domestic private builders and contractors would make the employer-employee relationship far less visible.

Apart from their displacement from the construction sites, women workers are also going to lose jobs in the brick making sector. Brick kilns which employ women and children in large numbers are now facing closure because of heavy air pollution caused by them. Increasing use of AAC slabs and Auto-dov panels would make mud brick making obsolete because of reduction in demand at least in the urban areas.

Thus, Indian construction industry represents a classical case where the women workforce is made to pay the highest when new technologies are introduced. They lose out on skills and are the worst victims of increasing unemployment. As the industry becomes far more dominated by men and machines, women are going to be increasingly pushed out. Latest trends also indicate that the participation of women in construction in rural areas is also decreasing which possibly indicates a stagnation in rural construction sector. Thus with their reducing access to work in big public and private sector projects, the huge mass of women would shift towards the traditional household construction sector in urban areas. Needless to say the nature and condition of their work would remain the same till this sector also finally adopts mechanisation in a big way rendering this workforce jobless.

### **Recommendations**

In the present era of globalisation of economy, the construction industry has to realise that there is a need to adopt a more inclusive process for its development in which capital formation, expansion of market and the overall productivity are directly linked with the well being of its labour force. Unless the structural changes being introduced in the industry do not provide to the labour an equal partnership, the intended reforms will not bear much fruit.

### **Expanding the skill base of women workers**

An expansion of the skill base is going to be crucial for the larger upliftment of construction workers, particularly the unskilled women workers. In view of the projected technological changes, the construction industry would require a much larger component of skills in its activities. Expanding the domain of skills would not only lead to an increase in the quality, speed and productivity levels of the industry and standardisation of work, but it would also improve the economic and social conditions of the workers. For them, it would ensure greater continuity of employment and also raise their productivity, earning capacity and levels of living.

The facilities for formal training of construction workers has remained extremely low. The Industrial Training Institutes have not been able to give adequate attention to the industry especially due to the low level of literacy of the workers. The Building Centres and Habitat Polytech under HUDCO set up by government too have proved to be largely unsuccessful in imparting training to workers on a regular basis.



In response to the emerging needs of the industry, the CIDC has given special emphasis on generating trained manpower on a pilot basis. The turning programme would cover limited number of trades and aim at producing instructors, trainers and master craftsmen. National Building Construction Corporation (NBCC) has also initiated a training programme for imparting multi-skills to the construction workers at the Employees Development Centre for expanding the scope of training to construction workers sponsored by Labour Cooperatives. The National Academy of Construction (NAC) had proposed to the government to make it mandatory for contractors to have their workers certified by the Construction Workers Training Institute (CWTI) for executing government works. Moreover, it is mandatory that at least 10 per cent of the workers should be certified by the institute for implementation of major projects like World Bank-funded schemes (News Time, 1999).

Similarly, The National Academy of Construction has set up the CWTI, one among the seven institutes on the anvil, which would cater to upgrading skills of workers in the construction industry. However, these initiatives looks rather cosmetic in view of the fact that with an annual increase of 12.8 lakhs unskilled workers, their number would reach a staggering 180 lakhs in a few years (John, 1997).

#### ***Recognition of women construction worker***

Women construction workers should be recognised and supported as a distinct labour category. It also needs to be emphasised that in order that the workers have a proper share in the gains of productivity and prosperity of the industry, the institutional set up of the labour market, arrangements for recruitment, and training and fixation of wages and conditions of work, need to be restructured in a way that provides power to workers to bargain with the employers as equals. To achieve this, the present system of production, from the industry to the labour market, which perpetuates fragmentation and deprivation of the workers needs a complete overhauling. With necessary social as well as technological interventions, it is necessary to create a viable space for the women workers among 'the men-and-the machines' in the industry as a productive segment of the workforce. For this, they have to be provided adequate opportunities for sustainable livelihood, access to technology through imparting of skills and upholding of their gender rights.

#### ***Women-friendly technology***

Women's work in construction involves extreme drudgery. There should be a wide expansion of their work with suitable technological inputs to reduce the drudgery of physical labour as well as to increase their productivity. In fact, as shown by many studies, incorporation of the views of women workers regarding the use of equipment and machinery leads to an increase in the productivity of many industrial operations.

Increased women's employment has been a keen aspect of recent changes in global production and trade, particularly in labour-intensive manufacturing. It is likely that demand

for women workers may decrease in the coming decades as a lack of access to skills would greatly undermine their full participation in the emerging high technology-based economy. In this context, it is of utmost importance that the work of women construction workers is thoroughly upgraded by including them in new areas of operations by providing them extensive opportunities for skill training. At the same time, a set of women-friendly technologies need to be introduced in the construction operations which not only would reduce the drudgery of their work but also help them in taking up many skilled trades in the industry.

A list of recommendations for improving the condition of women construction workers are presented below. These recommendations are based on the views of labour experts and activists expressed in various reports and documents.

#### **Amend the Construction Worker Act**

The provisions in the Building and other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 and the Building and Other Construction Workers Welfare Cess Act, 1996 to include the following:

- (i) The legislation has highly inadequate measures for regulation of work. It concentrates mainly on welfare provisions.
- (ii) The amount of levy to be collected as per the legislation is insufficient to provide adequate social security measures. The normal wage component in construction activity is around 20 per cent, a minimum levy of 7 per cent is essential to make the legislation workable.
- (iii) Bringing in size of establishments into the definition of workers to be covered by the Act would be to exclude the majority of workers from the purview of the Act.
- (iv) There are no obligations in the contracts for the contractors to provide crèches, toilets, drinking water, canteens, pay minimum wages and implement other welfare measures and there costs should be included in the cost of the project. In fact, the procedure of calling in the lowest tender in construction makes the builders cut down projected costs by cutting down on labour welfare provisions and wages.

#### **(A) Creating Support Systems for Women Construction Workers**

- (1) Constitute tripartite boards at the district, region and state levels (with 50 per cent representation to the workers, at all levels in which women workers should be included in proportion to their numbers in a given region) to perform the following functions:

- Regulate employment and wages with provisions for regulating the wages against price rise
  - Ensure equal wages for women workers.
  - Ensure payment of minimum wages as rainy season relief (similar to the scheme for fish workers).
  - Adopt a mechanism for resolution of disputes.
- (2) Include women workers in brick kiln sector in the construction workers' legislations.
  - (3) Ensure compulsory registration of construction workers (with a separate register for women workers) and issue identity cards to them.
  - (4) Ensure compulsory registration of employers including contractors, sub-contractors and other labour suppliers, without any ceiling on the number of workers employed.
  - (5) Make it mandatory that election of workers representatives in tripartite boards is from amongst the workers through secret ballot and not by nomination of state government.
  - (6) Ensure speedy and strict enforcement of the rules under the amended Acts throughout the country.
  - (7) Promote housing and other construction work in rural areas to generate employment for rural women.

**(B) Upgradation of Skills and Occupations**

- (1) Identify construction operations (both in on-site and factory production of construction elements) which are being created by technological changes and in which women can be increasingly absorbed in the future.
- (2) Promote training of women construction workers in traditional as well as specialised skill occupations in collaboration with Regional Vocational Training Institutes and mini ITIs with resource persons from industry and local master artisans and technician:
- (3) Carry out amendments in the apprentice act to provide reservations for women construction workers.
- (4) Ensure reservation of at least 25% of seats for women workers in the courses offered by Construction Workers Training Institute (CWTI), the Building Centres and Habitat Polytech.

- (5) Make it mandatory for construction corporates to promote a certain proportion of women workers to skilled occupations by providing on the job training.
- (6) Request national literacy mission groups to identify women workers and motivate them to join the literacy classes.
- (7) Promote enrollment of young girls in ITIs and vocational institutes in construction courses.

### **(C) Development of Women- friendly Technologies**

Carry out research and development on:

- i. development of equipment/tools which can reduce the drudgery of work.
- ii. technology assessment of construction equipment/methods from gender point of view and identify modifications to and make them women friendly in their operations.

### **(D) Ensuring Safety and Health**

- (1) Adopt comprehensive safety measures in tune with the technological changes in the industry.
- (2) Make it mandatory for companies to:
  - i. include safety measures and their costs in the planning stage of the projects and enlist a 'safety clause' in the bill of quantities attached with all tenders.
  - ii. disseminate instructions on safety regulations and precautions to be taken among workers on regular basis and displaying them at prominent places on work sites in languages familiar to workers.
  - iii. provide on-site medical facilities and medicines for workers
  - iv. submit reports on general health of the workers every month to the concerned welfare board.
- (3) Identify personal safety gadgets which can help in reducing the occupational hazards faced by workers, particularly women.

**(F) Collecting Evidence for Policy making**

**(1) Carry out studies on:**

- i. impact of mechanisation on construction labour deployment;
- ii. safety and health issues from women workers point of view and identify appropriate measures ;
- iii. condition of labour force in projects being handled by foreign construction companies.

## **Crafts**

In the present era of liberalisation, the country's handicrafts sector stands out as a major achiever in terms of phenomenal expansion of domestic and international markets. This sector now directly links a big traditional rural economy with the far distant metropolitan and global markets, providing visibility to a large number of artisans through their work.

Crafts are one of the most productive segments of the country's vast informal sector. They also constitute a major part of home-based work both in rural and urban areas, where a large number of women carry out a range of crafts-related activities (Singh, 2000). For these women and their families, crafts has remained their main occupation and often the only means of livelihood.

### **Increasing Employment**

The increasing demand of the craft products over the decades in both domestic and the international market, has resulted in massive increase in employment in crafts sector. The sector witnessed a dramatic increase in number of crafts-persons from 48.25 lakhs persons during 1991-92 to 81.05 lakhs in 1997-98 (Annual Report, Ministry of Textiles, 1998-99). As women constitute nearly 18 per cent of total artisan population (Vijayagopalan, 1993), their present number is estimated to be about 14.60 lakhs. Trends continue to indicate that while male participation in crafts has been slowly decreasing over the years, female participation is on the rise, particularly in rural home-based crafts sector (Krishnaraj, 1992).

The proportion of women employed in different handicrafts varies from a low of 40 per cent to a high of nearly 80 to 90 per cent (Krishnaraj and Deshmukh, 1990). Table 9 gives number of women employed in different crafts groups. Women artisans dominate in trades like decoration of cloth (embroidery and lace making), coir work, cane and bamboo craft, dying and bleaching of textiles, earthenware, reed mat making, artistic leatherware, weaving and papier mache. However, over the years, women have also started entering those craft areas traditionally considered to be male bastions, namely, stone carving, metal work and wood work (Raj, 1999 and Labour Bureau, 1999). The number of women handicrafts artisans getting the recognition of master crafts-persons is also increasing over the years. On an average, they constitute around 15-20 per cent of the total masters certificates awarded by the government agencies in a year (Raj, 1999).



**Table 9**  
**Distribution of Artisan Population by Sex in Selected Crafts**  
(per cent)

Crafts	Male	Female
Lace Work	1.69	98.31
Reed Mat Making	20.00	80.00
Embroidery	28.00	72.00
Artistic Leatherware	65.71	34.29
Papier Mache	70.59	29.41
Cotton Durri	85.71	14.29
Woollen Carpets	85.82	14.18
Hand Printed Textiles	86.89	13.11
Cane and Bamboo work	88.24	11.76
Zari and Zari Goods	91.91	8.09
Woodware	92.52	7.48
Woollen Durri	96.25	3.75
Shawls	97.14	2.86
Art Metalware	97.73	2.27
Imitation Jewellery	99.04	0.96
Stoneware	91.80	0.20
All Crafts	83.28	15.72

*Source: (Vijayagopalan, 1993).*

Liberalisation and the accompanied emphasis on developing extended export markets has resulted in a large expansion of the crafts labour market. This is primarily due to the sharp increase in the demand for crafts artifacts in both domestic and foreign markets. But additionally, there are two reasons for this development. Firstly, the opening of the economy has led to a large number of closures of the small-scale industries in the organised manufacturing sector and has also displaced male workers from the unorganised sector (Gupta, 1999).

Secondly, the entry of big companies in traditional sectors like food processing and fisheries is rendering a large number of people earlier engaged in these sectors without work. For instance, with exports becoming a priority over domestic trade and consumption, more than 10 million fisher folk across the entire country were displaced from their traditional work. As the men folk were marginalised because of these changes in the fishing industry and the burden of bread winning was thrust on to the women. For instance, thousands of women who have been traditionally involved in the screw pine mat weaving as a home-based craft had to support their families with meager earnings from this work (Jaitly, 1999).

As already seen, women artisans are taking up crafts in which males have traditionally dominated. It is not clear whether this is due to increasing market demand or marginalisation in their traditional occupations.

The above developments clearly show that instead of creating large opportunities of work in the manufacturing sectors, globalisation is making a large section of labour (especially women) to revert back to the traditional sector of home-based industries, particularly crafts production, absorbing part of the unemployment created by globalisation

### **Inrcreasing Visibility**

From a meager Rs. 19 crores in the early-sixties, handicraft exports crossed Rs. 1,220 crores mark by 1990-91 and reached a staggering figure of more than Rs 8000 crores in 1999-2000 (Table 3 and Table 4). However, there seems to be extreme regional imbalance because the share of handicraft exports from southern and eastern regions has remained very low.

With the phenomenal expansion of crafts market in recent times, the visibility of the work of women artisans and their male counterparts has increased tremendously. Their work is now increasingly patronised as evident from the increasing number of people visiting crafts halts, melas and other such events. Many of these women crafts-persons have gained mobility beyond their household/village/town participating in crafts events in the country and abroad, but it is doubtful whether this access to market has readily changed their socio-economic conditions. No evidence is yet available to suggest that these women have made some gains towards their empowerment in terms of ability to take occupation-related decisions, bargaining power in the market and even meeting their personal needs.

### **Low Returns**

In spite of their increasing contribution to economic development and foreign earnings the share of the crafts-persons in the profits continues to be low (Vijayagopalan, 1993). As already seen, as the artisans lack bargaining power, their exploitation by the private exporters and their agents continues. In fact, crafts products from the interiors of the country are procured at extremely low prices. Women crafts-persons, of course are the most exploited in this transaction. Crafts persons, especially women suffer from all the ills of unorganised labour low returns on the produce, low bargaining power, absence of visible employer-employee relationship, lack of access to easy credit, lack of opportunities for upgradation of skills, diversification in products and inability to adopt of appropriate technologies, and above all miserable working conditions and absence of welfare support systems.

## Wages

The average daily wage rate of women crafts workers are as low as nearly half that of men and nearly the same as paid to a child worker in the crafts industry. The average daily wage rate of women crafts workers was as low as Rs 18 in 1990-91 nearly half that of men and nearly the same as paid to a child worker in the crafts industry.(table 10,11)

Among the various crafts, male artisans engaged in imitation jewellery, followed by shawls, get the highest wages. Women engaged in hand printed textiles get the maximum wages followed by the cane-bamboo making industry and zari work. The wage rate in three women-dominated crafts - lace work, reed mat making and leatherwear is extremely low. In fact, all crafts indicate a status quo in wages over the years. As in other industries, in the unorganised sector also, the payment of wages to artisans is on piece rate basis. This system works to the advantage of the employers in the sense that workers in the unit are termed as contract labour and are beyond the purview of labour laws and regulations (Singh, 2000).

**Table 10: Average Wage Rate in the Handicrafts Sector (current prices)**

Year	Daily Wage Rate (Rs.)		
	Male	Female	Child
1980-81	17.62	9.26	8.81
1981-82	18.78	9.90	9.20
1982-83	20.02	10.58	9.62
1983-84	21.34	11.31	10.06
1984-85	22.75	12.09	10.53
1985-86	24.23	12.94	11.33
1986-87	25.85	13.83	12.15
1987-88	27.59	14.78	13.03
1988-89	29.43	15.81	14.03
1989-90	31.41	16.90	15.02
1990-91	33.43	18.08	16.33

Source: (Vijayagopalan, 1993).

**Table 11: Real Average Wage Rate of Artisans**

	Average wage rate (1981-82) (Rs.)	Average wage rate (1990-91) at constant prices (Rs.)	Real wage rate (1990-91) at current prices (1981-82=100) (Rs.)
Male	18.78	33.43	18.30
Female	9.90	18.08	9.89
Children	9.20	16.33	8.94

Note: The cost of living index (price indices) has recorded a level of 182.7 points in 1990-91 as compared to the base year, 1981-82.

Source: Vijayagopalan, 1993.

Almost all the artisans in wage employment, males as well as females, in all trades are not aware of the level of minimum wages. More than 75 per cent of the manufacturing units do not pay the wages promptly to their workers, particularly in trades of woolen durri making, imitation jewellery, shawl making, wood ware and papier mache. Incentives for additional production are not paid in most except to some extent in embroidery.(table 12)

**Table 12: Wages and Incentives Payment Conditions of Wage Earning Artisans**  
(Percent of workers)

Crafts	No incentive for additional	Not aware of minimum wages production	Prompt payment of wages
Woodware	100.0	100.0	9.8
Imitation Jewellery	100.0	100.0	12.5
Cane and Bamboo Work	100.0	87.8	77.8
Hand Printed Textiles	98.4	100.0	57.4
Shawls	100.0	100.0	5.3
Stoneware	100.0	100.0	26.7
Woolen Carpets	99.0	100.0	17.7
Art Metal ware	96.5	94.7	27.2
Woolen Durri	100.0	100.0	4.6
Cotton Durri	100.0	100.0	60.0
Zari and Zari Goods	100.0	100.0	21.2
Embroidery	91.3	100.0	50.0
Lace Work	100.0	100.0	-
Artistic Leatherwear	100.0	100.0	86.7
Papier Mache	100.0	100.0	14.3
All Crafts	98.4	98.2	27.5

Source: Vijayagopalan, 1993.

## **Working Conditions**

In the handicrafts industry, the workers in general have to work for strenuous long hours. Basic amenities like proper light, ventilation; drinking water facilities, etc. have remained inadequate in most of the units employing wage-earning artisans. Even in units engaged in crafts like lace work, embroidery, art metal ware, etc., inadequate ventilation poses serious health hazard to the workers. In crafts engaging substantial female labour, nearly one-fourth of the total units do not provide toilet facilities (Vijayagopalan, 1993).

Like most industries in the unorganised sector, in the crafts industry too labour rules and regulatory measures are generally not followed. 43 per cent of the labourers normally work till late hours. In trades, which are accident-prone, no precautions are taken against accidents. Medical/first aid facilities and provision for leave in case of serious accidents or illness are not available in nearly all production units. Very little has been done in providing an extensive support infrastructure for the development of artisans, particularly the much larger section which is involved in subsistence production and do not have access to the urban up-markets. The conditions of social security like better workplace, insurance and medical facility continues to be miserable. Ironically, in the case of women artisans no serious efforts have gone into even enumerating and quantifying areas of their work.

## **Limited Access to the Market**

For the crafts-persons, the predominant channel for marketing their produce is the vast network of middlemen/traders as nearly 93 per cent of the artisans disposed their products through this channel. Only 3 per cent of the crafts-persons undertook direct export activities although 46 per cent of the self-employed artisans were aware of the final destination of their products. The artisans engaged in art metal ware, wood ware and papier mache undertook some direct exports. In the five crafts dominated by women (except papier mache to some extent) none of the crafts persons seem to be directly linked with the export channels (Vijayagopalan, 1993).

## ***Lack of congruence with market needs and demands***

Unlike other unorganised sectors, job security for the wage earning artisans as a whole does not seem to be a serious problem due to a perpetual shortage of adequate skilled personnel in most crafts. However, insecurity in work is often caused by the continuously changing whims and fancies of the buyers, particularly the importers of crafts in other countries. Therefore, the crafts-persons have to keep on innovating and creating new designs, products and use of new materials to keep alive the interests of the prospective buyers and thus sustain and expand the existing market demand.

### **Limited opportunities for skill upgradation**

Because of their low status in the crafts labour hierarchy, they remain dependent on their age-old skills, tools and production methods and their work remains largely centred around a particular product or technique. As they have no access to new knowledge, they are unable to carry out necessary adaptations to meet the emerging market needs.

### **Foreign sources of raw materials and technology**

In the present liberal environment, the backward linkages which provide raw materials and tools to the crafts-persons would get increasingly transformed. In the case of raw materials, it is anticipated that the market would be highly competitive. Materials such as cheap treated wood, cane and bamboo, natural fibers, special metals, artificial gems and beads and dyes and other items for weaving and cloth decorating crafts would arrive in Indian market in a big way. A large number of factory produced modern tools would make way into the country's crafts sector. In this scenario, it is anticipated that China and South East countries are going to emerge as formidable contenders. Imports of power-driven wood and cane and bamboo treatment machines from these countries have already been initiated by many manufacturers. In the long run, these developments would have serious implications for the economy (and hence labour deployment) in many traditional support sectors which provide the basic inputs for crafts production.

### **Recommendations**

1. Establish mechanisms to directly reach the market to increase profits and ensure better returns

Market access by women artisans can be promoted by

#### *(1) Creating Productive Support Systems and Market and Credit Access for Women Artisans*

Setting up production cooperatives of women artisans which are linked up with marketing cooperatives with the producer as equal stakeholders in the enterprises has proven to be an innovative model which hold much promise, the success of which so vividly has been exemplified by SEWA's work among women craftspeople's

- (a) *Mentor Systems for prospective women crafts-persons (taken as a group in a trade) for promoting their work.*
- (b) *Women Crafts-persons Production Co-operative Systems linked with Marketing Co-operators with producers as equal stakeholders.*

- (2) *Set up a Core Technical Support Fund in the regions having high women crafts intensity to help the artisans acquire latest tools and equipment and access to new designs and product development.*



- (3) *Set up Network of Marketing Units* under regional women employment promotional councils in different regions with the mandate of:
- Identifying markets for the produce of women crafts-persons in the country and abroad.
  - Disseminating information on their products among buyers through development of computer database on internet.
  - Make it mandatory for exporters to:
    - i. Display the share of crafts-persons in the sales price of the crafts artifacts being sold and inscribe the names of the master crafts-persons on the artifacts.
- (4) *Provide attractive tax benefits/incentive/awards to:*
- i. manufacturers/exporters whose annual export volume has a certain proportion of crafts goods produced by women crafts-persons; and
  - ii. marketing units which have sub-contracted production to women artisans groups and cooperatives at substantial level.
- (5) Set up self-help groups of women artisans and establish a formal single-window credit access system by integrating various channels of financial assistance presently available to poor women to provide them short-term revolving funds.
- (6) Introduce a scheme for awards for women crafts enterprises/women groups at state/district level for their excellence in carrying out development of crafts and marketing work
- (7) Carry out **all India census** of male and female crafts-persons,
- (8) Carry out region-wise surveys/studies to:
- assess the quantum of women's work in the country's crafts sector and its contribution to national economy; and the impact of this work on their empowerment in terms of their role in decision making, living standards and education of children.
  - Study the nature of technical and financial support obtained by the women artisans from crafts agencies/institutions, scientific and technical institutions, NGO and international agencies.
  - Assess the role of the women crafts-persons in providing training to young crafts-persons particularly girls under family apprenticeship and as resource persons in the training programme.
  - With respect to marketing operations of crafts, examine:

- i. level of access women crafts-persons to domestic and foreign markets, linkages with financial and marketing institutions
- ii. role of private procurers/agents in procurement of crafts produce and identify measures for minimising their control.

## **2. Provide an Integrated Package of Skills and Technology**

- (1) ***Set up technical training schools (on the lines of afternoon mini-ITIs) for women artisans in clusters of high artisan intensity with the mandate of:***
  - **Providing training facilities and integrating these with the traditional Ustad-Shagird system of imparting skills in crafts.**
  - **Discovering and popularising languishing crafts particularly those practiced by women.**
  - **Helping women producers in upgrading their production methods to make more value-added products through S&T inputs and quality standards.**
  - **Preparing an inventory of master women crafts-persons in different regions so that their expertise could be utilised in skills training programmes.**
- (2) ***Develop technologies specific to women's crafts work (tools, machinery, processes) which would make production of goods easy at homes, less labour intensive and time consuming.***
- (3) ***Make literacy as an essential component in the formulation of projects by NGOs areas of skill impartation and income generation among women artisans.***
- (4) ***Carry out technology assessment of crafts technologies from gender point of view in order to assess their suitability of operation by women and identify modifications in these technologies to make them women-friendly in their operation.***

## **Food Processing**

Food processing industry is a very significant manufacturing sector in the country. It ranks fifth in its contribution to value addition and tops the list in terms of employment in manufacturing. 19 per cent of the total production units in the country are in the food processing sector (Gopalan, 1995).

This industry comprises three groups: primary food processing industry, unorganised and cottage sector industry and processed food manufacturers in the organised sector. Primary food processing industry comprises dal mills and oil mills, rice hullers and flour chakkis. The unorganised and cottage sector industry comprises traditional food units like bakeries, pasta products, fruits, vegetables and spices processing units. Processed food industries in the organised sector consists of a large number of small-scale units. Most of these units are of small capacities of less than one tonne per day in each case. The number of large/medium scale units is much less (Mamgain, 1996).

The size of the Indian food market is estimated to be approximately 138 billion dollars. Primary processing accounted for more than 70 per cent of the food processing industry. Only about 5 per cent of food is processed in the organised sector. Consumers in the country spend about 73 per cent of total private consumption (147 dollars per capita) on food.

The trend of growth in the primary processing sector shows a large increase in hullers, roller flour mills, oil expellers, solvent extraction units. In the organised sector, fruits and vegetable processing, meat and seafood processing and production of dairy products and beverages have increased significantly over the years. In the unorganised sector, there also has been significant growth in the production of bakery products, savouries, spices, pickles and papad.

The seafood industry is a major constituent of country's processed food sector. It comprises 402 factories registered with the Marine Products Export Development Authority and over 625 active exporters. Of these over 380 are manufacturer exporters and 240 merchant exporters. The industry is mainly located in Veraval and Porbunder in Gujarat, Mumbai and Ratnagiri in Maharashtra, Goa, Tuticorin, Nellore and Mandapan in Tamil Nadu, Calcutta in West Bengal, Vishakhapatnam in Andhra Pradesh and the Kollam-Kochi belt of Kerala. The total installed freezing capacity is 7,500 tonnes per day or 27.4 lakh tonnes per annum. However, production falls far short of this installed capacity at just 1,050 tonnes per day or 3.80 tonnes per annum. Consequently the industry capacity utilised in relation to the installed capacity is only 14 per cent (Warrier, 1998, Business Line, 1999 and CEC, 2000).

Located mainly in Kerala, Tamil Nadu, Andhra Pradesh, Orissa, Karnataka, Goa, and West Bengal, the cashew industry consists of 752 processing units. The total cashew production in 1995-96 was 4.17 lakh tonnes with Kerala accounting for more than one-third of the total produce. The total value addition by processing during the period 1991-95 is estimated to be Rs.170 crores (CEC, 1999).

In the unorganised food sector, papad production, pickle making and processing of spices is a significant activity carried out by women. There has been significant increase in the production over the years (Gupta, 1999).

In the country's manufacturing sector, (including organised as well as unorganised sectors) food processing is the fourth largest employer of women after manufacture of bidis (17.00 lakhs), garments (10.75 lakhs) and in the handloom sector (7.41.lakhs). It is estimated that nearly 3.10 lakhs women workers (0.35 per cent of total women workforce) are employed in this sector. This is in addition to 2.92 lakhs (0.37 per cent) deployed in grain mill sector (Gopalan,1995).

In the organised sector, total employment in food processing industry in the country was estimated to be 12.29 lakhs in 1993. This represents 15.56 per cent of the workforce in total manufacturing (ILO, 1998). The proportion of women workers is estimated to be 19.5 per cent.

A large proportion of food processing in the unorganised sector is largely carried out by women, using the traditional skills in many primary food processing areas. However, no information is available on their deployment in these occupations.

Secondary data on deployment of women workforce in different food processing sub-sectors seems to be quite incomplete and scattered. Below some estimates regarding seafood processing, cashew processing and papad production collected from available sources are given below.

#### **(a) Seafood Processing**

This industry employs women in large numbers for processing of the catch from sea waters. The total number of workers in this industry is estimated to be 63,000, but according to some unofficial sources, their strength is not less than 1 lakh (CEC, 2000).

Table 13-gives details regarding labour deployment in the informal fish processing sector in the country. Women account for nearly 20 per cent of the workers in this sector. Although 92.5 per cent of the units in this sector are home-based own-account manufacturing enterprises (OAMEs), they account for only 25.7 percent of workers, mostly family labour.

The proportion of women workers in these enterprises is as high as 60.5 per cent. The non-directory manufacturing enterprises (NDMEs) employ men far more than women, the respective percentages being 93.3 per cent and 6.7 per cent (Dewan, 2000).

**Table 13: Gender-based Labour Deployment in Informal Fish Processing Sector (Code 203)**

Type of units	No. of units	Labour Males	employed Females	Total
OAME	5548(92.5)	5712(39.5)	8735(60.5)	14447(100.0)
NDME	452(7.5)	39015(93.3)	2799(6.7)	41814(100.0)
Total	6000(100.0)	44727(79.5)	11534(20.5)	56261(100.0)

*(percentages in parenthesis)*

Source: Calculations based on NSS 45th Round 1990, Sarvekshana, S.13, taken from (Dewan, 2000).

#### **(b) Cashew Processing**

The total number of workers engaged in this industry is estimated to be about 1.50 lakhs with Kerala being the main employer accounting for nearly two-third of total employment. Among these nearly two-third constitute women workers. The average number of workers per factory is 199 and this figure for women workers is 135 (CEC, 1999).

#### **(c) Papad Production**

About 4.07 lakh women workers are estimated to be employed in the five states of Madhya Pradesh, Uttar Pradesh, Rajasthan, Gujarat and Karnataka. It seems that at all India level the number of women engaged in this trade would not be less than 8 lakhs as consumption of Papad has increased manifold in the last few years (Gupta, 1999).

The structural and technological changes which are taking place in Indian food processing industry are centred around the provisions of GATT/WTO easy market access, reduction in tariffs and removal of agricultural subsidies in domestic and export markets. As these provisions are slated to fully liberate agricultural trade the world over by 2002, the country is faced with the challenge of acquiring high competitiveness in this sector in order to have a substantial share in the domestic and global markets in processed food. Already nearly

7000 investments worth a whopping Rs.72,000 crores have been made in the sector during the period 1991 to 1999. The foreign investments of worth Rs. 9100 crores account for about 12.5 per cent of the total investments. The sub-sectors in which heavy investments have been made in the post-reform period are milk and milk products, edible oil, soft drinks/water/confectionery, fermentation and food and vegetable products. Those attracting foreign investments are soft drinks/water/confectionery and to lesser extent the fruits and vegetable products. In the seafood sub-sector, the promotional efforts at the international level have also been productive. For instance, the country has been included in the List-1 of countries eligible to export marine products to the European Union (Business Line, 1999).

Indian food exports however have remained largely on the traditional product line. The products which are not present in significant quantities in the country's export cartel are: cocoa products, groundnut oil, oilseeds, semi-processed food inputs such as preserved vegetables, frozen vegetables, thickeners, fruit juice concentrate, flavouring/colouring ingredients and soft drink concentrates (Business Line, 1999).

**Table 14 Export of Processed Food**

(Rs. crores)

Sub-sector	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Processed foods						
Processed Fruits and Vegetables	268	348	492	474	750	678
Animal Products	374	448	683	804	926	859
Other Processed Foods	457	416	1172	1836	1440	1166
Rice						
(a) Basmati						
b) Non-Basmati	1061	865	850	1247	1685	1866
Seafood Products	2504	3576	3501	4121	4643	4627
Grant Total	4889	5993	10415	10407	11129	13531
Percentage increase	-	22.6	73.8	0.0	6.9	21.6

Source: Annual Report, Ministry of Food Processing Industries, 1999-2000.

Small-scale, unorganised sector sectors are being marginalised

The present policy emphasis on a rapid vertical expansion of the food industry has become a serious impediment to the growth. The heavy investments and the accompanied technological modernization are essentially aimed at rapid corporatisation of Indian food processing industry. No serious attention is being paid to the small scale and the unorganised sectors which account for more than 75 per cent of the total industry and employ women in large members.



As the domestic big companies and multinationals with huge investments and state of the art technology are entering the processed food sector in a big way, they are pushing out small and unorganised units out of the market. Due to lack of finance, access to latest technologies and modern quality control facilities, these units are not able to meet the required high quality standards and take up production of new range of attractive products for a rapidly changing market. For instance, Pepsi, that has entered in bhujia namkeen manufacturing, has not only captured part of the market of small units but is also endangering their existence (Mamgain, 1996). Thus the small scale and unorganised sector which dominate the country's food processing sector is going to be increasingly marginalised.

### ***Low wages and poor conditions of work for women workers***

The wages per worker in food processing industry as a percentage of wages per worker in total manufacturing is less than 60 per cent. This shows that the workers in the food industry earn less than the average in total manufacturing. Despite increased mechanisation in recent years, the food industry still employs a large number of non-skilled, low paid workers for labour-intensive jobs. The wages of such workers must be responsible for bringing down the average earnings in this industry compared to those in total manufacturing.

#### **(a) Seafood Processing**

Two recent studies (Warrier, 1999 and CEC, 2000) on the condition of women workers in seafood processing reveal that several units employ sophisticated equipment and work under contract for major corporate firms. There are big players monopolising the industry, but ironically, these firms use rudimentary forms of organising production by keeping migrant workers under captivity, generally at the workplace itself, making them work for long hours in unhygienic conditions, denying minimum wages, exploiting them sexually and using many other coercive measures to extract labour with minimum costs.

The industry's justification that seasonal nature does not make it amenable to labour laws was no longer valid as several processing units had diversified into products such as squid, cuttlefish and octopus and were not solely dependent on shrimps and prawns available only between September and March. Moreover, the use of refrigeration and growth of aquaculture farms using biotechnology ensured a perennial supply of raw material and the year-round working of these units.

Almost the entire workforce in this 'completely export-oriented' industry consists of young women migrants from states like Kerala, Tamil Nadu and Karnataka. These women work in slave-like conditions for unlimited hours, earn meagre wages and are vulnerable to sexual abuse and exploitation. Most units are reportedly congested and damp with cold

water and ice on the floor causing skin diseases. Most women workers are said to be suffering from respiratory diseases, arthritis and rheumatism.

These contract workers have no uniforms, not even gloves and boots. Employers rarely provide health-care. There are no regulated work hours. Overtime or PF are unheard of. Lured by the promise of about Rs 1,200 a month, they end up getting as little as Rs 300. The women live and work in abysmal conditions. The work sheds are located in obscure places 'safe' from labour inspection and check. As one employee put it 'work goes on in darkness'.

In contravention of all regulations, the workers are squeezed in excessive numbers into a narrow shed. Punishments are harsh and if any shell piece is found unremoved, the overseer drastically reduces the daily wage of the workers. On a generous estimate each peeler is believed to make Rs.100 a day (minus the contractor's commission).

There is a preference for Kerala women in the shrimp and prawn peeling sheds in Gujarat, Maharashtra, West Bengal and even neighbouring Karnataka. Women from Kerala are believed to be disciplined, efficient, clean and possess a certain degree of education. As transplanted labour these women have no local support and are compelled to live in ghetto-like conditions (sometimes with just two toilets for 50 women) located near their place of work. There are 76 prawn peeling factories in Veraval in Junagadh district of Gujarat alone and each factory employs nearly 500 girls from Kerala working under crowded and unhygienic conditions.

Although women workers in fish processing are technically governed by the Inter-State Migrant Workers Act and the Contract Workers Act, in practice the relationship between the recruiting agents and the women workers is based on patronage rather than any legal contract. A majority of the women were unaware of the method of recruitment or the name of the company for which they worked.

### **(b) Cashew Processing Industry**

A recent study on the condition of women workers in the cashew industry reveals the deplorable conditions that exist in this industry (CEC, 1999). While men do heavy jobs such as loading, unloading and roasting of raw nuts, women shell, peel, grade and pack the nuts. Women workers usually enter the labour market as child labourers.

Processing of cashew products is increasingly becoming home-based to avoid unionisation, payment of minimum wages and other benefits. The Kudivarappu, or putting-out system operates on a piece rate basis and employs workers at rates much lower than paid in factories. The rule is to pay on the basis of the kernels successfully recovered (i.e without

breakage or damage). Majority of workers are paid piece rate wages. In the shelling process, workers are paid on a kilo basis. In peeling, the workers are paid a bit higher because it requires some more skills and experience. They are also paid on per kilo basis every week.

Of the three female-dominated tasks, shelling, which involved the unpleasant task of removing the nut from the shell smeared with a pungent, corrosive oil, was done by scheduled caste women and constituted the lowest paid work. Here shellers received between 32 to 76 paisa per kilogram of shelled nuts as against 94 paisa for peeling, and about Rs. 2 for grading 100 kg of nuts. The rates were somewhat better for factory employees. Many of the women workers comprised the main earners in their families.

The concept of minimum wages and other benefits through negotiations by trade union is more or less followed by the industry. The negotiated terms are better than the ones fixed by the state. In the last 16 years of the enforcement of the Act, it has been revised only thrice. Despite the influence of trade unions in wage fixation, the cashew nut processing industry is able to grow by paying just half (to men) or a quarter (to women) of the stipulated wages.

Most workers save their earnings for their marriage expenses and, if their earnings go to the provident fund, they face many hurdles in getting their savings back. The Employees Pension Scheme, 1991, allows a worker to get pension only if he /she has worked for at least 10 years. This provision does not cover those who work with different employers over this period. In only one or two factories in the study area, machines were used to break the shells. While breaking the shells, a thick liquid substance comes out and irritates and burns fingertips and even the skin on the face where it might spray during the shelling. The burns cause black spots. Newly recruited workers often fall victim. In shelling and peeling, women also have to squat for long periods of time.

Most of the women workers were affected by lung diseases and from disease of the uterus. 33 per cent of the surveyed workers were afflicted with asthma, 26 per cent by rheumatism and 22 per cent by tuberculosis. In Kerala, where nearly 60 per cent of the country's total cashew nut workers are employed, ESI hospitals were facing closure in 1997.

### **(C) Papad Production**

Almost all the workers use their own home as the workplace. Most of the workers are given work through the employer or the contractor. In 68% of the cases, the work is allocated to the workers indirectly by owners or by co-operatives like Shree Mahila Grih Uudyog Lijjat Papad or Khadi Gramodyog. Very few have direct access to the market. The workers have practically no access to medical or other facilities or to training (Gupta, 1999).

Work is carried out from a very tiny place from the family living area that makes both working and family living difficult. Drying of papad becomes difficult but in the absence of alternatives the workers are helpless.

The maximum number of workers have a monthly income of Rs. 200 -700 per month. About 50 to 60 per cent of the workers earn between Rs. 200-400 and about 25% between Rs. 400-700 a month. About 11 per cent of the workers earn less than Rs.200 a month. The overall income of papad workers in the states of Madhya Pradesh, Uttar Pradesh, Rajasthan, Gujarat and Karnataka works out to Rs. 388 per month. In Bikaner, wages of the *batarins* are between Rs.5-10, although the rates fixed by the Rajasthan government range between Rs. 8 to16 per 100 papads, depending on the size of the papads. *Batarins* do not know the stipulated wages. No one is getting the minimum wages.

In Lijjat papad, the relationship is direct between *batarins* and the owner but the minimum wages paid are lower where there is middleman (*batara*). In Bikaner, where per day production is 150 tonnes, 75 per cent of the work is being given through the *batara* who gets the work on a commission basis and distributes it on his own rates. Those getting work from middleman get only between Rs. 5 to Rs. 7.

#### **Loss of Employment and Substitution of Capital for Labour**

The increasing marginalisation of the small scale and unorganised sector (which is essentially labour intensive) would make a very large segment of workers jobless. Many home-based own-accounts enterprises would be the first victims of this process. At the same time, extensive technological modernisation in the organised sector would also displace not only large numbers of unskilled workers (mostly women), but also many skilled ones whose skills would become obsolete for handling new technologies.

Evidence indicates that employment declined in those branches in which there were high levels of investment to modernise facilities and increase capacity. For example, employment in the fruit and vegetable processing, grain milling, bakery, hydrogenated oils and fats and soft drinks branches declined in the early 1990s (Mamgain, 1996).

Thus it seems that in the post-reform period, heavy investments in food industry and diversification to many new product areas is not leading to rapid expansion of employment opportunities as was expected. The employment seems to be increasing only for skilled labour as indicated by the relative increase in machine days worked in the industry (Mamgain, 1996). This indicates that a substitution of capital for labour has started to take place.

The food processing industry is now increasingly based on a complex system of computerisation, instrumentation and automation covering all the vital operations from materials reception, storage, processing, packaging warehousing and distribution. In the processing stage, for example, the process control systems that monitor activities and provide information to operators and controllers are crucial to efficiency and quality. These systems economise on and enhance the use of raw material and ingredients, doing tasks which had previously been conducted during manual laboratory testing. Large fruit and vegetable processing plants are mechanising most of their operations, including procurement, storage, grading and delivery, equipped with a fruit-ripening control system and mechanical devices for peeling, de-stoning and extraction as well as for refining puree in a controlled CO<sub>2</sub> atmosphere, and also for aseptic packaging. A modern fish-processing machine equipped with a microprocessor can be programmed to fillet various fish with appropriate cuts (ILO, 1998).

Thus the FD industries, which used to be relatively labour intensive, have become increasingly capital-intensive by adopting modern microelectronics-based automation technology. This has been necessitated by increasing competition domestically and globally, and also due to growing pressure from demanding consumers as well as retailers, the latter of which have become more concentrated and powerful in recent years (Mamgain, 1996). The manufacturers have no choice but to become more competitive simply in order to survive. Large-scale companies are constantly upgrading their plant and equipment in an effort to improve their productivity, while medium-scale enterprises are increasingly following suit. They are adopting cost-cutting measures in all spheres of their operations, including materials handling, processing, production, packaging, marketing and distribution.

Thus, while technological development is inevitable in an increasingly competitive and globalised environment, labour displacement caused by labour-saving technology is becoming a serious concern in countries such as India where there is a large number of unemployed and under-employed people, as well as a large number of new labour market entrants each year (ILO, 1998).

The above changes have started affecting the deployment of women workers in the industry. The proportion of women in the total workforce has been declining since 1981 showing a slight increase in 1992 and 1993. Similarly, the female/male ratio has also been decreasing. There is also a decline in the average number of women workers per manufacturing unit since 1981; from a figure of 21.7 in 1981 to 14.8 in 1992. (Table-15)

Clearly, as the food processing industry is becoming increasingly modernised, women workers who work at the lowest rungs in labour hierarchy are going to be far more adversely affected than their male counterparts (Table-16).



**Table-15 : Year-wise Deployment of Women Workers in Food Processing Industry**

Year	Percentage of Female workforce	Female/male ratio
1981	24.3	0.32
1986	19.7	0.24
1991	17.4	0.21
1992	19.3	0.24
1993	19.5	0.24

Note: Figures exclude manufacture of beverages.

Source: Compiled from Table 2.3, Labour Bureau (1998).

**Table-16:Year-wise Number of women workers per manufacturing unit**

Year	Number of women workers per manufacturing unit
1981	21.7
1983	18.2
1986	16.0
1992	14.8

Note: Figures exclude manufacture of beverages.

Source: Compiled from Table 2.3, Labour Bureau (1998).

The food processing industry in the present times represents a curious dichotomy between the product-on-the shelf and the labour who has produced it. While the final products formations need to be of very high quality packed in glossy and user-friendly packaging, its producers on the floors of the factories and other dingy workplaces continue to be trapped in highly unhygienic and unhealthy work environment without hope of minimum wages and protection from various laws.

The prospects of creating a space of high promise for Indian food products in the global market are being jeopardised by the poor labour conditions prevalent in the country's food processing industry. Deplorable unhygienic work conditions, non-adherence to labour regulations and inhuman treatment meted out to women labour are widespread virtually in all sub-sectors of this industry.



## **Recommendations**

### **Providing a horizontal expansion**

In the present policy environment, it seems that employment in food processing industry is not going to increase at a faster rate purely with increased investments to promote a vertical expansion of the industry. There is a need to expand the employment base by providing investments, technology and other supports in new areas of food processing, i.e. promoting a horizontal expansion across medium small scale and unorganised sectors in the structure of this industry (Mamgain, 1996).

However, the prospects of rapid expansion of food processing industry in new product areas is going to be increasingly jeopardised because of growing non-availability of highly skilled manpower in the coming years. Even at present, most of the skill formation is essentially through on-the-job training in the industry. The proportion of formally trained manpower is extremely small. For example, within the small scale sector, the percentage of ITI trained workers is the lowest (0.3 percent) in the industry groups, viz.. food processing, leather products and cotton textiles. The food related trades, unlike other non-traditional trades, also do not figure in the priority preference of the students opting for ITI and other vocational courses because of high degree of seasonality and comparatively low levels of earnings in food processing (Mamgain, 1996).

### **Opportunities for skill development**

In this horizontal expansion, the large women workforce in food processing, which is going to be marginalised in the current modernisation phase, can be productively re-deployed if they are assimilated in the process of technological upgradation. In this process, development of viable technology access systems for women producers as well as workers and creation of opportunities for training and retraining in new knowledge intensive areas of modern food processing become of utmost importance.

Therefore, the focus of the present policy environment should also include the vast small scale food and cottage food processing sector which employs women in large numbers to prepare it fully to face the competition from big industrial houses and multinationals. This would require enhancing all round productivity of these units in terms of both labour and capital utilisation. To achieve this, an extensive technological upgradation programme of these units with supporting linkages with financial and training institutions should be taken up. Equally important is providing marketing support to these enterprises to reach out to domestic and global markets.

There is also need to upgrade the traditional practices of women in food processing through scientific and technological inputs to ensure high quality and reduced drudgery of work. Many technologies such as cryogenic spice grinders, cryo-containers and refrigerators,

quick fish freezing systems and controlled atmosphere food storage systems have already been developed by institutions like Central Food Technological Research Institute, IIT Kharagpur, IIT Mumbai, National Physical Laboratory, IISc Bangalore and Jadavpur University, but not yet made accessible to small producers. These technologies need to be fully exploited (Raj, 1996). Large-scale dissemination of these technologies would also give a boost to food equipment manufacturing industry in the country.

### **(A) Creating Support Systems for Women Workers in Food Processing**

- (1) Constitute tripartite boards in food processing sector (on the lines of construction workers) with 50 per cent representation to the workers, at all levels in which women workers should be included in proportion to their numbers in a given sub-sector of the industry to perform the following functions:
  - regulate employment and wages with provisions for regulating the wages against price rise;
  - ensure equal wages for women workers;
  - Enforce payment of minimum wages as rainy season relief;
  - Monitor hygiene condition in manufacturing units and health of workers on a regular basis;
  - Ensure registration of women workers;
  - Adopt preventive measures under the law to eliminate sexual harassment and provision of relief for women victims;
  - Make it obligatory for employers to provide temporary accommodation to workers;
- (2) Set up a Core Technical Support Fund to help the self-employed women acquire latest know-how and production and testing equipment in different sub-sectors of food processing.

### **(B) Provide an Integrated Package of Skills and Technology.**

- (1) Develop an Inventory of Skills in various sub-sectors of food processing as per the needs of technological upgradation of the industry.
- (2) Set up Technical Training Schools (on the lines of mini-ITIs) with the mandate of providing training to women workers/producers in new skill areas of food processing.
- (3) Disseminate among women producers technologies in food processing, preservation and quality control which would make work less labour intensive and time consuming and result in products of high quality.
- (4) Make it mandatory for food corporates to sponsor a certain proportion of women workers for training in skilled occupations.

**(C) Ensuring Rights and Welfare**

- (1) Set up a National Expert Committee with the mandate of Identifying mechanisms for setting up special Social Security and Welfare Fund based on a cess contributed by processed food companies and exporters to support provision of provident fund, group and maternity insurance, crèches, medical services, for women workers (say through a tax on the processed food products as in the case of beedi sector).
- (2) Introduce a system of rating of food processing companies according to their performance in meeting the provisions of labour rights and welfare, safety and health, particularly with respect to women workers.

**(D) Areas of Future Action: Inputs for Developing Policy for Women workers in food processing**

Carry out region-wise surveys/studies to fill up the following prevailing information gap pertaining to women's work in food processing:

- i. Deployment of women in various sub-sectors of the industry both in the organised and unorganised sectors
- ii. Nature of work and conditions of employment in various sub-sectors of the industry
- iii. Displacement of women workforce from food processing sector caused by changes in business and technology
- iv. Forms of sub-contracting arrangements in food processing sector and their impact on women workers and producers.
- v. Nature of access of women producers to credit, technology and market.

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i Ms Ravi did not attend any meetings of the Group nor did she participate in any of its activities.

<sup>2</sup> HDR 2000.

<sup>3</sup> Aanchal Kapoor, ILO, 1999

<sup>4</sup> In Bihar and Orissa, even the average earnings of women are lower than the minimum wages.

## **Forestry Sector**

Women's economic dependence on forests extends far beyond their involvement as wage labour in forestry operations and forest based industry. Women interact with forests at multiple levels and this complex relationship needs to be understood in its entirety before any effort is made to trace the impact of macro-economic and policy changes on their lives and livelihood:

- With the exception of logging, women are involved in the entire gamut of forestry operations including more arduous tasks like pit digging and earth work. They are especially skilled and preferred for nursery raising.
- Women's forest based gathering activities are a major and sometimes their sole source of income. Where women have no property rights in land, forest products and common property resources provide the only sources of income for poor women.
- Women are the mainstay of most forest based handicraft and cottage enterprises such as bidi rolling, matches, silkworm rearing etc.
- In many communities the only property of which the women have sole ownership rights to the livestock. The livestock economy however is dependent on the availability of fodder which again is derived from forests and common lands.
- Women are the main gatherers of fuelwood in most societies and this is often done concomitantly for domestic use as well as for income through sale of firewood.
- forest produce plays a critical part in the subsistence economy providing additional nutrition for families, food security in the lean seasons, oils, medicines and a range of household items.

Before dwelling upon each of these at length it may be pertinent to point out that habitat, agro-climatic factors and the type of farming system prevalent have a large bearing on the degree and type of forest dependence. Following Kaur (1991), we may adhere to a four fold classification: i. tribal women (shifting cultivation and collection of forest produce); ii. hill women (terrace agriculture and animal husbandry); iii. plains women (agriculture and animal husbandry); and iv poor urban women (fuelwood for cooking).

## Women in Forestry Sector Operations

As Table 17 below details women are engaged in all aspects of forestry work with the exception of harvesting of logs.

**Table.17 : Gender Distribution of Work in Forestry Operations**

Task	Men	Women
<b>1. Development work</b>		
i. nursery operations		x
ii. clearing and road work	x	x
iii. earth work	x	x
<b>2. Maintenance work</b>		
iv. watering		x
v. weeding		x
vi. applying fertilizers and pesticides		x
vii. protection	x	x
<b>3. Harvesting</b>		
viii. major produce	x	
ix. minor produce		x
<b>4. Management</b>		
x. forest officials	x	negligible
xi. village extension workers	x	x

Firm estimates of the total and female employment generated in forestry operations are hard to come by. According to a 1980 estimate by Pant a total of about 47 million person days of employment is generated by forestry and plantation activities of which 15.7 are for women. This broadly tallies with National Income Accounts Data (not desegregated at the gender level) for 1980 which estimates 250,000 principal workers and a total of 345,000 including marginal workers. However, these estimates appear to be on the lower side.

Another estimate by Kumar et al based on NSS data for 1993-4 and census figures puts the total workforce dependent on forestry and logging at 14.8 million of which 4.6 million are women.

### Women and collection of forest produce for sale

Large numbers of women derive employment and income from collection of forest produce for sale. As per the report by Kumar et al cited earlier approximately 3 million persons are involved in collection of "uncultivated material in forests", of which 2.1 million are women.

A study done for Himachal Pradesh (Bajaj 1997, 1998) bring out the income dependence on nontimber forest products at the family level. It suggests that that upto 10% of families in the Kullu-Mandi region get on an average 15% of their total cash income from NTFP collection for sale. In the tribal state of Chhatisgarh, a study of two districts estimates the contribution of NTFPs to be around 20% of the per capita income at the village level. Both studies reveal that collection is primarily the task of women.

### **Women in forest based enterprises**

Several categories of NTFP provide employment in processing activities. The more important are:

- i) fibres and flosses (rope making)
- ii) bamboos, canes and grasses
- iii) medicines and essential oils
- iv) spices
- v) oilseeds
- vi) gums and resins
- vii) tans and dyes
- viii) leaves
- ix) lac
- x) honey and wax
- xi) pine oleo resins
- xii) sandalwood
- xiii) seed collection

The majority of workers involved in the NTFP related processing economy are women. The participation rate of women is higher in forest enterprises as they depend on application of local skills and village level technologies for extraction and processing and are organised as self - employment or household level or cottage enterprises.

Khare (1987), estimated the employment for women in forest based enterprises at approximately 571,851 million woman days. The other estimate available is that by Pant (1980) which furnishes employment estimates in different categories of processing totaling to about 304 million woman days.

### **Women, forests and subsistence needs**

Forests contribute significantly to consumption levels and the overall quality of life in several areas but these uses being part of the non-monetized sector tend to be overlooked. Non timber forest products permeate every aspect of daily life in hill and tribal regions –

- nutrition (fruits, tubers, leafy vegetables, mushrooms, spices, cooking oil),
- personal hygiene products (tooth brushes, soaps, detergents, hair dyes, massage oils, slippers),
- household goods (bedding, utensils, baskets, storage bins, leaf plates, brooms),
- farming (implements, leaf manure, sticks, stakes, baskets, pesticides, fencing) and
- livestock care ( fodder, bedding, ropes, veterinary care).

The dependence on forest products is fairly widespread across villages and across the rich and poor alike. While the exact species used may vary from location to location the pattern of dependence was found to be fairly uniform across locations.

A valuation exercise undertaken for Himachal Pradesh shows a monetised value of NTFP consumption equal to to Rs. 40,150 /family/ year or Rs. 8030 per capita. The significance



of this is best appreciated when considering them against the annual per capita income of the state of Rs 6519 (1993-94). The numbers imply that non - monetised flows in the form of various non-timber products from forests including fuel and fodder contribute about 10% additional consumption to the average rural family. It would thus seem that flows from forests are more important to the rural hill economy than all other sources of income put together.<sup>1</sup>

**Table 18 : An Estimated of Employment Generated in the Forestry Sector**

	Man days (in millions)	Woman days (in millions)
<b>HARVESTING</b>		
<b>Major Forest Products</b>		
Coniferous wood	8.9	.089
Non -Coniferous wood	36.6	3.56
Pulpwood	10.25	2.045
Firewood	80.67	40.36
<b>Minor Forest Products</b>		
Bidi leaf collection etc.	34.24	23.96
Bidi rolling	68.48	54.78
Bamboos, canes, grasses	56.77	39.72
Cashew nut collection	3.30	2.31
Charcoal	24.80	2.48
Essential oils	19.39	9.69
Fibers and flosses	17.52	8.76
Gums and resins	26.40	10.56
Grading of gums	40.00	32.00
Honey and wax	0.17	.017
Horns, hides etc.	2.68	0.268
Katha and cutch	2.98	1.49
Lac	4.15	2.07
Myrobalans	2.30	1.15
Oilseeds	63.48	42.33
Pine oleo resins	9.52	0
Raw tassar and silk	0.66	0.33
Sandalwood	.08	.008
Sandalwood dust	.50	0
Seeds for propogation	3.25	29.25
<b>PLANTATION ACTIVITIES</b>		
200-500 man days including 100-400 woman days per hectare depending upon terrain	31.29	15.69

Source: Pant (1980) as cited in Kaur (1991)

These attempts at valuation, though rough, are important for putting in perspective the economic value of forests, over and above their income generating aspects, to women in particular and to the household economy in general.

#### All India estimates

Two sets of estimates are available for aggregate employment in the forestry sector. The estimate by Pant (1980) is in terms of man days of employment generated and includes the forest enterprises sector. This is furnished as Table 18. The estimates by Kumar et al (2000) are of numbers of people engaged and exclude the forest enterprises sector. These are presented in Table 19. While the two estimates are not directly comparable Pant's estimate seems to be an under valuation. The latter estimate based as it is on more recent NSS and census data seems to be closer to reality. This leaves us with 100 million people directly dependent on forests for income, excluding those engaged in forest based industry.

**Table 19 : Principal and Subsidiary Workers 1993; Selected Categories and Total**  
(in tens of thousands)

Industry	Male	Female	Total
Floriculture & Horticulture	5.03	2.38	7.41
Fodder	0.30	0.18	0.48
Medicinal plants and other cultivation	28.88	9.62	38.50
Plantations	484.77	455.79	940.56
Livestock	435.04	367.13	802.17
Hunting, trapping, game propagation	5.21	1.53	6.74
Forestry and logging	103.06	45.82	148.88
Planting, re-planting and conservation of forests	47.16	6.02	53.17
Logging	18.36	6.77	25.13
Firewood/ fuel wood by exploitation of forest	2.42	2.46	4.87
Gathering of fodder from forest	0.74	0.63	1.37
Uncultivated materials in forests	9.00	20.96	29.96
Forest Services	25.38	8.98	34.36

Source: Kumar et al (2000)

Women in rural communities across India are intimately linked with forests through a multiplicity of relationships. The income and well being of these women depends on the continued existence and health of forests. Thus when assessing the impact of globalisation on poor, forest-dependent women, the main assumption is that any increase in the pace of deforestation or degradation of forests would imply negative impacts on them. Similarly, an obverse trend would imply a positive impact.

While some controversy exists on the exact extent and measurement modalities, it is widely acknowledged that the 1990's showed a sharp decline in the rate of deforestation in India with the Forest Survey of India data actually showing a reversal of the trend and an increase in the country's tree cover. That the 1990's have also been a decade of economic reform and globalization of the Indian economy would suggest that the overall impact of globalization has definitely not been negative. It remains to be explored and examined in which ways globalization may have translated into positive impacts on the state of India's forests and forest dependent communities.

### **Globalisation and policy reform within the forestry sector**

State intervention in the forestry sector in India has been pervasive and government policies have had a decisive influence on the management and health of forests in the country. An earlier study (Bajaj 1994) undertook a comprehensive analysis of the impact of six selected government interventions on forests in India viz.:

1. State ownership of forests
2. Nationalisation of the non- wood forest products trade
3. Subsidised supply of raw material to forest industries
4. Tariff and non- tariff protection to domestic industry
5. Regulation of movement of forest produce
6. Restrictions on harvesting of trees on private lands

The study presented cumulative evidence of public policy failure and concluded that each of these interventions performed indifferently when evaluated against their original policy objectives. It also established that the policies were unambiguously detrimental in their economic, environmental and distributional effects and made the case for a smaller and more focused government presence in the forestry sector.

### **Lowering of import barriers**

The most salient change has been the lowering of import barriers for wood and wood products. Timber in log or sawn form and pulp have been included under Open General License and private entrepreneurs can make imports. There has been a quantum jump in the import of timber from about 1.5 million cum in 1989-90 to a total value of Rs. 50 billion in 1995-96 with imported quantities reaching about 50% of recorded timber production from forests land. An estimated 50% of pulp consumption is also currently imported. The liberalization of imports has benefited the country by

- conserving forest resources
- checking prices
- increasing capacity utilization, production and employment in forest industries particularly saw mills and paper factories
- technological upgradation

In all the impact on forest based communities and particularly women can be adduced as positive though the import of pulp has adversely affected farmers who had undertaken block plantation of eucalyptus and other such species.

On all other counts the progress of reforms have been slower. International participation and influence on forest management has been positive to the extent that greater stakeholder participation and community based management are now widely accepted within the forest bureaucracy. With the institutionalization of Joint Forest Management a great conceptual breakthrough has been made in sharing ownership with local communities. However, JFM covers only a minuscule proportion of the country's forest and even here the literature suggests that women's interests may have been adversely impacted upon in the initial stages.

Similarly, while there has been a veering off of committed subsidized supply to industry at the national policy level many states continue with the practice, fostering an inefficient and technologically obsolete industry and degrading forests further.

However by far the greatest failing, and that too impacting mostly on women collectors, is that of the continued state control and monopoly of the non-timber forest produce trade, across different states in the country. Almost all important NTFPs are nationalized and can be sold only to government agencies. These agencies created by the state have long since reached a stage where they can play an effective role in protecting poor producers. Most State Forest Development Corporations are defunct agencies confronted with mounting liabilities. Huge and redundant manpower and capital enhance operating costs and huge mark-ups are needed to break-even. Very often subcontractors are deployed and the collectors margins further squeezed. The extensive literature on the subject almost unanimously points towards decontrolling the trade and reducing the government role in it.

A strong, multifaceted link exists between women and forests which suggests that globalization may have served the cause of these women by helping check the rate of deforestation in the country over the last decade or so. A further withdrawal of the state and dismantling of the forest bureaucracy and handing over control to communities and to market forces would only benefit the forest-dependent poor.

## **Recommendations**

### **Employment generation through nurseries**

To make forests sustainable, forestry must be made a sustainable source of income for poor families and women. A women's nursery programme has a vast potential for generating substantial income for the rural besides helping the country's afforestation efforts, it will lead to development of entrepreneurial and technical skill in rural women leading to their self-reliance.

This programme is also desirable on two other fronts -

- (i) It will help shift trees sapling raising activity away from government monopoly into open market which is likely to be more cost effective as well as sustainable in the long run.
- (ii) It will free forest department staff for other technical operations.

The limited experience in some parts of India has demonstrated the viability and efficacy of this approach. The experience of Self-Employed Women's Association (SEWA) in this regard is especially noteworthy.

### **Freedom to sell directly to the market**

The collector of the minor forest produce should be allowed to sell directly to the open market. The development input from the government or the forest corporation could help them form their own groups and to build their capacity to interact with the market.

### **Encourage recycling**

There is visible use and re-use and recycling of forest produce in the rural families of these women. The teak tree is used for timber to hold the roof, and after years as a rafter, and later as firewood. This is not new. But the policies related to forestry ignore use and re-use of forest materials. This was commonly observed among the women who are re-settlement and rehabilitation scheme beneficiaries in Sukhi Dam Project.

### **Involve women in urban forestry**

In the cities, efforts to create Urban Forest by offering to take over some of the un-kept parks and open public plots for forestry by the poor women can be initiated. The scheme can be planned to be self-financing except the final investment in terms of supply of water, land, and brick wall around the plot. A bilateral aid agency was also highly encouraging the initiative. However, such schemes tend to be located in well-off areas, with corporate sponsorship, and for decoration and recreation but not for income and work generation. Initiatives such as SEWA's on Urban Forestry can become a first step in the direction of civic environmental movement, an alternative to regulations and laws in the cities and communities.

### **Provide technical guidance**

There is hardly any technical guidance available to the women or others who take up forestry as an economic activity. Forestry schemes without support services have no meaning. Such technical services should be available at the plantation level, and also, it

must adapt to local needs from region-to-region basis.

### **Coordination between water resources and forestry policy**

Vegetation needs water. Forestry needs water. And there is hardly any coordination between water sources and forestry at policy, plan or implementation stage. Most forestry schemes assume water to be easily available and free now. But in South Asia water shortages are a reality. Also water markets are developing and cost of water as an input to forestry must be now paid for.

### **Research and development**

There may be some R & D in certain sectors of forestry. But R & D needed to make forestry a viable occupation for poor rural women is missing. R & D related to cost-accounting of forestry is needed. Also, funds and support must be available at local level to experiment or innovate or take risks. Only the grass-roots creativity in forestry will come out.

It can be concluded that now forestry must be liberalised. Liberal, or open forestry does not mean handing it over to private corporations. Private forestry means forestry taken up by a large section of small and big and medium rural farmers and landless labour and tribals. Even among them, the women must lead the forestry activities .SEWA's experience shows that it is possible to feminise forestry. In fact, it is profitable.



## **Livestock Sector**

Livestock rearing is an important economic activity in rural India. It is closely linked with crop production. Crop residuals, green fodder, cereals etc. are the main sources of animal feed. Animals are used as a source of draught power in crop production and dung is an important source of fuel and manure in India. It is generally considered as an occupation subsidiary to crop production, but during last around three decades its significance in terms of output and employment has increased considerably.

India's livestock population is largest in the world. Nearly 57 per cent of world's buffaloes and 16 per cent of cattle population is in India (Govt. of India, 1999-2000: 138). Compared to land, distribution of animals is much less unequal among the villagers. Around 73 per cent of rural households own livestock. Landless, marginal and small farmers account for three-quarters of animal raising households in India. (World Bank, 1999).

Estimates about employment generation by the livestock sector vary widely. NSS estimates for 1993-94 are nearly 15 million workers in livestock forming. The World Bank (1999: XVI) records that the sector employs 8 per cent of country's labour force, including many small and marginal farmers, women and landless agricultural workers. However, a study by NCAER estimates the total work generated in this sector is more than 56 million person-years per annum. This is much higher than reflected in the labour statistics. (NCAER, 1990: 231)

Women play predominant role in dairy operations mainly carried out within the household. These include milking, feeding and bathing of animals, processing of milk and cleaning of cattle shed. However, the extent and the intensity of participation of women in dairy work do vary with their class status. Landless women invariably take care of milch animals exclusively performing almost all the functions including collection of wild grass from the fields. A study based on field data from Gujrat (Rao, 2000: 65-66) noted that nearly 93 % of the respondents reported that women are most suitable for milking animals as their hands are tender. Similar opinion is expressed for activities like feeding and preparing dung cakes. Number of women taking animals for tending and bringing fodder from fields is declining while those taking milk to society showed a substantial increase. NCAER recent survey brings out that women play major role in dairy operations mainly carried out within the household. Table-1 shows that female family labour plays predominant role in milking, feeding, bathing and provisioning of water to the animals, cattle shed cleaning and most importantly in processing of milk. Nearly 58 per cent of the total labour in dairy is consumed by these operations, including cleaning (see last row of the Table). The most important operation, in terms of time spent (around 30 per cent of the total in dairy), is fodder collection and women play a predominant role in this.

However there is gross underestimation of female labour in this sector. The surveys do not focus particularly on net women labour, and as a result suffer from certain weaknesses related to under-estimation of female labour. There are certain other reasons too, which incite us to think that women must be playing a major role in dairy farming in India. First of all, due to declining role of animal grazing, large part of dairy work is performed within the household. Secondly, dairy is low productivity family labour based occupation with limited or no contact with outside world, and nearly half of the output is consumed within the household. Thirdly, limited employment opportunities in other occupations and cultural constraints also discourage women working outside. Moreover, the nature of work is such that various tasks have to be performed intermittently which suits well to the women responsible for household work.

### **Control over income and access to skill upgradation opportunities**

Recognition of women as workers is only one aspect of women empowerment. Control over products and income is the second aspect. With dairy development, for example, trade in dairy products shifts out of the household and the income is no longer under female control. Increased sales of milk may mean less consumption in the household. It means more work for women who are engaged in the task of care and feeding of livestock. Besides, despite women's extensive role in dairying, their control over proceeds, access to credit and other resources, access to training and technical assistance (main sources of knowledge of modern dairying) is limited.

### **Representation in cooperatives**

Their representation in cooperatives and other bodies is also quite low though some conscious efforts have been made to improve it by the co-operative movement. Share of women in the membership of village level dairy co-operative societies (DCS) has increased to 18 per cent (Bhatt, 1997: 49). However, women constitute just less than 3 per cent of total Board members. Major factors that hamper success of women's participation in cooperatives, in Bhatt's view, are:

- Resistance to women as cooperative members; women are yet to be recognised farmers in their own right;
- Low literacy; and
- Resistance from the upper socio-economic section of village community towards poor.

With globalisation, prospects of export of milk and milk products seem bright. Among the four major players in the international market, the European Union, New Zealand, Australia and United States, only New Zealand does not offer any subsidy to milk producers. Since

India also does not provide any subsidy to its milk producers, with the withdrawal of subsidies under WTO agreements India will become price competitive. India's proximity to major dairy markets (Middle-East, South-East Asia, North Africa) is another advantage. Countries like Malaysia, Philippines and South Korea are importing more than 95 per cent of their milk consumption (Aneja, 1997: 34). Even Thailand imports around four-fifths of its milk requirements. Given the low overhead cost and inexpensive family labour India's dairy sector is quite competitive. Presence of world's third largest technical manpower is another advantage.

### ***Recommendations***

#### **1. Strengthen the dairy sector**

To take advantage of the opportunities provided by the globalisation and to remain competitive in the market, serious efforts are required to strengthen the dairy sector. The following steps could be taken:

- Improvements in the quality of dairy animals should be on top of the agenda. Women can be trained in scientific methods of cattle care.
- Efforts towards upgrading to other livestock products such as goats, sheep, pig and poultry are recommended.
- Any effective programme for poverty alleviation should include dairy sector as its base to bring about maximum growth with minimum capital outlay. While emphasising production increase, focus of the strategy should be small dairy farmers rather than commercial dairies. In a scenario of increasing demand for livestock products they should be helped to retain (through credit, training and technological improvements) their market share. These poor dairy farmers require a package of inputs and services to strengthen and develop dairy as an efficient and viable occupation.
- Declining common property resources and degradation of grazing fields, main source of fodder for poor dairy farmers, is a major threat to the survival of these dairy producers. Emphasis on research and development of certain fodder crops with higher yields and also the varieties suitable for dry areas to maintain the continuous fodder supply throughout the year is needed.
- Land being the major constraint in rural India, efforts should be made to maximise milk production per unit of land used for fodder crops. Such a policy will also maximise employment because dairying provides almost 5-times more employment of human labour per unit of the cultivated area in comparison to the crop production (Malhotra, 1997: 114). Efforts should be made to target the women as beneficiaries of such schemes. One such initiative would be to allocate wasteland to women groups for development of fodder farms.

The productive potential of an animal also depends on the animal health system. Although the veterinary systems are heavily subsidised in India, the services continue to be characterised by poor quality. Besides, the services are not particularly targeted towards the poor. The story is no different in the case of AI. The conception rates are low and since no scientifically selected bulls are used, the service does not result in genetically superior progenies. Training rural women as paravets could take care of the problem as well as generate further employment for women in the sector.

### **Recognise women's role in the livestock sector**

The under-estimation of women's contribution in dairy and other productive activities is a major stumbling block in the way of striving towards more equal distribution of resources. It is of utmost importance to have an accurate idea of their role in the economy. Non-recognition of women as workers has many ramifications. Development strategies have given very little attention to women in comparison to their active involvement in the sector. They have been under-recognised while formulating policies with regard to provision of inputs (including credit), dissemination of information related to modern dairy practices and inclusion in the training and extension programmes.

Livestock could play a strategic role in promoting rural growth and reducing income as well as gender inequalities. Lack of gender perspective in the social analysis of livestock economy is a major drawback. Studies have been conducted to analyse the size and composition of livestock in the class and caste perspective. Little attention is being paid to gender division of labour within the household and distribution of benefits to different members of the households. Its importance increases in the context of feminisation of poverty. In the absence of access to organized financial market, livestock and its products are of great help to the poor women in providing some income security and ready cash. In fact, sale of animals at the time of crisis is an important source of fulfilling emergency needs because there are no inhibitions to sell animals as compared to land.

### **Establish women's cooperative and enroll women as members of dairy cooperatives**

Efforts are being made in this direction by enrolling women as members of village level dairy co-operatives. Number of all-women dairy and milk cooperatives is increasing. Along with the enrolment as co-operative members, their participation in decision making and control over resources should also increase. A study (Rao, 2000) evaluating the performance of women managed dairy co-operatives vis-à-vis men managed in Kheda district (Gujrat), revealed that vast majority of women benefited from this experience. DCS membership has helped them in utilising dairy income for a variety of purposes of their choice. Economic independence has substantially improved their status in the house and in the society. It also

enhanced their self-confidence and exposed them to number of developmental activities thus helping in widening their horizon. Replication of such experiments in other areas can help in empowering women.

Other activities which would strengthen and develop efforts towards creating sustainable women's dairy cooperatives are

- Establishment of milk chilling centres and processing centres to be owned by women dairy cooperatives
- Marketing eggs and wool products through women's groups and cooperatives

### **Training and support for product diversification**

Improving quality of products and evolving a suitable basket of products for export is a necessary condition to increase India's role in the international market. The major part of a India's present product basket is liquid milk, ghee, butter and Khoa whereas world demand is largely confined to processed cheese and milk powder. Composition of demand is likely to change in the domestic market towards cheese with the growing number and prosperity of urban middle classes and increasing influence of western products through information revolution. Improvement in technology through collaborations with world's leading dairy companies or direct investment by MNCs in this field is one way to solve twin problems of quality and product diversification. Raw milk handling needs to be upgraded in terms of physico-chemical and microbiological attributes of milk collected. Women should be provided training for milk processing technologies. Infrastructural bottlenecks like transport, milk-chilling equipment at village level etc. are also serious problems requiring attention.

### **Traditional Health Workers: Midwives**

In rural India, traditional birth attendants predominantly provide care at childbirth. All traditional birth attendants are women. A study by IIPS shows that the traditional birth attendants attend as many as 35.1 % of all deliveries in India, in most of northern states conducting as many as 40-70% of deliveries (IIPS, 1994, Table 20). 30% (for all India) are unattended deliveries, assisted by relatives and family members.



**Table 20: Distribution of births by kind of attendance at birth: India and select north Indian states**

State	Institutional	Physician	Other health professional	MID-WIVES	Others
India	25.6	2.4	6.7	35.1	30.2
Gujarat	35.7	2.8	4.7	44.9	11.9
Maharashtra	44.1	2.4	2.4	19.9	26.1
Punjab	24.8	4.1	4.1	49.6	2.1
Haryana	16.7	4.7	9.2	66.2	3.1
Bihar	12.1	2.8	4.3	58.2	22.6
Madhya Pradesh	16	2.2	12.3	29.8	39.7

According to the National Family Survey<sup>2</sup> in 1995, only 16 % of pregnant women delivered in health institutions, the remaining 84% were delivered at home. Of those delivered at home in rural areas, 55.2% were assisted by relatives and only 19.1 % were attended by traditional birth attendants (trained and untrained).

In terms of numbers of there are no reliable estimates. Census surveys have also ignored this sector. Census classifies health providers into nurses and doctors. Nurses are further classified as nurses, midwives and health visitors, and other health workers. Traditional birth attendants who conduct a large proportion of deliveries are therefore not captured. <sup>3</sup>

### **Present arrangements and conditions of work**

Several studies have attempted to identify the socio-economic characteristics of MIDWIVESs in various parts of the country. There are several similarities among all the studies: most of these women belong to backward classes, scheduled classes in most parts of India and scheduled tribes in some states such as Rajasthan. In a study conducted among 200 traditional birth attendants in Haryana, 78% of all dais belonged to backward classes (Singh A, 1994). Most of the dais are illiterate-85% of all dais in the study mentioned above were illiterate. In another study conducted in peri-urban Gujarat, 79% of 100 dais studied could not read or write (SEWA, 1991). A large proportion of dais is above 45 years (81% and 63% in the two studies mentioned above) suggesting that lesser proportion of young women are taking up this profession compared to the past. This is also substantiated by the results of Haryana study: whereas 27% of women had inherited this profession from their mothers, only 4% of them passed it on to their daughters. Most of them belong to poor households and often do not have access to productive land or financial resources. Despite being poor, they have not viewed their work as source or



potential source of income. Behind this is possibly the belief that their skill is a God given gift. In Gujarat, dais believe it is the Goddess Randalma who has bestowed the special gift of birthing on some women.

They receive payments in cash and kind. Remuneration varies with sex of the child; usually payment for delivering a girl is half that of delivering the boy. Cash payment varies from few rupees to about 100 Rs; most commonly between 20-25 Rs. Instead, they may receive kind payments in the form of grains, saree, utensils etc (SEWA, 1991; Bhat, 2000).<sup>4</sup> Though the midwives mainly provide attendance at delivery, some of them perform additional jobs such as abortion and distribution of contraceptives.

Most of the dais learn their skills by apprenticeship with mothers or close relatives. Since childbirth is viewed as an act associated with pollution, birth attendant is not dealt as professional but as someone who cleans up after birth. This traditional status of dais has affected the efforts to enlarge their roles as primary health providers in the community.

### **Recommendations**

That a large proportion of deliveries in India and other countries of the region are conducted by midwives is well established: evidence on their effectiveness in terms of skills possessed and impact on maternal mortality is not clear. However, considering maternal mortality rate as the only outcome measure may not be appropriate while considering the potential role of trained midwives in providing essential obstetric care. Effectiveness of midwives should not only be viewed from the public health perspective: it should also be considered from a community development perspective. Their potential role as primary health care providers, and acting as agents of change need to be exploited.

There are two categories of such workers who provide primary health care. : community health workers in the non-governmental sector, and auxiliary nurse midwives (ANMs) in the governmental sector.

Auxiliary Nurse Midwife is expected to perform a range of functions in her coverage area of 3000 to 5000: conducting deliveries, distribution of contraceptives, immunisation of infants, treatment of common childhood illnesses and motivating for acceptance of family planning methods (read sterilisation). A large number of studies have shown that in face of pressure of completed targets for sterilisation, her role as a midwife has been shrinking. Other problems that affect her functioning include the large area that she has to cover, poor community and systemic support and lack of mobility. Various solutions that have been suggested for this problem include posting of two ANMs at the sub centre, reducing their work area so as to have a cadre of village level midwives and providing them with mobility. In such a setting and in presence of various systemic and environmental constraints that

ANMs face in providing adequate coverage for skilled deliveries, it does not appear that trained professionals will conduct significantly larger population in the near future. There has not been a significant increase in the proportion of attendance by trained professionals in the last decade.

Community health workers have been identified as critical to success of community health programs. These workers perform a variety of roles ranging from providing basic health services, community-based distribution of contraceptives and social mobilization. Good quality and continued training, supportive supervision and linkages with the referral health facilities have been the major reasons for effectiveness of this cadre of workers. Most of these programs selected the CHWs from among the self-motivated middle-aged women. In several instances, midwives were recruited as CHWs and their existing role was enlarged to provide comprehensive care. Several community health projects run by non-governmental organizations realized the community's dependence on dais for providing maternal care and provided them specialized training in midwifery. In some of these projects dais not only conduct deliveries, they also provide comprehensive antenatal, intranatal and postnatal care. In some others, dais effectively work as community health workers, providing basic health care to women of their communities, augmenting their income as well (see box).

A common feature among all these programs has been transformation of social status of these dais from a menial worker to a health professional. This transformation has been on account of several reasons: they now belong to a cadre of health workers, instead of lone individuals. Besides, back-up of a referral health centre and her linkages with it; and her access to training and learning also improves her self-image as well as the image in the eyes of the community. Income potential of dais also improves after undergoing training; they are able to command higher fees for service.

A few micro-studies have demonstrated the impact of training of Dai's on incidence of neonatal tetanus, which continues to be single most important preventable cause of death among the newborns. A recent well designed study from India has convincingly demonstrated that trained traditional birth attendants can be effectively employed to care for sick newborns and can be instrumental in reduction of neonatal mortality (Bang et al, 1999). In another instance it was shown that midwives could be trained to provide significant improvement in pneumonia related mortality

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### **Box 1 A midwives cooperative: SEWA experience**

Shri Krishna Dayan Cooperative Limited has been registered as a cooperative by SEWA in Gandhinagar district with around 101 midwives as its members. There were three basic reasons behind the establishment of this co-operative, the foremost amongst them was to improve the status and prestige of midwives in the society. The other motive was to impart and equip these midwives with some of the most modern techniques of training so that they can provide their services efficiently at the doorsteps of the people. Thirdly, SEWA, wanted to take steps to improve the socio-economic conditions of the midwives and make them economically independent and self-sufficient. The whole of this cooperative is managed and controlled by midwives themselves.

Of late, the work done by the midwives has been recognised by the government as now they are paid Rs. 20 for their services by the government. The government have also allotted identity cards to several midwives. Nowadays, they are also proper attention and respected by the doctors at the primary health centers. The doctors at these health centres also give priority to the cases brought by the midwives.

## **Home based worker and Sub-contracting Systems in the Manufacturing Sector**

Home-based work represents a variety of activities and employment patterns. In India, home-based work is traditionally associated with agriculture and crafts-based occupations. A majority of home-based workers are the female heads of households, employed in agro-industries, food processing, *beedi* making, handlooms, handicrafts, garment making and, more recently, in manufacturing of industry-related goods.

Home-based workers, like contract labour, can be seen to represent a unique inclusion-exclusion complex operating in the labour market (Vijay, 1999). This complex is a conflicting process of development. At one end, it represents a combination of inclusion in the opportunity to obtain work, and some security produced by it. At the other extreme, it represents their exclusion from the domain of full-fledged industrial labour having adequate institutional forms of support.

According to official estimates, there are around 30 million home-based workers in the country. However, unofficial sources indicate that they are perhaps double this number (Jhabvala, 1996) (1). As per 1991 Census, the share of women workers in household industry in total women main workers (both rural and urban) is 4.63 per cent (Labour Bureau, 1998). Manipur and West Bengal have the highest share of women household industry workers in their female labour force, followed by Kerala, Tamil Nadu, Andhra Pradesh, Punjab, Uttar Pradesh and Orissa.

### **Many women intensive industries are adopting sub-contracting arrangements**

Among the top 10 industry groups which employ women in large numbers namely tobacco and related products, cotton textiles, cashew-nut processing, machine tools and parts, matches, explosives, fireworks, clay, glass, cement, iron and steel, drugs and medicines, grain mill and bakery, garments, coir and coir products. Many of these groups overlap those which are adopting subcontracting arrangements for production on a large scale. With the exception of matches, explosives and fireworks, clay, glass and cement, drugs and medicines and grain mills and bakery, the other industry groups are largely for export.

Based on above observations, some major conclusions can be drawn: there seems to be a direct correlation between the top ranking industrial sectors which have shown high degree of subcontracting in their production operations and those sectors which provide contractual employment/work to women labour in large numbers. This kind of correlation also appears to be widely prevalent among the top export-oriented industries.

Therefore, it can be concluded that the four phenomena, namely (i) greater subcontracting in industry; (ii) growth of key export-oriented sectors; (iii) growth of small scale industries sector, its increasing participation in subcontracting work and its expanding role in country's exports; and (iv) increasing deployment of women workers both in contractual work and informal production work - are mutually related and reinforcing. Together they hold the prospects of developing formal systems of linking home-based women workers with industry through mutually benefiting subcontracting arrangements on a large scale in various sectors

of industry. Clearly, as subcontracting operations expand, the informal sector and hence home-based work gets increasingly integrated with industrial production activities.

### **Increasing Involvement of Women Workers in the Subcontracting Chain of Large and Small Businesses**

In modern industry, subcontracting creates an economically viable transaction between home-based women workers and the manufacturers. In this transaction, the principal company places an order for parts of the production to individual home-based workers or their groups.

Equally important is the linkages of home-based work with a wide range of producers or small firms within the unorganised sector itself. Here these producers involve women workers in many stages of their production ranging from assembling of components and parts to packing of goods.

### **Forms of Subcontracting Arrangements Involving Women Workers**

The study has identified the following forms of subcontracting systems in which women are actively involved in some stages of manufacture of industrial goods:

#### **I. Women Workers in Vendor Subcontracting System of Companies**

Many big companies, including multinational corporations have evolved a composite vendor system of subcontracting for their production. Depending on the nature of work, some of these vendors either employ women workers in large numbers or give out work to home-based workers mostly through contractors.

*Examples:* Maruti Udyog Ltd., BPL, Johnson & Johnson Ltd., TELCO, Elin Electronics, and Hindustan Lever Ltd.

#### **II. Company-sponsored Women's Co-operative Production Systems**

Big corporates in heavy industry sector have a very big inventory of plant accessories required in their plants on a regular basis. Some companies have set up cooperatives of women living in the vicinity of their plants for production of such items.

*Examples:* Steel Authority of India Ltd. and Bharat Heavy Electricals Ltd.

#### **III. Company-to-Small Unit Downward Subcontracting**

In this subcontracting arrangement, established companies give out work to small units in the organised/unorganised sector which in turn outsource some simple operations to home-based workers. The company often mediates with these units/workers through contractors who get the production work done and deliver the output to the company.

*Examples:* Finishing and quality control (as in garments), assembling, sorting, packaging and labelling.



#### **IV. Small Unit-to-Home-based Worker Subcontracting**

Many medium and small scale industries in the organised sector and production units in the unorganised sector subcontract work to home-based women workers. Generally the manufacturers establish direct contacts with these workers and sometimes even act as contractors for bigger companies.

##### **Trends in Involvement of Women Workers in Subcontracting in the Organised Sector**

(1) The vendor system of subcontracting seems to be employing women workers, particularly young, unmarried girls now in many modern areas of engineering and technology, especially in electronics and electrical assembling.

(2) Regarding individual home-based workers, not much evidence of subcontracting work by the formal corporate world was found. Whether this is due to the limitation of the small size of the sample taken for this study or reflects the reality on the ground can only be said after an extended investigation by taking a much larger sample of Indian companies.

(3) Preliminary indications are that the participation of women in subcontracting work seems to have reduced during the past decade or so largely because of massive automation-based modernisation of industry. However, as industry is opting for greater outsourcing of production in certain areas, the home-based work sector would become an important player in emerging industrial structures. The industries which hold good promise in this regard are: food processing, electronics, pharmaceuticals and consumer products, particularly consumer non-durables.

##### **Trends in Involvement of Women Workers in Subcontracting in the Unorganised Sector**

###### **(a) Size of the Home-based Sector**

Subcontracting of work given out to home-based workers has been found to be widespread in the unorganised manufacturing sector and seems to have expanded phenomenally over the past decade. In almost 90 per cent of the households in the resettlement colonies and slum areas surveyed, at least one woman was reported to be doing some kind of home-based work. The reason for this lies partly in the expansion of the sector producing a whole variety of consumer items using local brand names. This parallel-economy involves the inferior goods sector and meets the needs of the poor and the lower middle class. The demand for such products is created by the desire to imitate those produced by the more established manufacturing sector. Small units with no brand name produce items for sale by themselves, or through contractors for a bigger company. These units are the largest employers of women home-based workers.



Many technical trades practiced by home-based women workers refute the gender stereotyping of women's work. The work in bicycle parts assembly, lock making, plastic moulding, production of metal buttons, assembling of cartage of water regulators, assembling of electrical appliances, assembling of starters of fluorescent tubes shows that women are engaged in trades which are generally seen to be beyond their stereo-typed occupations in garment knitting and decorating, food processing and electronic assembling.(Table)

**Table 21: Prevalence of Trades in Home-based Sector**

<b>High</b>	<b>Low</b>
Decoration of garments	Assembling of automobile switches
Finishing of garments	Assembling of ball point pens
Finishing of plastic goods	Assembling of nipples for greasing guns
Hosiery knitting	Assembling of starters of fluorescent tubes
Leather shoe making	Assembling of electrical appliances
Lock making	Assembling of electronic components
Preparation of spices and pickles	Assembling of audio cassettes
Shrimp processing	Finishing of garment dyeing
	Finishing of metal-wire brushes
<b>Medium</b>	Cutting flashes of rubber seals for water pump
Assembling of electrical sockets, plugs and switches	Preparation of paper files
Assembling of bicycle parts	Production of metal buttons
Cutting flashes of Hawai chappal straps	Production of mentles of petromax lamps
Envelope making	Production of plastic toy balls
Packaging of the kitchenware	Production of spectacle frames
Production of rubber bands	Assembling of brass cartage water regulators
Repair of garment rejects	Production of blood testing slides
Sorting of nuts and bolts	Fixing of tabs on advertising paper/cloth
Sorting of waste paper for recycling	Stamping on wrist watches
Thread spinning for shoe laces	

## Poor working conditions

### (a) Average Deployment Time

In the manufacturing trades (except garments), the work is extremely irregular; the average deployment time was less than four months in a year. Only in 25 per cent of the trades in the sample, women worked for 12 months. In 45 per cent of the trades, the availability of work was for six months or less and for 30 per cent of the trades it was for 9 months.

### (b) Basic Work Activities

An examination of the trades practices by home-based workers indicate that these trades represent four basic work activities. These are: (i) assembling; (ii) finishing; (iii) de-flashing; and (iv) packaging. Among these, finishing, de-flashing, and packaging are end-production activities and correspond to a final check by the workers on the quality of the goods being produced. Assembling, on the other hand, is an intermediate activity in most trades.

### (c) Earning Pattern

In the home-based sector, earnings of the women workers in all trades in the sample were found to be abysmally low, far below the minimum wage. The average monthly earning in technical trades was Rs. 450. The irregularity of work affected the effective average monthly earning (in terms of income averaged over complete year given by: *monthly earning X number of months the work was available divided by 12*). Its value was estimated at Rs. 250. This means that at present, the potential of home-based work in sustaining women workers is abysmally low and financial returns for their labour and skills are extremely marginal.

Only in 26 per cent of the trades listed in Annexure, the monthly earnings of women workers were more than Rs. 1000. It was between Rs. 750-1000 in another 26 per cent of the trades and between Rs. 500-750 in 29 per cent of occupations. In the remaining (19 per cent) the earnings were even less than Rs. 500.

The level of monthly earnings is largely determined by the labour intensity required in an activity and the volume of work available. It does not appear to be related to the level of skills involved in the work. Even in high-skill areas like assembling in electronic components and electrical appliances, the earnings are more or less at par with the activities requiring low skills. The level of earnings in most technical trades was almost the same as those in the traditional occupations like *agarbatti* making, *bindi* making, leaf cup making and paper container making.

Among the technical traders in the sample, high monthly earnings (when the work is available) were found to be in lock making, stamping of watches, finishing of garments, leather shoe making, assembling of audio cassettes, moulding and finishing of plastic goods, stationery envelope making and sorting of nuts and bolts.

#### **(d) Skill Content of Trades**

In the home-based sector, only 30 per cent of the trades were of high skill content, 20 per cent medium content and in the remaining 50 per cent of the trades, the work was largely manual requiring very rudimentary skills.

#### **(e) Provision of Skills and Credit**

Some rudimentary training in technical work (such as assembling of parts and components) was provided by the employer/contractor, a male member of the family (often husband) who may be working in a technical trade or a senior female worker (often mother/mother-in-law/neighbour). None of the women workers in the sample reported to have attended a training programme sponsored by a government agency/non-government organisation.

None of the home-based workers in the technical trades in the sample had availed the credit facilities offered under many government welfare schemes. The small investments necessary for buying raw materials and working tools were made either from family sources or borrowing even from the contractors.

#### **(f) Acquisition of Machinery and Tools**

The women workers had to provide their own implements. They purchased the necessary tools and simple machines and also bore replacement and maintenance costs. In technical trades, they have to procure a range of hand tools (screw drivers, spanners, pliers, vices and hammers of various sizes). The workers also procured many low value raw materials required for production work. These include greases, oils, glues, binding wires, ropes, rubber bands and threads, etc. The price of these items was never compensated in their wages. In fact, if the price of these items rises, the workers bear financial losses.

#### **(g) Work Load and Occupational Hazards**

A majority of women in the sample had a heavy work load. More than forty per cent did at least six hours of piece work per day. The women workers function in unhygienic conditions with poor lighting and ventilation. They work sitting on the floor with no provision of working desks and stools. The women said that they often suffer from backache, eye-strain, breathing problems and headache because the piece work requires immense patience.

#### **(h) Lack of Transparency**

The findings of this study further validate the prevalent system of work organisation and invisibility in home-based work. In technical trades, there prevails an extreme opaqueness

in the subcontracting transactions involving home-based women workers. The work is often mediated through contractors-traders, who do not inform the workers about the actual source of the work. In large trades like garments, the chain of agents and sub-agents is almost hidden, the only person visible to women is the subcontractor who brings them work.

The workers are not familiar with the complete production process, and as a result they are unable to appreciate the contribution they have made to the making of a product. The workers also did not have any idea about the market price of the final products for which they have contributed their labour and skills. As a result, the proportion of profits shared by them remains unknown to them.

In the current economic scenario, subcontracting forms of production being adopted by Indian industry hold much potential for establishing fruitful linkages with the informal sector's least utilised labour force, the home-based women workers. This strategy is validated further because most export-oriented industries in the country now increasingly employ women workers. The increasing demand for home-based women in subcontracting zones also has positive implications for integrating these women with larger production processes.

The new economic policies are geared towards promoting development of Indian industry in a most liberal manner. But the workers, and the women workers in particular, are not working in a liberated atmosphere in any sense of the term. For the vast informal sector, there are no visible improvements. For home-based workers, the conditions of employment and earnings remain unstable, as is the availability of work. They continue to work under stringent and exploitative conditions without access to their basic rights. This is in spite of the fact that the informal and home-based market is a reality in the country's economy.

The potential of home-based workers cannot be used optimally without providing the modicum of professional organisation and legal protection. Such an empowered workforce will be able to contribute fully to the requirements of Indian industry. For Indian industry, the making of a workforce with high technical competence, work satisfaction and security would be of great advantage in its current strategy of outsourcing many of its production operations to smaller enterprises. In fact, the tendency of making high profits at the expense of a marginalised labour force is not in tune with the current corporate philosophy of liberating all bottlenecks on the way of all round rapid development.

In this context, government agencies, industry (and its associations) and NGOs specialising in labour issues can play a pivotal role towards devising a set of initiatives to promote the development of home-based workers as a truly productive labour force in the country.

## **Recommendations**

### **Formulate a National Policy on Home based Workers**

The policy should be formulated with a view to improving the working conditions of the home-based worker and providing some welfare and social security measures for them. The elements of the policy should be as follows

1. Definition of home based work and home based worker which would include the location of workplace irrespective of linkages with formal or informal sector, low levels of income and unprotected nature in terms of basic security and social security coverage.
2. Identification and issue of identity cards
3. Legislative protection for the following
  - o Fixation of minimum wages
  - o Checking of indiscriminate rejection
  - o Adoption of basic safety, health and hygiene standards in the sector.
4. Social Security including the following
  - Extension of Provident Fund Act
  - Extension of ESI Act
  - Constitution of Welfare Funds
5. Elimination of forced labour and child labour
6. Promoting organizations of home based workers including cooperatives
7. Training and capacity building
8. Shelter

## The Textiles and Garments Sector

The textiles and garments industry is one of the most significant sectors of the Indian economy from the point view of employment generation as well as export earnings, and its importance has increased in the last one and a half decades with the process of globalisation. It is estimated that at present it provides direct employment to above 35 million people and, after agriculture, is the second largest job-provider. The textiles and garments sector actually consists of four sub-sectors, namely, mills, power looms, hosiery and handlooms.

The textiles and garments sector is very significant from the point of view of women's employment too. Women are employed in large numbers in the unorganised textile sector, in hosiery, handlooms, textile handicrafts like embroidery, patchwork and block printing, and in the manufacture of readymade garments. This sector employed 22.73 lakh women or 2.73 per cent of all women employed in the country (in all sectors) in the early 1990s. The highest percentage of women is in garment manufacturing and there were 137,800 women workers in textiles and garments manufacturing factories in 1993.

**Table 22: Average Daily Employment in Textiles and Garments Factories**

Sl. No.	Industry	Year	Male	Female	Total	Percentage*
01	Manufacture of Cotton Textiles	1981	830,200	79,400	909,600	8.7
		1991	603,600	66,100	669,700	9.9
		1993	592,200	69,600	661,800	10.5
02	Manufacture of Wool, Silk and Synthetic Fibre Textiles	1981	130,1000	5,600	136,600	4.1
		1991	138,300	5,400	143,700	3.7
		1993	139,600	5,800	145,400	4
03	Manufacture of Jute, Hemp and Mesta Textiles	1981	235,900	6,100	241,900	2.5
		1991	138,600	2,800	141,400	1.9
		1993	138,400	2,700	141,100	1.9
04	Manufacture of Textile Products (including wearing apparel other than footwear)	1981	70,400	22,800	93,300	24.5
		1991	88,800	55,300	144,100	38.4
		1993	94,200	59,700	153,900	38.8

\* Female workers as percentage of total workers

Source: Adapted from Labour Bureau, 1998



According to Tirthankar Roy (1998b) the post-reform textile industry, which has seen an increased consumption of high level goods, has been characterised by six basic features:

- (1) Emergence of the informal sector as the leader in textile export and production;
- (2) cotton as the leading sector in exports, textile production, and overall income growth
- (3) stable preference for cotton in home consumption, fed by new goods, fed in turn, by new competence of domestic producers acquired in the course of exporting;
- (4) improved capability in formal, and seemingly, the informal sector via access to world market for inputs and machinery;
- (5) uneven adaptation due to the presence in both formal and informal sectors of firms that are too rigid or too constrained to adapt. As a result, segments of excess capacity and excess demand coexist in all major sectors of the industry touched by reforms; and
- (6) trends in global costs making India a potential major producer in manmade.

### **Growth of the Informal Sector**

The informal sector has emerged as the leader in textiles production and export in the last two decades. The recent expansion in demand has been met largely by unorganised producers, that is, both powerlooms<sup>5</sup> and knitting factories. Knitting, in fact, has seen very significant export growth recently. Powerlooms are the exclusive suppliers of manmade cloth as against cotton, and the rising share of manmade in recent times has further helped them (Roy, 1998b). Powerlooms and hosiery units have gained primarily at the cost of the mills, many of which have been sick for many years. Out of the 1,850 textile mills in the country, only 284 are composite mills of the kind that generate the bulk of value in today's textile industry world over. Most of the mills are small-scale units that do not have the technology or the scale of operation required to compete in the global market (EPW, 2000).

Also, over the years while the number of workers employed in mills has come down, the employment in the unorganised sector, and the small scale but organised sector, especially powerlooms and hosiery, has increased substantially, in keeping with the immense growth in the latter. For instance, in the textile industry in Coimbatore, women constituted only 15 per cent of the mill workforce in 1981 and very few worked on the looms, whereas in the informal sectors, women constituted 33 per cent of those working on powerlooms (Baud, 1983). In Bombay in 1983 women constituted over 25 per cent of the textile labour, but by the late 1980s there were virtually no women workers (Hensman, 1988).

### **Increasing employment opportunities for women**

The opportunities for employment of women workers are on the increase in this sector. The increased opportunities will primarily be in the unorganised and small-scale sectors, especially in garment manufacturing, and a large percentage of the new employment generated will be through sub-contractual, home-based work. In addition, opportunities for women in hosiery units, powerlooms and small textile mills (although some of these trends may vary from region to region) are also increasing. However, the skill levels of women

workers may not rise much unless special efforts are made to impart them new skills. Women will increasingly be preferred for their disciplined work and less aggressive posture but employers will expect a more 'co-operative' attitude from them and will discourage the formation of unions.

A study sponsored by the union textile ministry and conducted by SITRA (South India Textile Research Association), Coimbatore has thrown up some interesting features regarding women's employment in mills. First, the number of mills predominantly employing women is on the rise since the onset of the liberalisation process in the nineties. Second, most of the 'women intensive' mills (where women constitute 50-89 per cent of the work force) located in Tamil Nadu are small (less than 12,000 spindles) and were started after 1990. Between 1992-97, there was a drop of 0.7 per cent in the male workforce. One sixth of the women workers were illiterate and the mean years of schooling were eight. The per capita income of women worker families ranged from Rs 230-Rs 3500 a month. Among the reasons given by managements for employing women workers were increasing awareness of their skills, shortage of male workers, better discipline, passive union activity, easy supervision and better industrial relations. For the women, economic necessity was the main motivating factor. (krishnamurthy, 2000)

#### **Unskilled or semi-skilled work for women**

In many parts of the textiles and garments industry, women are often restricted to the unskilled or semi-skilled and lesser paid jobs and are considered as a "reserve army in the labour market". In the cotton hosiery industry, for example, the female workers were restricted to only four processes, namely winding on hand-winding wheels (charkha), embroidery checking and packing, and manual button-stitching, which were akin to the traditional skills of womenfolk. The nature of the processes involving female labour show that women workers are not only indispensable but also relatively cheaper to engage for these jobs. (Singh, 1990)

#### **Replaced by mechanisation**

In some sub-sectors, mechanisation has displaced women workers. For instance, the replacement of hand-wheels by power winders had displaced a large chunk of the female workforce. A single worker using a power-operated winder is capable of winding four to five times more yarn than a woman worker, winding on a hand-wheel. By replacing hand-operated wheels with power-winders, the employer not only benefits economically, but also saves space and time.

In the hosiery industry, women workers are engaged for stitching certain types of buttons which could not be stitched by machine. In button-stitching, machines were exclusively operated by male workers and in manual stitching only female workers were engaged. Each machine operative displaced nearly six manual women workers in this small process, yet the number of women workers totalled forty-seven (78.34 per cent) as compared to the male workers, numbering thirteen (21.66 per cent) only. The workers engaged in button-stitching constituted only 1 per cent of the total .

## Low Wages

Besides the fact that wage rates in the textiles and garments industries in India are low, women workers are paid wages that are substantially lower than the wages paid to male workers. Women are often engaged in those processes where machine or male workers are less efficacious. They are a highly exploited mass because, for similar kinds of work, male workers get four to five times more wages than the female workers. The major concentration of women workers is in areas where traditional skills of women are involved, such as, winding and embroidery. Their work is simply considered an extension of their household chores. They are not regarded as equal competitors in the 'free' labour market; instead, the female workforce is considered a reserve army in the labour

Tables 23 shows the significant difference between male and female workers

**Table-23: Average Daily Earnings of Workers by Sex in Textiles and Garments Manufacturing Industries as per the Fifth Occupational Wage Survey 1993-97**

Industry	Men	Women	Percentage by which earnings of women were higher (+) or lower (-) than those of men
Textile Garment Industries	60.60	37.83	(-) 37.57
Textiles	78.14	70.27	(-)10.07
Cotton Textiles	78.12	73.24	(-)06.25
Jute Textiles	89.73	85.99	(-)04.17
Synthetic Textiles	52.38	40.86	(-)34.50
Woollen Textiles	69.31	54.24	(-)14.53
Silk Textiles	63.98	39.56	(-)61.73

Source: Adapted from Labour Bureau (1998)

## Conditions of Work

Within the textiles and garments manufacturing industries, women are most often employed in certain traditional tasks, often manual, where machines or male workers are less efficacious. These tasks include embroidery, button-stitching, winding on charkhas (hand-winding wheels), packing, spinning, etc. Besides this women are also employed in tasks like sewing along with male workers.

Very often the tasks done by women are part of sub-contracted work received through contractors and performed within their homes. Even when they are employed in factories, they are often not paid minimum wages, or are paid much less than male workers, and kept as temporary workers so that the employers do not have to bear the burden of giving them employment benefits like PF, medical facilities or facilities such as crèches for children. (For

instance, in 1992, of the 2113 factories manufacturing textile products and garments that submitted returns under the Factories Act, only 67 factories provided crèches (Labour Bureau, 1998.) They are often made to work for long hours without payment of overtime, are denied weekly off days and are also harassed in other ways.

Initial trends from the effect of globalization indicates that the employment of women workers are on the increase in this sector. The increased opportunities are primarily in the unorganised and small-scale sectors, especially in garment manufacturing, and a large percentage of the new employment generated is in through sub-contractual, home-based work. In addition, there is also increasing opportunities for women in hosiery units, powerlooms and small textile mills (although some of these trends may vary from region to region).

### **Recommendations**

In the changing global and national context of the textiles and garments industry, which has been elaborated above, policies and laws for the industry should be designed in such a way as to enable the Indian industry to achieve a large share of the global market, without compromising on the basic rights, minimum wages, working conditions and social security measures for workers – both men and women – employed in the sector.

In view of these factors, labour policies in the textiles and garments industry should be designed so as to enable, on the one hand sufficient flexibility and high productivity in the deployment of labour and, on the other, provide labour a share in the profits and benefits accruing from higher growth. These benefits will be in the form of:

- Higher wages (or at least minimum wages as per the law)
- Better working conditions
- Greater social security measures
- Enhanced skills and earning capabilities of the workers

### **Steps to Benefit Women and Unorganised Sector Workers**

The second set of steps, for the benefit of women and other workers in textiles and garments manufacturing have to be based on the recognition that the majority of workers in this sector are involved in contractual and unorganised work. Thus policies, laws and welfare provisions should be designed taking into account the conditions of such workers. Also, while there may be new market opportunities in the industry, sometimes these may adversely affect employment of existing workers. Thus special measures are needed to ensure that the new opportunities reach and benefit the women workers in the unorganised sector.

Both the Textile and Garment Sectors are major employers of women and can enhance employment opportunities. In the textile sector, women are employed both in powerlooms and handlooms, with the majority in handlooms. Women are occupied more in spinning, winding and twisting in both powerlooms and handlooms. However, many women are also engaged in weaving. It is worth noting that in the north-eastern states it is mainly the women who work on handlooms and most households have some form of loom

In the Garment Sector, women are employed in the factories, including the export factories as well as homebased work.

### **Cotton Textiles:**

#### **Raw Materials**

One of the major problems in the cotton textile sector is the availability of cotton to both handlooms and powerlooms. Shortage of hank yarn, as well as yarn of counts, used for handlooms has created severe problems for the industry. A longer term plan is needed to upgrade both quality and quantity of cotton as well as increase spinning capacity in the country. Furthermore hank yarn of the counts required for handlooms should be made available to them in the quantities required.

#### **Upgradation of Looms**

Most women weavers are still weaving on pit-looms, which reduces their productivity as well as the types of cloth they can produce. Looms of many new varieties have been produced and these should be made available to the women weavers, in easy installments.

#### **Upgradation of Spinners**

There are many women today who are still spinning by hand or on simple spinning machines. These women need to be introduced to modern small scale machines and given the required training.

#### **Design Upgradation**

Handloom weaving is an old tradition with many, many different designs from all over the country. At the same time the markets today are receptive to new designs and products. Weavers need to be exposed to the new markets so that they can adapt their traditional designs. The new Fashion and other institutes set up need to help redesign the handloom products to reach the modern markets.

#### **Co-operative Sector**

Many weavers today are in co-operatives. However, very few women weavers are in co-operatives. The co-operative sector needs to be revived and women's co-operatives constituted.



## **Garments**

### **Factory production**

Women are employed as **workers** in most garment factories, including the factories in export processing zones. The main recommendations for them are:

- Fixation and payment of minimum wages at different levels of skills
- Payment of all social security benefits—provident fund, ESI, gratuity etc.—as per applicable labour laws
- Continuous skill upgradation and training for women workers so as to enable them to have higher productivity and work on new machines as they come in.

### **Small Scale and Home based Production**

It is found that generally it is the men who work in small workshops and as 'professional' tailors and it is the women who work as home based workers, which are lower paid. Furthermore, the garment industry, especially that segment connected with the international market, is a fast changing industry and workers need continuous training and access to technology to keep up with the trends. The recommendations for home based workers are:

- Cover them by the National Policy on Home based Workers which includes minimum standards and social security.
- Continuous training and guidance to keep up with the new machines coming in.
- Continuous exposure to new designs and fashions.

### ● **Action Required**

1. **Better monitoring of the wages, working conditions and social security benefits available to workers in the sector.** This may be best done through the setting up of tripartite boards (consisting of representatives of employers, government and workers) in each state. In addition, these boards should suggest ways and means of extending benefits to unorganised workers and ensure that the measures agreed upon are implemented
  
2. **Entrepreneurship development programmes for women workers to facilitate workers** – whether individually or through cooperatives – to move from wage work to running their own small-scale units. For example, the Trade Related Entrepreneurship Assistance and Development (TREAD) project was launched by the Ministry of Industry with support of the UN system and other agencies, to empower one lakh poor women, in urban and rural areas, by helping them cross the barrier from exploitative piece-rate work to self-employment, through running micro and small enterprises (Mehta, 1996)



3. **Creating a fund to (a) provide temporarily unemployed workers with subsistence till they are able to find employment; (b) provide them with training and help in finding suitable employment; (c) support the formation of producers groups and co-operatives that will create new employment. This fund may be created through contributions from employers (in the form of a cess), the government and possibly from trade unions.**
4. **Co-operatives and corporations/boards should be strengthened. They should be made more efficient and incentive schemes linking salaries, increments and performance should be introduced.**
5. **The National Renewal Fund (NRF) should be extended to the unorganised sector, and should be used in its right spirit as a fund meant to guarantee jobs through retraining and relocation rather than a fund meant for workers' 'welfare' or for settling the severance claims of workers**

## **Vendors and Hawkers**

Street Vendors are self-employed and self-generators of income. They are sellers of produces of special kind , produced by small entrepreneurs, cheap products, and daily necessity goods – and are selling to specific buyers, the middle class and the poor. They are outside the purview of formal, organized economy, market, capital, loan and governmental subsidy. They subsidies urban living by selling goods in cheaper prices. They provide market channel to small producers. They make their own economy without any official support. Vendors operate in the structure of local economy-local production, local resources, local supply and local demand. As a result of these an area of market operation is created for the communities marginalized by the globalization , women, poor, formally uneducated, disabled, uprooted from agriculture, migrants from villages, lower castes, retrenched workers etc.

It is estimated that in India 10 million women and men are depended on vending commodities for their livelihood. Mumbai has the largest number, around 200,000; Ahmedabad and Patna 80,000 each and Indore and Bangalore 30,000 hawkers. Calcutta has more than 100,000 hawkers. They in turn provide additional employment to many others who assist them in their work. The total employment provided through hawking is therefore fairly large.

The sex composition of the hawkers and vendors is in favour of males in most of the cities. Mumbai and Calcutta have larger proportion of male hawkers than the other cities. In Mumbai over 75% of the hawkers are males. In other cities, namely, Ahmedabad, Bangalore and Bhubaneswar males form around 60% of the hawkers. In a few cities like Imphal hawkers are exclusively women. Only in case of mobile vendors, the women outnumber the men. In fact, even the access to the so-called 'unauthorized markets' is limited for women. Thus many of them are scattered. A random sample survey conducted by S.N.D.T. University found only 11% women vendors in the 'established' markets.

The income of the female hawkers is substantially lower than the males. This is for mainly two reasons. Firstly, women hawkers sell cheaper goods and in small quantities as they lack capital. In most cities (Mumbai, Ahmedabad, Bhubaneswar, Patna and Bangalore) they sell vegetables, fruits and flowers in small quantities. Secondly, women hawkers cannot spend as much time on hawking as their male counterparts as they need to take care of the daily needs of the family such as child care, cooking, cleaning etc.

Women vendors are more concentrated in selling perishable goods like vegetables, fish, flowers, fruits etc. This result in higher risk in terms of time and space. Goods have to be sold on time. Evictions and confiscation play havoc on their lives. Hundreds and thousands of examples can be cited to illustrate how goods simply get rotten or sold

at throw away prices or the 'rubble' is returned by the Municipal authorities to the vendors after few days of confiscation. The working capital is disastrously disturbed.

A major problem faced by women vendors is lack of sanitation facilities in the market. This causes enough hardship. Cases of sexual exploitation are also reported from every city. A distressing picture is that a lot of old women, who were no longer supported by their families, were forced to take up vending for a livelihood. Even among the unorganized sector, vendors are relatively more organized. A major way in which women vendors are further discriminated against is neglect and 'ignorance by trade unions. With perhaps the sole exception of SEWA, trade unions have somehow neglected the women. Women organizations have not organized them. Recent years have witnessed some changes but are also very slow to create any major impact. In absence of them being organized or women leaders among them, the women vendors are more vulnerable to exploitation. Then they are either marginalised, or have to concede more concessions or are left at the mercy of the union leaders.

The caste composition of the hawkers varies but they belong mainly to the Other Backward Classes (OBC) or Scheduled Castes (SC). The literacy levels of the hawkers are generally low.

### **Income and Employment**

The income levels of the hawkers vary according to the type of goods they sell. Those selling more expensive products have a higher income, though their investment is also high. The daily income of a hawker varies from Rs. 20 per day to Rs 800 per day in exceptional cases. Only a few hawkers in Mumbai earn the upper limit. In fact a few of the licensed hawkers in that city pay income tax. These cases are exceptions of the extreme type. In general the fate of a hawker is not that bright. The average income of a hawker varies between Rs. 20 to Rs 100 per day. In bigger cities like Mumbai and Bangalore, the average income varies between Rs. 50 and Rs. 100 for males. None of the hawkers earn more than Rs. 3,000 per month. In Bhubaneshwar, Patna and Imphal the average income is between Rs. 20 and Rs. 80 per day and in exceptional cases Rs. 200 per day. Hawkers selling clothes and non-perishable goods, in Calcutta earn around Rs. 100 per day while those selling vegetables and other perishable foods earn around Rs. 70 per day.

The income of the female hawkers is lower than that of the males. In Mumbai and Bangalore the income of females selling vegetables, fruits and flowers is between Rs. 30 to Rs. 40 per day. Another important fact is that in both cities these female hawkers are either the main earners in the family or they supplement their husbands' or fathers' meagre income. Mumbai provides contrasts as far as female hawkers are concerned. The women squatting on the pavements in the working class area of Central Mumbai (Lal Bagh, Parel, Chinchpokhli etc.)

have started hawking after the closure of the textile mills in that area. Their husbands had worked as permanent workers in the textile mills and are now unemployed for the past several years. These women provide for most of the expenses for the household through their meagre incomes, as they are the main earners.

An exception is the petty hawkers. The flower sellers at Siddhi Vinayak temple at Prabhadevi, also in central Mumbai represent a higher income group. This temple attracts a large number of devotees on all days and more so on Tuesdays. The flower sellers around the temple are exclusively women. These women too are wives of textile workers who are now unemployed. They used to face a lot of harassment by the police and municipal authorities while plying their trade. They then got together and formed an informal association through which they tried to get legitimacy for their work. The municipal authorities finally agreed to allot them space on the pavement where they could construct kiosks. They have now increased their income considerably. Their average monthly income would be around Rs. 3000.

The income of the hawkers discussed above may not reflect the exact amount. Since hawking is illegal in all the cities, covered hawkers have to pay a premium in order to carry out their trade. Hawkers have to pay bribes and protection money to various agencies to prevent harassment. The main people to be bribed are the police and the municipal authorities. There are also the local goons who extort money from hawkers under the guise of protection. The situation varies according to the circumstances. In parts of the city where the hawkers are able to form strong unions the extortion is less. In other parts it increases. In Calcutta after Operation Sunshine which saw the strengthening of the Hawkers' Sangram Committee, extortion from the local authorities has decreased. It still continues in areas where the hawkers are not unionised. In most of the cities the police are more oppressive. To the common person a policeman represents authority and they use their position to full measure. Though the job of regulating or removing hawkers lies with the municipality it is the police who threaten them more. In most of the cities hawkers pay their weekly or daily contributions to the local police quietly and out of fear.

Patna has witnessed different types of extortion. Earlier the local police and the municipal staff used to collect their regular extortion money. A few years ago the government decided to lease out pavements in some parts of the city to hawkers. These sites were auctioned. The regular hawkers who tried to bid for sites were driven out by the local goons, who cornered most of the sites. Now the hawkers have to pay money to three different sources—the police, the municipality and the local goons who have leased the pavements.

In general we find that the hawkers have to part with as much as 20% of their daily income as bribes and protection money. Had hawking been legalised and regulated this amount could have been collected by the municipalities. For example, after discussions with the

hawkers, their unions and others we estimate that hawkers in Mumbai pay around Rs. 400 crores annually as bribes. Had the municipality recognised hawking as a profession it could have earned a large section of this amount as revenue from hawkers. Thus in the present situation both, the hawkers and the municipality, are losers while corrupt officials take advantage of the situation.

### **Working Conditions**

In all the cities covered we find that hawkers work for a minimum of twelve hours per day for six days a week. They sell their goods during the day or for a few hours in the mornings and in the evenings. The activity is at its peak in the evenings as the office goers return home at this time. They spend around eight to nine hours selling their goods and another four hours for purchasing their goods and travel from their homes. Thus each hawker works for 12 to 13 hours throughout the week.

Most of the hawkers (53%) travel for 10 km. to 12 km. daily to their workplaces. They carry their wares in baskets on their heads or on pushcarts. Very few use cycle rickshaws or autorickshaws for transporting their wares as these are more expensive forms of transport for them. They reside in one-room tenements (chawls) or in hutments in the vicinity.

Conclusively one can say that though street vending provides the poor women an important avenue to take care of their families, due to lack of faulty policies and perceptions their income is not only drained but they are also exposed to exploitation by various forces. In an era of liberalization, when entrepreneurship is being encouraged, women vendors continue to suffer due to neglect. The suffering has increased in recent years because of globalisation and consequently the 'clean city' drives by the local governments. Small steps by government in fact, have brought considerable changes in the lives of these women vendors. Recent years have witnessed spurt in their organizing but the most important intervention in their lives would be a national policy, which would not leave them at the mercy of local governments or even individual administrators.

### **Recommendations**

#### **National Policy for Street Vendors**

A National Policy for Street Vendors should be formulated.

Street vending should be recognised as a legitimate form of employment and promoted for employment generation. The points to be included:

1. Recognise all existing street vendors estimated at 2.5% of each city's population
2. Surveys of street vendors in every city on the lines of the Brihan Mumbai TISS survey.
3. Issue licences, permits, permissions etc to each of these vendors
4. Issue identity cards to each vendor.

## **Integrate Street Vendors into City Plans**

Each town plan and municipal plan should include street vendors as part of the spatial planning. The number to be planned for should be 2.5% of the urban population. As the city expands the new spaces should be planned for them.

The plans for vendors can take into account many different ways of planning. They can be multi-use and flexible time. The principles for these hawking zones should be:

1. Hawking zones or space for vendors should be based on
  - a. natural markets
  - b. already existing markets/commercial zones
  - c. in residential areas and colonies
  - d. expanding horizon of cities
2. There should be multiple use of place i.e. parking place can be used in evening.
3. Flexible timings i.e. food vendors allowed during lunch time and for snacks and dinner.
4. Other schemes like pay and hawk.

## **Setting up Participatory Mechanisms for Self Governance**

Each city should set up committees to work closely with the municipality to harmonise the interests of all parties— the vendors, the shopkeepers, the residents, the consumers and the traffic. These committees should help to set up self-governing mechanisms in each hawking zone, to decide disputes and to advise on growth of hawking areas. The committee should have at its disposal a fund to improve hygienic conditions and beautify the area as well as provide for welfare of the vendors

## **Financing Mechanisms**

The street vendors should pay a fee for the use of the space and for the issuing of identity cards. The fund collected this way will be quite substantial and can be used partly for beautification of the area and partly for social security schemes of the vendors.

## **Social Security and Credit**

In addition to the fee for vending, the vendors should be provided access to micro-financial services and various forms of social security through self-help groups and micro-finance institutions.



<sup>1</sup> A similar valuation undertaken in the central tribal belt shows that in-kind flows or 'invisible income' from forests approximate an annual value of Rs. 7350 per family and contribute significantly to the quality of life in tribal areas. Excluding the values for grazing and fuelwood, the value of consumption based on local forest resources approximates Rs. 2000/ family per year. This roughly translates to about 10% of the average rural per capita income in the state. Fuelwood contributes another Rs. 3600/ annum and grazing Rs. 1700/ annum.

<sup>2</sup> P. Singh, Health Protection in India, 2000. p-55

<sup>3</sup> There are however some estimates available on the number of traditional birth attendants in various parts of the country. These figures are available from the reports of Central Bureau of Health Intelligence, MOHFW and from rural health division of DGHS, MOHFW: On the basis of population in 1991, average population covered by each trained dai was 965 /1000 population; each dai covering one village (Bulletin Rural Health Statistics, 1997). This was marginally better than the figures in 1987, when each trained attendant covered a population of 1024. Since 1991, 651,487 dais were trained in India, largest numbers being trained in the large states of Uttar Pradesh and Bihar. Assuming that there is 1-2 untrained traditional birth attendants for dai that was trained, there will be 2-3 million midwives in the country.

<sup>4</sup> Considering that there are 30 deliveries per 1000 population (population of an average sized village), and that 50% of these deliveries are conducted by midwives, 15 deliveries will be conducted by midwives in a year. Assuming that one midwife conducts all these deliveries and receive a remuneration of Rs 25 per delivery, total annual remuneration will be  $25 \times 15 =$  Rs 375 or monthly income of ~ Rs 31. Assuming a remuneration of Rs 50, this will still be Rs 750 per annum and Rs 62 per month or Rs 2/ day!

<sup>5</sup> Powerlooms are weaving factories, which get yarn from and get the cloth processed outside. They range from units with 6-8 second-hand looms operated mainly with hired labour but not covered by the Factory Act, to units with 40 or more high-speed, partly or fully automatic, even shutterless looms and many technical and organisational features of a modern textile factory (Roy, 1998a). Nevertheless, a typical powerloom is likely to be registered as a shed rather than as a factory. The 1985 Textile Policy decided to legalise all powerlooms, by having them compulsorily registered. The Textile (Development and Regulation) Order of 1993 went a step ahead by doing away with licensing restrictions (Roy, 1998b).

<sup>6</sup> As per 1991 Census there are around 286 million main and another 31 million marginal workers in India. However, Census data are known there under-estimate of female workforce.

# Skills

## Government Efforts\*

There is a large network of state-run vocational education and training programmes available. However, the amount of finance, manpower and physical infrastructure that is diverted in this direction is far less than what is put into training for high professional courses. These courses are often supply-driven and many of the efforts in this direction are of every uneven quality and not much information is available in terms how effective they are and their links to employment opportunities.

Listed below are some of the states run opportunities for training and skill building for women in the unorganized sector.

### 1. Training under Department of Women and Child Development

The key training activities of the Department are:

- Provision of support to training and employment programmes (STEP) for women:* Since the inception of the programme, 51 projects have been sanctioned and these have benefited over 0.25 million women and youth.
- NORAD-assisted programme on employment-cum-income-generation-production units:* Under this programme, training is imparted to women — including school drop-outs in selected non-traditional trades such as electronics, watch-manufacturing/assembly, printing and binding, handlooms, weaving and spinning, garment making, beauty culture, typing and shorthand. The programme provides for the offer of financial assistance to the grantee organisation for payment of stipend to trainees, and the purchase of machinery and equipment required, dormitory facilities and day-care centres.
- Scheme of condensed courses of education and vocational training programme for women:* This scheme aims to provide educational opportunities to needy women to enable them to acquire requisite qualification and development relevant skills so as to make them eligible for identifiable remunerative work. Moreover, voluntary organisations are given grants to impart training to needy women in the 15+ age group in different vocations, providing them opportunities for employment/self-employment.

### 2. Vocational Training Programme for Women

The vocational training programme for women started in 1977, with the assistance of ILO/SIDA, is being implemented through a network of one national and 10 regional vocational training institutes set up exclusively for women. The courses covered under the programme include 9 basic and 16 advanced skills. In addition, these institutions also conduct a course on instructional skills. So far, 1904 training seats have been created and 17,462 women

have been trained through the programmes. These institutes also offer need-based short term/adhoc courses to meet the requirements of local industries, housewives and young women.

In an attempt to promote the participation of women in training programmes, separate women's ITIs have been set up. Under the World Bank assisted Vocational Training Project, schemes for setting up 100 new ITIs/wings exclusively for women are being implemented.

There are few other training interventions available to the unorganized sector in general but not specifically targetted towards women workers.

### **Formal Vocational Education and Training System**

There are three systems of vocational education prevalent today in India — at the lower school stage, at the class 10 + 2 stage and at the first-degree level. The scheme at the 10+ 2 level aims to divert senior secondary students to the vocational stream. The scheme for the vocationalisation of education at the first-degree lays emphasis on developing the capabilities of students to set up their own small-scale enterprises. The scheme is in operation in 1356 colleges/universities covering 1712 courses and 35 subjects. It provides for in-built training programmes for teachers of vocational subjects, which are arranged through identified nodal institutions.

### **Shramik Vidyapeeths**

The Department of Education has initiated a scheme of non-formal, adult and continuing education for the urban community through the *Shramik Vidyapeeths*. During 1997-98, 58 such institutes were set up. The thrust of the scheme is to provide multi-dimensional or polyvalent training and education to the urban community through specially tailored programmes, which aim at imparting knowledge and skills in an integrated manner. Under the scheme, course of varying duration for developing vocational and technical skills for skill development and upgradation in income generation activities are conducted. *Shramik Vidyapeeths* offer around 225 different vocational training programmes ranging from candle and agarbatti making to computer courses.

### **Continuing Education and Distance Learning**

The Indira Gandhi National Open University (IGNOU) and the National Open School (NOS) have jointly launched programmes of distance vocational education for the benefit of the youth. Similarly the NOSs offer vocational course in agriculture, industry, trade and commerce for any person above the age of 14, who does not have a formal school certificate.

### **Training under the Khadi and Village Industries Commission (KVIC)**

The KVIC has 51 training centres comprising 12 multi-disciplinary training centres, 12 khadi *gramodyog vidyalayas*, 24 village industries training centres and three state board training centres. In addition, there are 10 training-cum-production centres, which are owned by societies. At present, training is provided in 120 courses of which about 100 courses relate to only about 25 industries and the remaining 20 courses relate to various sponsored and special programmes. Training is imparted in nine broad areas; namely, artisan's courses, general management, salesmanship, marketing management, entrepreneurship development, supervisory courses, textile chemistry, accountancy and refresher courses.

### **Community Polytechnics**

The scheme of community polytechnics (CPs) was started by the Department of Education, Government of India in 1978-79. It aims at promoting rural industrialisation through applications of science and technology without environmental degradation. More specifically, it seeks to bring about socio-economic upliftment and improvement in the quality of life by way of providing location-culture-specific, non-formal, need-based, short-term training in skill-oriented technical/vocational trades irrespective of age, sex or educational qualifications. The target groups for training specifically include unemployed /under-employed youth, school/college dropouts and the underprivileged and disadvantaged groups including women, minorities and the weaker sections of society.

There are 516 CPs, of which 83 were set up to cater to the needs of women. It has been found that 43 per cent of those trained in CPs are women.

### **Schemes under CAPART:**

Some major initiatives of support available from Council for Advancement of People's Action and Rural Technology (CAPART) of the Ministry of Rural Development, which directly relevant to the informal sector are as follows.

### **Public Cooperation Scheme:**

This is an omnibus scheme aimed at promoting innovative and integrated projects and programmes not already covered by fewer than one of the existing government schemes. Micro-finance, health and sanitation, education, rural energy, sustainable development, disaster management, housing and environment protection are some of the areas and fields where innovative projects are offered to voluntary organisations who can take up either a village(s) or panchayat(s) for comprehensive development for a period of three years by holding Participatory Rural Appraisal sessions with the gram sabha.

### **Rural Technology Scheme:**

This is a scheme implemented in consultation with Technology Resource Centres (TRCs), mainly located in the rural areas operating in technology up-gradation and skill development, to transfer technologies already developed by national laboratories and institutions. The technologies identified are rural housing, water conservation, Village industries, food processing, herbal medicines and bio- mass utilisation and handicrafts.

By and large, the government training/skill building efforts are not directed towards the informal sector, or at least towards those at the lower end of the sector including women.<sup>1</sup> A predominant proportion of the educational and training resources, including the material and financial of the formal institutional structure, is somehow directed to formalised industry sectors and 'upper end' of the medium and small-scale enterprises. There is a strong orientation towards 'machine', a very marked gender division of training and curricula ('girls to go in for beautician's courses, boys will be fitters and motor mechanics' syndrome). The upper castes and classes benefit mostly, as very often there are strong economic and extra-economic barriers to entry in to some of the courses. In most of the ITIs, the syllabi are very much outdated, the teachers without much of an idea of market conditions, leave alone imparting multi-skills or a life-learning process. Not much of an interaction takes place, since questions are not encouraged as 'courses have to be finished.' Marketing, accessing credit, or even simple labour or environmental laws, as applicable to a particular trade or profession are not taught<sup>2</sup>.

### **NGO**

The NGO initiatives in providing training in skill development show a mixed picture. Although, a large number of NGOs are providing training but one of the basic lacunae in these training programmes is that they are not updated regularly and do not keep up with the changing market demand. There is also no convergence of these programs, nor any integration among various programmes. Wherever successful, the initiatives show the same pattern: training is flexible, in tune with the learners needs, duration, venue etc; training in new skills and periodic and frequent upgradation based on changing situations; upgrading existing skills along with introducing improvement in technology.

<sup>1</sup> This section draws from Mamgain and Awasthi, 'Technology and Training for the Informal sector: Need for New Initiatives' in Kundu and Sharma (eds), *Informal Sector in India*, 2001

<sup>1</sup> Mitra, ILO

<sup>2</sup> Ibid

## Child Labour - Annexure I

### Chronology of Legislation of Child Labour in India

1881	<p>The Indian Factories Act</p> <ul style="list-style-type: none"> <li>• Sets minimum age limit for employment at 7 years and maximum working hours at 9 per day</li> <li>• Only establishments with 100 or more workers included</li> </ul>
1891	<p>The Indian Factories Act</p> <ul style="list-style-type: none"> <li>• Minimum age increased to 9 years and maximum working hours limited to 7 per day.</li> <li>• Prohibits the working of children between 8 p.m and 5 a.m.</li> </ul>
1901	<p>The Indian Mines Act</p> <ul style="list-style-type: none"> <li>• Prohibits children below 12 years from working in activities that endanger their health and safety.</li> </ul>
1911	<p>The Indian Factories Act</p> <ul style="list-style-type: none"> <li>• Prohibits children from working in activities involving dangerous processing.</li> <li>• Requires age and fitness certificates before children can be employed.</li> </ul>
1922	<p>The Indian Factories Act</p> <ul style="list-style-type: none"> <li>• Increases minimum age for employment to 15 years and limits maximum working hours to 6 per day.</li> <li>• Provides for half-hourly intervals for work of 5.1/2 hours or more duration.</li> <li>• Provisions extended to include establishments with 20 or more workers in mechanical processes.</li> </ul>
1923	<p>The Indian Mines Act</p> <ul style="list-style-type: none"> <li>• Raises minimum age limit to 13 years</li> <li>• Reduces weekly workings hours to 54 hours for children working underground and 60 hours for children working above ground.</li> <li>• Modifies definition of mines to include any excavation, irrespective of depth, used to search or obtain minerals</li> </ul>
1926	<p>The Indian Factories Act</p> <ul style="list-style-type: none"> <li>• Imposes penalties on parents / guardians who permitted children to work in two different factories.</li> </ul>
1931	<p>The Indian Ports Act</p> <ul style="list-style-type: none"> <li>• Prescribes a minimum age of 12 years for employment in ports</li> </ul>
1932	<p>The Tea District Emigrant Labour Act</p> <ul style="list-style-type: none"> <li>• Restricts emigration of children below 16 years of age to work, unless child is accompanied by parents / adults.</li> </ul>
1933	<p>Children (Pledging and Labour) Act</p> <ul style="list-style-type: none"> <li>• Restricts acceptance of advances by parents in returns for</li> </ul>



	<p>bonds (like bonded labour)</p> <ul style="list-style-type: none"> <li>• Deems any such contract (Bonded Labour) as void if labour involved is below 15 years</li> </ul>
1934	<p>The Indian Factories Act</p> <ul style="list-style-type: none"> <li>• Prohibits the employment of children below 12 years and restricts working hours for children between 12 and 14 years to 5 hours daily.</li> </ul>
1935	<p>The Indian Mines Act</p> <ul style="list-style-type: none"> <li>• Introduces age groups for children</li> <li>• Raises minimum age limit to 15 years</li> <li>• Necessitates the production of a physical fitness from qualified medical practitioner for children between 15 and 17 years.</li> <li>• Restricts working hours to 10 hours daily and 54 hours weekly for those working on ground, and for those working underground to 9 hours per day.</li> </ul>
1938	<p>The Employment of Children Act, 1938</p> <ul style="list-style-type: none"> <li>• Prohibits employment of children for transport of passenger goods and mail by rail or handling goods at docks or wharves.</li> </ul>
1948	<ul style="list-style-type: none"> <li>• The Minimum Wages Act</li> <li>• Defines child as person below 14 years of age.</li> <li>• Appropriates minimum wages for adults, adolescents and children.</li> <li>• Fixes normal working hours for children at 4.1/2 hours daily and</li> <li>• Prohibits overtime for children.</li> </ul>
	<p>The Indian Factories Act (Amendment)</p> <ul style="list-style-type: none"> <li>• Increases minimum age for employment from 12 to 14</li> </ul>
1949	<p>The Employment of Children Act</p> <ul style="list-style-type: none"> <li>• Increases the minimum age for employment to 14</li> </ul>
1951	<p>The Employment of Children (Amendment) Act, 1951</p> <p>Prohibited the employment of children between 15 and 17 years at night in railways and ports and also provided for requirement of maintaining register for children under 17 years.</p>
1951	<p>The Plantations Labour Act, 1951</p> <p>Prohibited the employment of children under 12 years in plantations.</p>
1951	<p>The Merchant Shipping Act</p> <p>Prohibits the employment of persons below 15 years of age to work in any capacity in any ship except</p>
1952	<p>The Indian Mines Act</p> <ul style="list-style-type: none"> <li>• Prohibits children below 15 years from working in mines, and those below 16 years from working underground and</li> <li>• Necessitates the production of a physical fitness certificates for this purpose.</li> </ul>
1954	<p>The Indian Factories Act (Amended)</p> <ul style="list-style-type: none"> <li>• Prohibits employment of person below 17 years between 10 pm.</li> </ul>

	to 7 a.m.
1958	<p>The Merchant Shipping Act</p> <ul style="list-style-type: none"> <li>• Prohibits children below 15 years from working in any ship, other than school ships.</li> </ul>
1961	<p>The Motor Transport Workers Act</p> <ul style="list-style-type: none"> <li>• Prohibits the employment of children below 15 in transport sectors and makes a fitness certificate necessary.</li> </ul>
1961	<p>The Apprentices Act</p> <ul style="list-style-type: none"> <li>• Prohibits apprenticeship of a child below 14 years.</li> <li>• Stipulates maximum weekly hours of 42-48 hours for apprentice</li> <li>• Disallows apprenticeship between 10 pm to 6 am, except for short term apprentices, subject to approval of Apprenticeship Adviser.</li> </ul>
1962	<p>The Atomic Energy Act</p> <ul style="list-style-type: none"> <li>• Restricts employment of persons below 18 years as a radiation worker unless permitted by competent authority.</li> </ul>
1966	<p>The Bidi &amp; Cigar Workers (Conditions of Employment) Act</p> <ul style="list-style-type: none"> <li>• Prohibits employment of person below 14 years in factory premises and restricts employment of persons in the 14 - 18 years age group between 7 pm to 6 am.</li> </ul>
1978	<p>The Employment of Children Act amended</p> <ul style="list-style-type: none"> <li>• Prohibits children below 15 years from working in railway premises for certain activities eg. Under picking clearance of ash pits etc.</li> </ul>
1986	<p>The Child Labour (Prohibition and Regulation) Act, 1986</p> <p>The Act prohibits the employment of any person who has not completed his fourteen years of age in 13 occupations and 51 processes which have been listed out in Part A &amp; B of the Schedule of the Act.</p>

## **Child Labour - Annexure II**

### **Important Committees**

In 1929, the Royal Commission on labour was set up under the Chairmanship of John H. Whitley. The recommendations of this Commission (Box 1), which reported the prevalence of child labour in various industries such as carpet, bidi and match making and textiles, led to the passage of the Children (Pledging of Labour) Act 1933. The Act was perhaps the first attempt to address the issue of bonded labour in India.

#### **BOX 2**

##### **RECOMMENDATIONS OF ROYAL COMMISSION ON LABOUR (1929)**

- Registration, of the names of all children who are working, in the wage book.
- Prohibition of overtime work, or taking work home for children, and
- The pledging of children
- Legal provisions to prohibit children of 10 year and below from working
- Co-operation between government, local authorities and employees to develop child welfare centres and clinics.
- Provisions of minimum education for children working in tea plantations by plantation owners.

The Report of the Royal Commission, together with the Report of the 23<sup>rd</sup> session of the International Labour Conference (1937) prompted another legislation viz., the Employment of Children Act, 1938. This Act prohibited the employment of children in certain activities, especially with regard to transportation of goods. It was the first act to address directly the problem in India. The Labour Investigation Committee (Rege Committee, 1944) (Box 2) also recommended the prohibition of child employment in industries and the adoption of measures to wean children away from industrial employment.

#### **BOX 3**

##### **LABOUR LEGISLATIVE COMMITTEE (REGE COMMITTEE) 1944**

- Observed increase in the number of child labour during wartime and in the small-scale industries.
- Specific observations were made on the incidence of child labour in the Match industry of Tamil Nadu, Cement industry of Rajasthan, the Spinning industry of Kerala and the Carpet weaving in Kashmir.
- Recommended for the adoption of positive measures to wean children away from industrial development.

The post-independence period, particularly the 1950s and 60s witnessed several laws enacted to prohibit the employment of children in certain industries (Refer Appendix).

In 1979 the Gurupadswamy Committee on Child Labour (Box 3), recommended among other things, the need for consolidating existing laws on prohibition / regulation into a single comprehensive act and for a uniform definition of child / adolescents while prescribing hours of work, etc. The Committee's recommendations were reiterated by the Sanat Mehta Committee (1986) which emphasised the need for a uniform definition of child and combining work with education.

#### **BOX 4**

##### **GURUPADASWAMY COMMITTEE, 1979**

- Looked into various dimensions of child labour
- Examined status and implementation of child labour legislation and recommended for strengthening for enforcement machinery.
- Recommended for the setting up of Child Labour Advisory Board and fixing the minimum age of entry into employment.
- Recommended adoption of uniform definitions of a child adolescents while prescribing the hours of work, conditions of work etc.
- Recommended for formulation of an effective education policy with emphasis on integration of educational requirements with local crafts.

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**List of Organizations that made submissions to the Group on Women Workers and Child Labour, National Commission on Labour**

1. Akhil Bhartiya Safai Mazdoor Congress
2. APHWU (Andhra Pradesh Hotel Workers Union)
3. BBOA (Benga' Brick Field Owner's Association)
4. Bhartiya Mazdoor Sangh (Maharashtra Pradesh)
5. Bombay Chamber of Commerce
6. CACL(Campaign against Child Labour)
7. College of Social Work (Campaign for Domestic Workers Bill)
8. FAPCCI (Federatiion of Andhra Pradesh Chamber of Commerce & Industry)
9. FORCES
10. Indian National Bank Employees Federation
11. IRMA
12. ITA
13. Joint Women's Programme Port Blair
14. LDGAP (Labour Dept Government of Andhra Pradesh)
15. MAYA (Movement for Alternatives and Youth Awareness Bangalore)
16. National Centre for Labour
17. PBKMS (Paschim Bangla Khet Mazdoor Samiti)
18. RLCC (Regional Labour Commissioner (Centre)
19. RLCH (Regional Labour Commission (Central) Hyderabad)
20. SEWA (Self Employed Women's Association)
21. SNTD Women's University, Mumbai
22. TMS

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## **Women in Financial services Present Status and Prospects**

**By B. V. L. N. Rao**

### **1 INTRODUCTION**

During the past five decades, the Indian economy has undergone a substantial structural transformation, moving away from being a predominantly agricultural economy into a diversified one with a significant presence of secondary and tertiary sectors. The share of the primary sector in the total Gross Domestic Product (GDP) has come down from over half in the fifties to less than 30 per cent now while that of the secondary and the tertiary sector have correspondingly increased substantially. It is, however, the contribution of the services sector to the domestic product which has been growing fastest, with an annual growth rate of around 7 per cent since the eighties and at an even higher rate of over 8 per cent per annum in the post reform years<sup>1</sup>. Among the various components of the services sector, financial services, real estate and business services have grown at a rapid rate of about 9 to 10 per cent per annum since the mid-eighties. These services include a host of activities both in the organized and unorganized sectors, such as banking, provident and insurance services, activities of other financial institutions like finance and investment corporations, mutual funds, non-banking financial companies, chit funds, securities operations, real estate and legal and business services, as well as etc. informal lending activities, services provided by the agents for the insurance corporations, stock exchanges, and other financial institutions, etc. They have, over the years, contributed significantly not only to the growth of income but of employment as well.

Among the financial services, it is the banking and insurance activities that have been growing the fastest in terms of contribution to GDP, with annual growth rates of 12 per cent during the eighties and around 8 per cent during the nineties. With the enormous expansion of their net works over the past three decades, banks and insurance offices have been a major source of employment for the educated middle classes and in particular for the educated middle class women. It has been pointed out that several features of services in banks (and insurance) like the non-manual nature of work, not very high requirements of educational levels, security and high salary levels attached to the job, fixed working hours suiting the domestic schedule, stationary nature, tension-free work environment, and the middle class respectability attached to the job in these offices combine to make it a 'women-friendly' occupation.<sup>2</sup> These job-characteristics, combined with the availability of opportunities, usually quite close to the place of residence, have attracted a number of educated women into this avenue of employment over the past three decades. In the recent past, however, the employment-intensity of banks and insurance sector has declined. The need for improvement in efficiency and increasing competition from private and foreign

banks in the post-reforms years has made it imperative for these offices to cut costs through technology up-gradation and organizational revamping such as branch rationalization and mergers and staff reduction. Even the insurance sector, which has till recently been the monopoly of the public sector, has been thrown open to such competition. While many of these developments may have negative implications for growth of employment, product-diversification and expansion of activities in the private sector could have a positive impact. In this context, this paper attempts to look into the past trends, present status and the future prospects of employment of women in this sector.

## **II EMPLOYMENT TRENDS IN FINANCIAL SECTOR**

It has been brought out that while the services sector as a whole has gained in employment levels at an annual rate of 3.7 per cent during the period 1977-78 to 1993-94, financial services (including real estate and business services) have out-performed the other components recording a growth rate of 4.8 per cent in employment during this period. Employment of urban women in this sub-sector increased at about 10 per cent per annum during the period 1977-78 to 1987-88 and at 11.5 per cent per annum between 1987-88 and 1993-94.<sup>3</sup> Preliminary data now available for 1999-2000 from the 55<sup>th</sup> Round of the National Sample Survey Organization (NSSO), indicate that total employment in financial services continued to increase between 1993-94 and 1999-2000 at about 5.3 per cent per annum while that of urban women rose by 6.1 per cent per annum.<sup>4</sup> In the organized sector, however, the average annual rate of growth of employment in financial services, dropped from 4.3 per cent during 1983-88 to 2.6 per cent during 1988-94 and further to 1.7 per cent in the next five years (1994-99) (Table 1). The corresponding rates for women, even though higher in all periods considered, reflected the same trend.

**Table 1: Growth In Employment in Financial Services, Insurance,  
Real Estate and Business Services<sup>5</sup>**

(lakhs)

Year	Total Employment				Employment of Women			
	Total	Organized sector			Total	Organized Sector		
		Public	Private	Total		Public	Private	Total
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1983	22.30	8.72	2.07	10.79	1.40	0.87	0.15	1.02
1987-88	27.70 (4.4)	10.95 (4.7)	2.38 (2.8)	13.33 (4.3)	2.60 (13.2)	1.23 (7.2)	0.22 (8.0)	1.45 (7.4)
1993-94	36.60 (4.8)	12.73 (2.5)	2.82 (2.9)	15.55 (2.6)	4.30 (8.8)	1.59 (4.4)	0.32 (6.4)	1.92 (4.7)
1999-2000	49.80 (5.3)	12.94 (0.3)	3.58 (4.9)	16.52 (1.7)	5.70 (4.8)	1.79 (2.4)	0.56 (11.8)	2.34 (3.4)

(Figures in brackets are the annual growth rates over the preceding periods)

Source: NSSO surveys on employment and unemployment and Employment Reviews of Ministry of Labour

The points that emerge from the above data and calculations based on them are a) the rate of growth of employment in the financial services in the public sector has gradually tapered off between 1983 and 1999 for women as well as for all persons, b) the rate of growth in the private sector picked up significantly in the post-reform period (1994 to 1999), c) the share of the organized sector as a whole in the total employment (as well as employment of women) in the financial services sector has come down (from nearly 48 per cent in 1983 to 33 per cent in 1999) and d) within the organized sector, the share of public sector has also slightly declined (from 81 to 78 per cent) . Table 2 attempts a more detailed study of the changes in the pattern of employment in the financial services in the organized sector.

**Table 2: Structure of Employment in Financial Services in the Organized Sector**

(Percentages to total in each column)

Activity	All Persons		Women	
	1985-86	1995-96	1985-86	1995-96
(1)	(2)	(3)	(4)	(5)
1. Deposit activities	75.4	70.4	75.8	65.6
2. Other credit and banking activities	4.5	6.0	2.8	4.8
3. Securities & other financial services	0.6	1.0	0.6	1.5
<b>4. Total Financial services (1+2+3)</b>	<b>80.4</b>	<b>77.3</b>	<b>79.3</b>	<b>71.9</b>
5. Provident services	1.5	1.5	2.3	2.0
6. Insurance (Life)	5.8	7.7	6.0	11.1
7. Insurance (Other than life)	4.0	5.1	4.6	6.0
<b>8. Total provident and insurance services (5+6+7)</b>	<b>11.3</b>	<b>14.3</b>	<b>12.9</b>	<b>19.1</b>
9. Legal services	0.7	0.9	1.0	1.3
10. Real estate, renting & leasing, lotteries and other business services	7.6	7.5	6.9	7.7
<b>11. Total financial, insurance, real estate, legal and business services</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

Source: Employment Reviews, 1985-86 and 1995-96, Ministry of Labour

Employment in the financial services sector as a percent of the total employment in the organized sector improved from 5.0 per cent in 1985-86 to 5.8 per cent in 1995-96 for all persons and from 4.0 per cent to 4.8 per cent for women. Within the financial services



sector, there had been significant shifts (Table 2). Deposit activities, viz. the normal banking activities, had declined in importance, more in the case of women. Life insurance and miscellaneous business services had been the major gainers, particularly in the case of women. Further scrutiny of the miscellaneous business services group (item 10 in col. 1 of Table 2) indicates that data processing activities (from 0.3 per cent to 2.0 per cent) and business and management consultancy services (from 0.4 per cent to 1.9 per cent) improved their shares significantly in the case of women between 1985-86 and 1995-96.

In spite of these changes, banks and insurance (life and non-life) account even now for over three-fourths of the total employment in the financial sector. The remaining sections of the paper deal with these two segments in further detail. The organized banking system in India comprises the Reserve Bank, the State Bank of India and its 7 subsidiaries, 20 banks nationalized in 1969 and 1980, 43 foreign banks located mainly in the metropolitan cities, 33 domestic banks in private sector (including 9 new banks permitted to take up banking operations in 1993) as well as 196 Regional Rural Banks and the large net-work of co-operative banks (about 140 thousand in 1998-99). There are also financial institutions for specific sectors like the Industrial Development Bank of India, National Bank for Agriculture and Rural Development (NABARD), National Housing Bank and the Small Industries Development Bank of India. In addition, there are also non-banking finance companies, Unit Trust of India and various mutual funds and other organizations engaged in financial activities. The insurance sector has so far been more monopolistic than banking and consists of the Life Insurance Corporation of India and the General Insurance Corporation with its four subsidiaries.<sup>6</sup> There is also a sizeable component of employment in finance and insurance related activities in the unorganized sector as well. This paper is generally confined to employment in the mainstream commercial banks and insurance corporations but touches on the cooperative sector to the extent data permit.

### **III GROWTH IN BANKING AND INSURANCE ACTIVITIES**

Since the nationalization of 14 banks in 1969 and six others in 1980, banking sector has expanded considerably over the years. From over 8,000 offices (of all scheduled commercial banks) at the end of 1969, the network expanded to over 65,000 by March 1999. There has been a significant shift in the location pattern of these offices as well. In 1969, only 17.6 per cent of the bank offices were in rural areas, 40.8 per cent in semi-urban areas, 23.3 per cent in urban areas and 18.3 per cent were in metropolitan areas. By 1999, rural areas accounted for 50.5 per cent of the offices, the other three groups declining in their share to 21.7 per cent, 15.3 per cent and 12.5 per cent respectively. The number of bank accounts have grown from 59 thousand at the end of 1975 to over 4 lakhs by March 1998, the share of rural accounts increasing from 17 per cent to 30 per cent during the same period. Banking business, in terms of deposits and commercial credit, has been expanding over the last thirty years at a healthy average rate of over 15 per cent per annum.

Apart from the scheduled commercial banks there is also the vast network of cooperative credit societies performing some of the bank functions and supplementing the efforts of commercial banks in mobilizing savings and meeting the local credit needs. As of March 1999, there were 1,936 Primary Cooperative Banks with 6,308 branches in the urban areas. About 130 of these are women's cooperative banks managed by women and catering exclusively to the credit needs of their members who are all women. The cooperative banking system in the rural areas is more complex with separate networks for short-term credit and long-term credit. The Short-Term structure has two forms – a two-tier structure and a three-tier structure. There were (as of March 1998) 12 State Cooperative Banks with 360 branches and 2,840 Primary Agricultural Cooperative Credit Societies in the two-tier structure and 16 State Cooperative Banks with 429 branches, 367 District Central Cooperative banks with 12,128 branches and 88,880 Primary Agricultural Cooperative Societies. In the long-term credit structure, again, there are two forms – a unitary structure with 8 State Cooperative Agricultural and Rural Development Banks with 1073 branches and a federal structure with 11 State Cooperative Agricultural and Rural Development Banks with 81 branches and 745 Primary Cooperative Agricultural And Rural Development Banks with 686 branches. The importance of these structures in the rural areas can be gauged by the fact that even after the commercial banks took over a large part of their activity after the nationalization of banks, their share in the rural credit market still remained as high as 49 per cent in 1998. The number of cooperative credit institutions no doubt declined during the seventies and eighties from over 2 lakhs on 1961 to only 98,000 by 1990, but there has again been an improvement since then.

Similarly, the insurance business has been grown enormously. The number of life insurance policies in force, for example, increased from 140 lakhs in 1969-70 to 1,014 lakhs by 1999-2000. Total business (individual insurance) in force expanded from Rs. 6,348 crores to Rs. 5,36,451 crores in the same period. There are now 2,048 (as of March 2000) branches of LIC (apart from 7 zonal and 100 divisional offices) against 1,528 in 1990-91. General insurance business also has expanded over the years. Gross direct premium income of all the corporations in the field increased from Rs. 2,913 crores in 1990-91 to Rs. 9,982 crores by 1999-2000. The office network comprises 92 regional and 1,299 divisional offices and 2,783 branches.

#### **IV EMPLOYMENT IN BANKING AND INSURANCE**

Accompanying this growth in activities, employment in banking and insurance sector has also expanded and there are now over ten lakh employees in commercial banks, over three and a half lakhs in cooperative banks and over two lakhs in insurance. The rest of this Section will deal with the levels and pattern of employment in general and of women in particular in these three groups of financial institutions.

### a) Commercial Banks

Data available from the Reserve Bank of India <sup>7</sup> which show that there were 10.17 lakh employees<sup>8</sup> in all the scheduled commercial banks in March 1999, over 85 per cent of whom were in the public sector, led by the State Bank of India and its 7 associates. This included 1.38 lakh women. The break-up by type of bank and the percentage of women employees is given in Table 3. Foreign banks have a significantly higher percentage (about 30 per cent) of women among their employees than all the other banks. The percentage of women among the total staff in all other groups of banks varied in a narrow range between 12 percent for the State Bank group and 17 percent for private scheduled commercial banks. The data also show that the share of women in employment improved as one moves from rural to semi-urban to urban and metropolitan areas. This phenomenon, coupled with the fact that the public sector banks have a substantially larger spread in the rural areas, would to some extent explain the differences in the intensity of women employment in different groups of banks. Even among the public sector banks, there are differences between individual banks. For instance, the public sector banks originating from Southern Region, such as the Andhra Bank, Canara Bank, Corporation Bank, State Bank of Travancore and Syndicate Bank have significantly higher proportion of women (more than 20 percent) than the banks from the other regions<sup>9</sup> (APPENDIX I).

**Table 3: Percentage of Women Employees in Total Employment in Scheduled Commercial Banks (March 1999)**

Bank Group	No. of employees Areas	Percentage of Women in Employment			
		All Areas	Rural	Semi-urban Areas	Urban/Metro-politan Areas
SBI and its Associates	3,07,862 (37,586)	12.2	5.4	10.2	15.2
Nationalized Banks	5,64,190 (82,419)	14.6	5.9	11.2	17.8
Foreign Banks	15,505 (4,589)	29.6	-	18.6	29.6
Regional Rural Banks	(67,089 (2,786)	4.2	1.8	8.2	13.7
Other scheduled Commercial Banks	62,844 (10,537)	16.8	6.0	14.6	19.6
All Scheduled Commercial Banks	10,17,490 (1,37,917)	13.6	4.8	10.9	17.4

(Figures in brackets are the number of women employees included in the total)

Source: Banking Statistics, 1999, Reserve Bank of India

Table 4 indicates the staff structure in different bank groups for all employees and among women employees. Clerical staff accounted for about half of all employees in the scheduled banks among all employees. Among women employees, however, about three-fourths were

clustered in the clerical categories. The percentage of officers, which was 28.6 for all employees, was only 13.2 for women. Only in the foreign banks did women officers account for almost half of all female staff. The location of these banks mainly in the metropolitan areas, the working conditions and higher emoluments attract many educated women. These banks, which are highly computerized, also prefer women officers. **APPENDIX II** gives the staff structure and the share of females in different regions. While the proportion of women among all employees is highest in the banks in the Western Region (19.8 per cent) closely followed by the banks in the Southern Region (18.4 per cent), it is very low in the Central, Eastern and North-eastern Regions. The same applies to all categories of staff – officers, clerks and sub-staff.

**Table 4: Percentage Distribution of Employees of Scheduled Commercial Banks by Different Categories (March 1999)**

<b>Bank Group</b>	<b>Officers</b>	<b>Clerks</b>	<b>Subordinate Staff</b>	<b>All Employees</b>
SBI and its Associates	24.7 (7.8)	50.7 (77.8)	24.6 (14.4)	100.0 (100.0)
Nationalized Banks	27.9 (12.3)	50.6 (74.1)	21.5 (13.6)	100.0 (100.0)
Foreign Banks	55.1 (49.3)	35.2 (49.7)	9.7 (1.0)	100.0 (100.0)
Regional Rural Banks	40.6 (21.1)	36.6 (73.6)	22.8 (5.3)	100.0 (100.0)
Other Scheduled Commercial Banks	34.2 (22.5)	47.9 (69.3)	17.9 (8.2)	100.0 (100.0)
All Scheduled Commercial Banks	28.6 (13.2)	49.3 (73.9)	22.1 (12.9)	100.0 (100.0)

Source: Banking Statistics, 1999, Reserve Bank of India  
 Figures in brackets are percentages for women employees

Reserve Bank of India has been publishing separate information on women employees only from 1996. A longer time series covering the period 1990-2000 obtained from the Indian Banks Association is given in Table 5.

**Table 5: Percentage of Women Among Bank Employees by Category<sup>10</sup>**

Year (March of)	Public Sector Banks				Private Sector Banks			
	Officers	Clerks	Sub- staff	All	Officers	Clerks	Sub- staff	All
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1990	3.4	15.9	5.5	10.4	4.4	15.4	4.2	10.4
1991	4.0	17.6	5.7	11.4	3.7	14.6	3.1	9.6
1992	4.4	19.2	8.5	12.9	5.3	20.7	7.3	14.1
1993	4.4	19.0	7.4	12.5	4.9	20.6	9.2	14.2
1994	4.6	19.4	6.8	12.6	5.0	21.4	8.9	14.6
1995	4.7	19.5	7.2	12.8	5.3	21.2	11.5	15.0
1996	5.0	19.7	7.3	13.0	6.0	21.9	9.4	15.0
1997	5.2	21.0	9.6	14.2	7.0	22.9	9.2	15.7
1998	5.2	21.0	10.5	14.4	7.0	23.2	22.0	18.2
1999	5.3	21.2	10.4	14.4	7.4	24.0	12.0	16.7
2000	5.4	21.2	10.6	14.5	7.1	24.1	9.5	16.1

While the share of women among various categories of employees has constantly improved over the entire period 1990 - 2000, there appears to be a quantum jump in the share of female employees since 1997 in the public sector banks.

After substantial expansion in the spread of the nationalized banks and employment in them during the seventies, the growth rate in employment in the scheduled commercial banks gradually decreased over time since the eighties (Table 6).

**Table 6: Average Annual Growth Rate of Employees of Scheduled Commercial Banks for Different Periods**

Period	Officers	Clerks	Subordinate Staff	All Employees
1981-86	7.46	5.56	5.46	6.02
1986-91	3.29	2.40	4.16	3.01
1991-96	1.42	0.35	1.41	0.87
1996-99	1.11	(-)0.54	(-)0.41	(-)0.05

Source: Banking Statistics, Reserve Bank of India, for various years



Growth in employment had been decelerating for some years even before the reform process began in 1991. Some effort to improve profitability and computerization in stages could have been the causes. It would seem that reforms only strengthened this trend. Between March 1996 and March 1999, staff strength in all the public sector banks came down from 8.80 lakhs to 8.72 lakhs, the decline in the nationalized banks being by about 6 thousands and in the State Bank group about two thousand, primarily in the rural and semi-urban areas (see Table7). It is the private and foreign banks that softened the impact to some extent. The strength of officers has, in all the periods, grown at a faster rate than the other two groups. Table 7 presents the growth rates of employment in different population groups covered by the banks.

**Table 7: Average Annual Growth Rate of Employees of Scheduled Commercial Banks Covering Different Population Groups**

Period	Rural	Semi-Urban	Urban/Metropolitan	All Areas
1981-86	10.28	5.55	4.90	6.02
1986-91	3.79	2.47	2.94	3.01
1991-96	(-) .11	0.80	1.61	0.87
1996-99	(-) 0.12	(-) 0.54	0.16	(-) 0.05

Source: Banking Statistics, Reserve Bank of India, for various years

It would seem that employment in banks covering urban/metropolitan areas continued to increase, though at a steadily falling rate, in the post-reform period. This could be due to a number of private domestic banks permitted in 1993 as well as the expansion of foreign banks, operating mainly in the urban/metropolitan areas. A part of the fall in the rural branches from 1991 would be due to the reclassification of villages as towns after the 1991 Census.

Some evidence cited by Srivastava<sup>11</sup> showed that while the number of male employees in all types (public sector, domestic private sector and foreign) of banks declined in absolute number between 1992 and 1995 by over 6 per cent, there had been an increase of nearly 10 per cent in the number of female employees during the same period. It would have been too much to hope that these positive trends in case of women would survive the financial sector reforms in their totality for long. In fact, as may be seen from Table 8, the downswing has already started with the employment of women in banks having fallen by marginally by 0.05 per cent per annum during the next three years (1996-99)



**Table 8: Number of Women Employees in Scheduled Commercial Banks  
In 1996 and 1999**

<u>Bank Group</u>	<u>March 1999</u>			
	<u>Officers</u>	<u>Clerks</u>	<u>Sub-ordinates</u>	<u>Total</u>
(1)	(2)	(3)	(4)	(5)
State Bank of India and its Associates	2,951 (5,431)	29,228 (31,348)	5,407 (8,212)	37,586 (44,991)
Nationalized banks	10,105 (9,471)	61,041 (60,264)	11,273 (9,882)	82,419 (79,617)
Foreign Banks	2,261 (1,294)	2,281 (2,222)	47 (54)	4,589 (3,570)
Regional Rural Banks	587 (431)	2,050 (1,689)	149 (129)	2,786 (2,249)
Other Scheduled Commercial Banks	2,367 (1,14)	7,307 (6,678)	863 (713)	10,537 (8,405)
<b>All Scheduled Commercial Banks</b>	<b>18,271 (17,641)</b>	<b>1,01,907 (1,02,201)</b>	<b>17,739 (18,990)</b>	<b>1,37,917 (1,38,832)</b>

Figures in brackets are the corresponding data for March 1996

Source: Banking Statistics, 1996 and 1999, Reserve Bank of India

#### b) Co-operative Banks

As of 1998-99, the cooperative banking system employed a workforce of nearly 3.81 lakhs. The level of employment has been fluctuating between 3 to 4 lakhs since 1985-86 (APPENDIX III). Information on the employment of females in the cooperative banks is scanty. Some data available for the State Cooperative Banks in the short-term credit structure of the rural areas shows that about 1,800 out of their 16,200 employees in 1998-99 or about 11.2 percent were females. No such information is available for the large network of Central Cooperative Banks or the Primary Agricultural Cooperatives. In the long-term credit structure, the share of females in the workforce is much smaller, being about 4.5 per cent for the State Cooperative Agricultural and Rural Development Banks and only 1.2 per cent for the Primary banks.<sup>12</sup>

The urban cooperative banks for women are located mainly in Maharashtra (45), Karnataka (28), Gujarat (19), Madhya Pradesh (16) and Andhra Pradesh (11). While their management is in the hands of women and members are women, the staff are not necessarily so. Here

again there is no comprehensive or recent information. On an average, these banks employed 35 to 40 persons, though there is large variation from bank to bank, with a range of 5 to over 280<sup>13</sup>. An old study<sup>14</sup> of six of these banks located in Maharashtra indicated that, on an average, about two-thirds of the employees in these banks were females. In one of these, almost the entire staff, barring peons were women. It is not known how valid these ratios are at present.

### **c) Insurance**

In the life insurance sector, the total employment of the LIC has increased from 88 thousand in 1990 to 1.23 lakhs in 2000, remaining almost stagnant since 1994 with even some decline in recent years (APPENDIX IV). Almost one in five of the life insurance employees is a woman - a proportion much higher than in the public sector banks. The location of the LIC offices in only major towns may have something to do with this higher proportion. The share of women in the life insurance sector increased from 10.7 per cent to 19.3 per cent between 1985-86 and 1995-96<sup>15</sup>. Latest information available for Andhra Pradesh and Karnataka indicates an overall proportion of 23.2 per cent. The proportion, however, varies with the level of the employee. Again, the data for Andhra Pradesh and Karnataka show that while women constituted almost a third of all clerical (Class III) level employees, their proportion is only 10.8 per cent among the Class I officers. Among Development Officers (Class II officers) it is only 1.4 percent and among the sub-staff (Class IV) less than five (4.8) percent. Apart from the regular staff, LIC has a large number of agents who are not direct employees of the LIC but work on commission basis. Their number almost doubled from 3.77 lakhs in 1990 to 7.15 lakhs in 2000. About a fifth of these agents in Andhra Pradesh and Karnataka are women. It is possible that some of the female agents are for namesake only. In the non-life insurance business also, which till recently has been the monopoly of the General Insurance Corporation and its four subsidiaries, the employment level tended to stagnate at about 85 thousand since the reforms began (APPENDIX V). The share of women has improved over time - from 12.1 to 13.8 per cent over the decade 1985-86 to 1995-96<sup>16</sup> - though the increase has not been as significant as in the life insurance sector.

## **IV QUALITATIVE ASPECTS OF EMPLOYMENT OF WOMEN IN BANKS**

In theory, the highly organized banking industry with established recruitment practices and manpower policies is supposedly gender-neutral. However, for various reasons, disparities based on sex are found to persist in matters like career development and work assignment and even in the matter of remuneration. Manpower policies adopted by most financial institutions themselves seem to have inherent dampening impact on the employment of women and their rise along the hierarchal ladder in the establishment. Sometimes, problems arise not because of inequalities in treatment meted out to employees of different sexes but, paradoxically, because of the absolute equality of treatment. In particular, the transfer

policies and the practice of linking promotions with transfers adopted by banks do not generally distinguish between men and women, and that is often the reason for women's separating from work or forgoing the promotion opportunities to avoid transfers. The importance of the duality of the roles of women employees at the work place and home is not appreciated in the financial sector as elsewhere. By rigidly adhering to a uniform policy for men and women, unintended discrimination against the women employees is practiced. Transfers do not affect male employees (if their spouses are not employed, which many times is the case) as much as female employees (whose spouses are usually employed at the same place). A study conducted by Kanhere<sup>17</sup> indicated that most of the women bank employees lowered their aspirations in career and preferred to stay where they are to promotions, which involve transfers, additional responsibilities and late sitting.

Other studies indicate complaints of discrimination in assignment of work.<sup>18</sup> Such complaints take two forms. Career-minded women in senior positions felt that they were not assigned challenging and strategic postings such as in foreign exchange or personnel departments, field or inspection jobs, allowing them no opportunity to show their mettle and thereby denying them professional advancement. On the other hand, there is also a feeling that because women employees are hard workers and submissive, all work involving drudgery and of urgent nature is thrown at them. In either case, women employees are victims of role stress and frustration.

It has also been observed that even gender-based wage differentials exist in the banking industry. A recent study<sup>19</sup> undertaken on behalf of ILO found such wage differentials even in the case of public sector banks and even for employees with similar qualifications and length of service. The average gross wages for the female employees were observed to be 93.4 per cent of the wages for the male employees in the public sector banks, 86.9 per cent in the Indian banks in the private sector and 85.5 per cent in foreign banks. Within the cadre of officers, the corresponding percentages were 95.9, 86.9 and 93.7 for the three groups of banks respectively. Placement of women in the relatively lower grades of the officer cadre giving them less access to promotion based increments was found to be the reasons for the disparity in the public sector banks having standard scales of pay.

Over the years, bank employees as a whole, have had the benefits of strong unionization through the main trade unions of All India Bank Employees' Association (AIBEA) and National Confederation of Bank Employees (NCBE) for the award staff and All India Bank Officers' Confederation (AIBOC) and All India Bank Officers' Association (AIBOA) for the officers. Women's participation and say in the trade unions is minimal, even though most banking trade unions include women's representative in the unions. Women employees also do not take their special problems to the unions.<sup>20</sup>

## V. IMPACT OF ECONOMIC REFORMS

Economic reforms since 1991 have led to a greater level of participation of private sector in various sectors of the economy and increasing integration of the Indian economy with that of the rest of the world, promoting competition to a higher degree than before. This applied to the banking and insurance sectors also. Indeed, financial sector reforms have been an important aspect of the whole reform process. The Narasimham Committee<sup>21</sup> considered that the purpose of the financial sector reforms should be to ensure that banks operated on the basis of operational flexibility and functional autonomy with a view to enhancing their efficiency, productivity and profitability. Reduction in the number of public sector banks, allowing foreign banks to expand freely, full freedom to banks to open or close branches, review of the recruitment and promotion policies of banks to permit lateral entry of special skills directly from the market, are some of the important recommendations of the Committee to improve the efficiency in the banking system, most of which have negative implications for employment growth.

As a sequel to this, a Voluntary Retirement Scheme (VRS) has recently been introduced in State Bank of India and other nationalized banks<sup>22</sup>. Available information indicates that in most of these banks more than the targeted 10 per cent of the staff have applied for VRS mainly among the senior officers and staff.<sup>23</sup> It is anticipated that close to 80,000 bank jobs would be eliminated through this process. Information obtained from Indian Banks Association indicates that over 1.05 lakh employees of 18 public sector banks where the scheme has been closed have applied for VRS. About 54,000 of these are from officers, 41,000 from clerical staff and 10,000 from sub-staff. Complete information about women employees who have applied for VRS is not available, but data in respect of 12 public sector banks that provided gender-wise information shows that 8,410 of the 44,525 employees who have opted for VRS are women. In relative terms, this amounts to 18.9 per cent of all VRS applicants. Women accounted for 8.9 per cent of officers, 45.0 per cent of clerks and 3.5 per cent of sub-staff who have opted for VRS. The percentage for both officers and clerks are much higher than the proportions of the women employees in the total work force (5.4 per cent of officers and 21 per cent of clerical category), implying a stronger wish among women to leave than among men. Contact with a few of the women who opted for VRS indicated that they had no intention to enter into any economic activity after leaving the banks.

An important consequence of the entry of foreign banks and modern private banks in the post reform era has been *diversification and modernization* of the banking activities and operations and technological up-gradation. The process of computerization of banking operations which commenced in a small way even before the economic reforms, has picked up and has been introduced in stages to a greater or lesser extent in all the public sector banks now. According to Indian Banks Association, about a fifth of the bank branches have

been fully or partially computerized or introduced accounting machines till now. Over half of the bank business in public sector banks has been computerized. Almost all the new private sector banks have adopted IT and electronics based banking from their inception. Public sector banks are redesigning their product range with emphasis on value addition to the customers. Schemes like consumer loans, housing loans and innovative hi-tech activities like Any Time and Any Branch banking, tele-banking, credit card services, custodial services and the Internet-led on-line banking have been introduced in several banks. Some of the banks have entered into new fields like insurance, mutual funds and other related activities. Similarly, the insurance corporations have expanded their product range and have also entered into activities like mutual funds and other financial services. The quality of and the technological content of work in the financial sector, as elsewhere, have improved substantially calling for higher skills, operational and communicative. It has been reported that during the seven years 1994 to 2000, public sector banks have recruited 575 officers and 168 clerks in IT and computer related functions, while private sector banks recruited 605 officers and 58 clerks. These figures indicate the future pattern of recruitment in banks.

The insurance sector which has hitherto been the exclusive preserve of the nationalized insurance companies LIC and GIC (with its constituents), though behind banking sector, has also opened up to competition and is likely to be exposed to technological, and consequent organizational changes and other measures to achieve improvement of efficiency as in the banks. Already LIC has introduced inter-branch connectivity through metro area networks in 8 metropolitan areas, which is likely to be extended to other areas soon. On-line services have been opened to the policy- holders and agents. Interactive voice response systems and touch screen kiosks are other technological innovations in the insurance sector. With the entry of new players there will be scramble for new business, particularly in the rural areas. The penetration (premium as percent of GDP) of life insurance in India is said<sup>24</sup> to be only 1.4 per cent against about 12 per cent in South Africa and that of non-life insurance 0.56 per cent against 2.5 per cent in Japan and 4.6 per cent in the United States. According to a report<sup>25</sup> the present market size of the insurance business is Rs. 26,000 crores, growing at 20 per cent per annum.

The need to enhance the reach of operations and profitability without incurring too much of organizational costs in the fiercely competitive environment brought about by the economic reforms has led to mergers between banks. Examples are the merger of New Bank of India with Punjab National Bank, Times Bank with HDFC Bank, ANZ Grindlays Bank with Standard Chartered Bank and of Global Trust Bank with UTI Bank. Rationalization of branches and administrative structure of banks is also on the cards. In the newly emerging scene in the insurance business also such corporate tie-ups may be increasingly expected. While the new entrants are expected to set up some branch network, they are likely to take advantage of the available networks for retailing insurance business, like the bank branches and post offices.



## **V IMPACT ON EMPLOYMENT AND PROSPECTS**

What do all these changes mean for the employment in general and of women in particular? Considering the effects of the VRS and other cost-cutting and efficiency-improving measures, a continuation of the recent slow-down of employment growth and even a decline in the absolute level of employment in the banking sector may be expected in the immediate future as well as in the medium term. This may be tempered to some extent by considerations of social responsibilities of the public sector banks (such as dispensing credit for anti-poverty and special employment schemes and maintaining lakhs of pension accounts) which still enjoy a preponderant share of the banking business (and will in all likelihood continue to do so for a long time to come) and the trade union resistance which though somewhat weakened is still a militant force to reckon with. Diversification of the activities and expansion of the product-range could contribute to employment generation. The growing share of the foreign and private banks, whose staff generally consists of a much larger component of women than the public sector banks, could also have a positive impact on the overall employment of women in the financial sector. On the negative side it must be said that the influence of these modern banks will in all likelihood be minimal unless these banks penetrate the smaller towns and semi-urban and rural business in a large way. Even then, as this expansion would be technology driven and may be accompanied by organizational tie-ups between financial institutions, the long term prospect for the repetition of the type of explosion in the number of back office jobs in banking witnessed in the seventies and eighties is not rosy. A very important aspect of the bank expansion in the post nationalization and pre-reforms era had been the social content of the banking activities and the participation of these banks in the anti-poverty programmes of the State, which ensured the growth of the bank branches more or less evenly over the rural and urban areas and in different regions of the country. And this contributed to some extent to women joining the banking sector in large numbers as these jobs provided a suitable avenue of employment for the middle class educated women and work opportunities were available close to one's place of residence. The ascendancy of market forces and considerations of profitability would act as a dampener in this process.

The insurance sector, which has just opened up to private participation, is likely to throw up some fresh job opportunities as many of the new players will be starting from a scratch and setting up a branch network, though they may not be substantial. There could, however, be large number of opportunities for selling insurance and already the industry has initiated training programmes for such sales personnel. The forecasts are very optimistic about these possibilities.

Experience in the recent past shows that in spite of the forces at work in banking that have a negative impact on employment growth, the total employment of women in the organized segment in the financial sector as a whole (including the various types of legal and business



services covered by the Industrial Classification in this sector) would grow fairly fast. This implies a shift from the areas like banking to areas like, in particular, information technology-based business services, such as e-commerce and Internet services<sup>26</sup>. There would also be substantial growth of employment in the unorganized (defined in terms of number of workers employed segment or the applicability of labour laws) segment of the financial sector, including self-employment. Some of the areas are agencies for insurance, securities, mobilization of small savings, small establishments offering various types of business services, etc.

In terms of quality, modernization of the financial sector will, no doubt, generate new or replace existing job opportunities calling for higher skills, managerial and technological and the entry of women into these jobs will be facilitated by a more intensive effort to promote skill development, particularly in information technology, as that would be the engine governing the growth of the financial sector for all time to come. If the pattern of staffing in the foreign banks spreads to the domestic banks, there will be a larger share of women in the managerial positions than now. The future expansion in banks and insurance alike will be more in selling the products rather than in keeping accounts which will increasingly be the responsibility of the machines. Development of communication and managerial skills and aptitudes for teamwork would, therefore, be as important as development of IT skills. In fact high skill levels and their constant up-gradation and quality of performance would increasingly govern job security in future.

Against this scenario that is thus unfolding, an appropriate strategy for strengthening the participation of women in the banking and other activities in the financial sector has to be evolved comprising measures to a) consolidate and strengthen the present employment in the banks and insurance companies, b) enlarge the participation of women in other organized segments of the financial sector, and c) expand opportunities in the informal and self-employment components and improve the quality of such employment.

The first of these would require a special effort on the part of the banks, particularly the public sector banks, to evolve more liberal transfer and appropriate organizational and career development policies to promote a more active and productive participation of their female employees, and thereby the performance of the banks themselves. It is primarily the threat of transfer on promotion, particularly to the rural areas (perhaps in a different State) that has been inhibiting the career aspirations of the female employees. The spate of applications from bank employees in response to the VRS is said to be due in a large measure to this threat.<sup>27</sup> A useful suggestion made<sup>28</sup> in this connection is to provide for alternative career paths for those employees (women as well as men) who prefer to work at the same place. The alternative path would imply that such employees would have to sacrifice promotions as would be due in the normal channel, but still would be eligible for a somewhat slower climb up the organizational ladder. They would not be completely denied

vertical movement but their career paths would be slower. Transfers to rural areas would also be less frightening if they take place early in the woman's career, preferably before marriage, and if some accommodation and other incentives (advance increments?) are provided.

Bank managements have to make a conscious effort to ensure equal, if not more, opportunities for proper career development through preferential promotions and in-service training for their female employees. That at present this important element of affording adequate training opportunities in human resource management does not sometimes get proper attention, even though inadvertently, has been brought out in the study sponsored by the ILO <sup>29</sup> referred to earlier. Training is all the more essential in the changing technological and organizational milieu in the banks requiring considerable enhancement of IT and interpersonal skills on a continuing basis.

Time management in the face of the dilemma between domestic duties and office work is one of the problems faced by the women employees. A study of women in clerical positions in banks<sup>30</sup> showed that 72 per cent of those surveyed never tried to take the CAIB examination required for promotion while the others who tried gave up as they could not find time for studies. Special measures would be required to encourage the efforts of female employees striving for advancement in their careers. Conflict of roles and the consequent time management problem also presents itself when work beyond normal hours is involved. It could be considered if at least in some of the bank operations not involving direct public contact flexi-time principle might be useful. Provision of childcare facilities in large banks with substantial number of women employees would also be helpful. Relaxation of age limits for the entry of women so that they could take up employment after going through child bearing stage and allowing the existing employees to re-enter employment after child care for a couple of years would also promote higher levels of female participation in financial institutions.

Trade unionism, though perhaps weakening in the face of the inexorable intensification of the reform process, is still strong enough, and will be strong for quite some time to come in the banking sector to force issues with the management. It will be necessary for the women employees to increase the level of their representation in the unions. Not only that, it is to be ensured that issues specific to the women employees are specially focused upon in the unions' representations to the managements.

While the above measures might enable women to retain their existing position in the financial institutions, it will be necessary to make a conscious effort to increase the participation of women in new areas in the financial sector. One such is the financial institutions for the rural areas like the rural branches of the commercial banks and the cooperative banks where the share of women in employment is less than 5 per cent. The

problem perhaps arises because in the normal recruitment process of the banks only urban women generally get recruited and are reluctant to be posted in rural areas. A possibility that can be explored is for the banks themselves to organize intensive pre-recruitment programmes especially for qualified women from rural areas and encourage their participation in the recruitment process through appropriate career guidance programmes. If the share of women in the rural financial institutions could be raised even by a few percentage points it will have a high overall impact. Considering the trends in the employment in the organized sector in recent years, some shift away from the banks and toward insurance, data processing and other business services seems likely in the future. For example, the new insurance business in private sector is forecast to bring in thousands of job opportunities in areas like sales, marketing, actuaries, underwriting and other office functions like planning and human resources development. The bulk of the potential is, however, in selling the insurance to the people which will be function of the agents in the field. E-commerce and Internet industry is projected to employ three lakh persons by 2003 against 86,000 in 1999.<sup>31</sup> Expansion of the facilities for IT education of women with special focus on finance and commerce on an adequate scale is therefore a priority area for action.

In spite of all this it seems inescapable that women (as well as men) will need to increasingly look for reasonably paying, perhaps less secure, employment outside the so-called organized sector and in self-employment. As already mentioned, the insurance sector is likely to open up opportunities for agents in the field. In the finance sector, women have made their presence visible in large cities as agents for small savings schemes. Micro-financing is another area in which women can actively participate by forming non-government organisations and mobilizing self-help groups. All this calls for a change in the mindset from the current preference for public sector jobs and accepting jobs and occupations which offer challenging possibilities in the private sector. Proper vocational guidance and dissemination of information would help promote such activities

## **VI. SUMMING UP**

To sum up, it seems that the financial sector will continue to grow at a rapid rate in years to come as in the past. The scope for various types of business services will expand immensely as the process of marketisation of the economy speeds up. Banking sector is expected to operate at higher levels of product diversity and productivity than before, achieved through technology and other cost reduction measures in a competitive market. Generation of the type of 'female friendly' employment that banks had been creating for women all over the country over the last three decades on a large scale may taper off in years to come. Continued social responsibilities and the militant trade unionism still prevailing in public sector banking may, to some extent, slow down the changes in the employment structure but eventually, even in the public sector, the change will take place. Future jobs in the banking, as well as in other sectors, will involve more of aggressive selling

of the products in a fiercely competitive market and less of processing of transactions which will increasingly be delegated to technology. Public sector monopoly in the insurance has just ended and it is too early to predict employment growth in this sector, though the industry has been waxing eloquent about the potential for job opportunities. Here again, the bulk of the additional employment is likely to be in selling the insurance products and in business services related to insurance and less in back offices.

While the public sector banks could do their bit in improving the status of their female employees by liberalizing their transfer and HRD policies inhibiting the career development of women and create other facilities like child care services and part-time employment opportunities, the women employees would also do well to aspire for higher careers and acquire the skills necessary for that. They should also grab the opportunities for self-employment in the financial sector in selling banking and insurance products and in other business services involving information technology.

## APPENDIX I

### SHARE OF WOMEN IN EMPLOYMENT IN BANKS

Name of Bank	Total employees	Women employees	% of women
(1)	(2)	(3)	(4)
<b><u>a) State Bank of India &amp; its Associates</u></b>			
State Bank of India	2,36,993	24,361	10.3
State Bank of Bikaner and Jaipur	15,046	1,001	6.6
State Bank of Hyderabad	14,269	1,806	12.6
State Bank of Indore	6,831	629	9.2
State Bank of Patiala	13,108	1,631	12.4
State Bank of Saurashtra	7,993	951	11.9
State Bank of Travancore	13,049	3,589	27.5
<b><u>b) Other Public Sector banks</u></b>			
Allahabad Bank	22,606	1,828	8.0
Andhra Bank	14,603	3,106	21.3
Bank of Baroda	45,935	6,107	13.3
Canara Bank	54,703	11,155	20.4
Central Bank of India	49,702	6,429	12.9
Corporation Bank	9,615	2,322	24.1
Dena Bank	15,109	2,031	13.4
Bank of India	52,518	7,431	14.1
Indian Bank	26,994	3,871	14.3
Bank of Maharashtra	16,596	3,138	18.9
Oriental Bank of Commerce	14,238	1,820	12.8
Indian Overseas Bank	28,347	4,385	15.5
Punjab & Sind Bank	12,167	866	7.1
Punjab National Bank	65,705	7,980	12.1
Syndicate Bank	36,266	7,732	21.3
UCO Bank	32,903	2,896	8.8
Union Bank of India	30,901	4,775	15.4
United Bank of India	22,041	1,343	6.0
Vijaya Bank	14,138	2,698	19.0
<b>All Public Sector Banks a) + b)</b>	<b>8,86,582</b>	<b>1,17,509</b>	<b>13.2</b>

**c) Indian Private Sector Banks**

<u>(1)</u>	<u>(2)</u>	<u>(3)</u>	<u>(4)</u>
City Union Bank	1,376	198	14.3
Global Trust Bank	1,085	306	28.2
ICICI Bank	1,342	543	40.5
IDBI	331	77	23.2
Tamilnad Mercantile Bank	2,049	236	11.5
The Benares State Bank	1,390	97	6.9
The Laxmi Vilas Bank	1,996	281	14.0
The Nedungadi Bank	1,651	16	0.9
The Ratnakar Bank	555	44	7.9
The Sangli Bank	2,271	337	14.8
The South Indian Bank	3,770	845	22.4
The United Western Bank	3,393	210	6.2
Times Bank	639	253	39.6
Vysya Bank	5,721	945	16.5

**d) Foreign Banks**

Sonali Bank	42	6	14.3
Arab Bangladesh Bank	18	7	38.9
Dresdener Bank AG	47	13	27.6
Oman International Bank S.A.O.G	75	21	28.0
Barclays Bank PLC	65	25	38.5
Bank of Tokyo	323	106	32.8
HSBC	2,512	924	36.8
(1)	(2)	(3)	(4)
ANZ Grindlays	3,251	973	29.9
American Express Bank	434	134	30.9
Citibank	1,288	491	38.1

Source: Indian Banking Yearbook 1998 reproduced in Equal Remuneration in India – Law and Practice on Gender Based Wage Differentials with Special Reference to the Banking Sector, ILO, August 2000. The data relate to 1998, except for The State Bank of India, Andhra Bank, Punjab National Bank, Global Trust Bank, ICICI Bank, Times Bank, ANZ Grindlays Bank, American Express Bank and Citibank which had been updated to 2000.



**APPENDIX II**

**EMPLOYMENT OF WOMEN IN BANKS IN DIFFERENT REGIONS**

**March 1999**

<b>Region/ Gender</b>	<b>Officers</b>	<b>Clerks</b>	<b>Sub-staff</b>	<b>Total</b>
<b>(1)</b>	<b>(2)</b>	<b>(3)</b>	<b>(4)</b>	<b>(5)</b>
<b><u>Northern Region</u></b>				
a) Total employees	52,018	84,965	40,663	1,77,646
b) Female employees	3,150	15,274	3,502	21,926
c) % of females	6.1	18.0	8.6	12.3
<b><u>North-eastern Region</u></b>				
a) Total employees	6,520	10,688	5,550	22,758
b) Female employees	239	1,594	330	2,163
c) % of females	3.7	14.9	6.0	9.5
<b><u>Eastern Region</u></b>				
a) Total employees	45,971	78,722	38,604	1,63,297
b) Female employees	1,320	6,680	1,743	9,743
c) % of females	2.9	8.5	4.5	6.0
<b><u>Central Region</u></b>				
a) Total employees	46,630	72,219	37,525	1,56,374
b) Female employees	1,126	6,299	2,073	9,498
c) % of females	2.4	8.7	5.5	6.1
<b><u>Western Region</u></b>				
a) Total employees	57,384	1,08,668	46,420	2,12,472
b) Female employees	5,764	32,899	3,371	42,034
c) % of females	10.0	30.3	7.3	19.8
<b><u>Southern Region</u></b>				
a) Total employees	82,294	1,46,212	56,437	2,84,943
b) Female employees	6,672	39,161	6,720	52,553
c) % of females	8.1	26.8	11.9	18.4
<b>ALL INDIA</b>				
a) Total employees	2,90,817	5,01,474	2,25,199	10,17,490
b) Female employees	18,271	1,01,907	17,739	1,37,917
c) % of females	6.3	20.3	7.9	13.6

Source: Banking Statistics, March 1999, Reserve Bank of India

**Northern Region:** Haryana, Himachal Pradesh, Jammu & Kashmir, Punjab, Rajasthan, Chandigarh and Delhi; **North-Eastern Region:** Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland and Tripura; **Eastern Region:** Bihar, Orissa, Sikkim, West Bengal and Andaman & Nicobar Islands; **Central Region:** Madhya Pradesh and Uttar Pradesh; **Western Region:** Goa, Gujarat, Maharashtra, Dadra & Nagar Haveli and Daman & Diu; **Southern Region:** Andhra Pradesh, Karnataka, Kerala, Tamilnadu, Lakshadweep and Pondicherry

### APPENDIX III

#### A) EMPLOYMENT IN COOPERATIVE CREDIT SOCIETIES

Year	No. of Credit Societies (lakhs)	No. of Members (crores)	Employment (lakhs)
(1)	(2)	(3)	(4)
1985-86	1.16	10.04	3.55
1990-91	0.96	9.58	3.35
1995-96	1.34	14.02	3.58
1998-99	1.40	13.70	3.81

Source: NABARD, Cooperative Movement in India Part I for 1985-86, 1990-91 and 1995-96. Indian Cooperative movement – A Profile, National Cooperative Union of India for 1998-99

Year in col. 1 is July-June for 1985-86 and 1990-91 and financial year for the subsequent years.

#### B) EMPLOYMENT IN COOPERATIVE CREDIT SOCIETIES BY STATES (end of March 1996)

STATE	EMPLOYMENT
(1)	(2)
1. Maharashtra	1,16,615
2. Tamilnadu	46,282
3. Gujarat	42,818
4. Karnataka	33,110
5. Punjab	21,876
6. Orissa	15,507
7. Haryana	14,844
8. Madhya Pradesh	13,069
9. Uttar Pradesh	12,457
10. Rajasthan	11,344
11. Other States/U.T.s	29,992
All India	3,57,914

Source: NABARD, Cooperative Movement in India, 1995-96 Part I

APENDIX III (contd.)

C) NUMBER OF WOMEN'S COOPERATIVE BANKS BY STATES

State	No. of banks
(1)	(2)
Andhra Pradesh	11
Goa	1
Gujarat	19
Karnataka	28
Madhya Pradesh	16
Maharashtra	45
Manipur	1
Rajasthan	6
Uttar Pradesh	1
West Bengal	2
<b>All India</b>	<b>130</b>

Source: National Federation of Cooperative Urban Bank

**APPENDIX IV**

**EMPLOYMENT IN LIFE INSURANCE CORPORATION**

Year (1 April of )	No. of Employees				No. of Agents		
	Class I Officers	Development Officers	Supervisory & Clerical Staff	Sub- staff	Total	Total	Active Agents
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1990	10,133	14,107	53,802	10,191	88,243		
1995	13,937	17,617	77,591	12,265	1,21,410	5,44,895	5,19,504
1996	14,029	17,897	80,964	12,846	1,25,736	5,37,117	5,13,897
1997	14,060	18,332	81,458	12,770	1,26,620	5,60,636	5,33,133
1998	14,520	18,832	80,061	12,206	1,25,619	5,91,198	5,58,517
1999	15,811	18,111	78,897	11,566	1,24,385	6,28,301	5,98,217
2000	16,222	19,474	76,804	10,367	1,22,867	7,14,615	6,83,190

Source: Annual Reports of Life Insurance Corporation for various years

## APPENDIX V

### EMPLOYMENT IN GENERAL INSURANCE

Year (31 March of)	Number of Employees				Total
	Class I Officers	Development Officers	Supervisory & Clerical	Sub-staff	
(1)	(2)	(3)	(4)	(5)	(6)
1995	15,327	13,168	44,845	11,221	84,561
1996	15,294	13,160	45,059	11,179	84,692
1997	14,983	13,303	45,912	11,076	85,274
1998	15,665	12,978	45,878	10,672	85,193
1999	15,813	12,688	45,491	10,437	84,429
2000	16,908	12,396	44,391	10,047	83,742

Source: Annual Reports of General Insurance Corporation for various years.  
The data include the staff of GIC and its four subsidiaries

1. Based on data from the Central Statistical Organization cited in Economic Survey 2000-01 (Statistical Table 1.3)
2. Striving For a Toehold - Women in the Organised Sector by Nisha Srivastava, in Gender and Employment in India, Ed. T.S.Papola and Alakh Sharma
3. Non-farm Employment in Rural Areas: How Well Can Female Workers Compete? By G.K.Chadha in Gender and Employment in India
4. Calculations based on population projections and NSSO data from Employment and Unemployment, Key Results, NSS 55<sup>th</sup> Round (July 1999-June 2000), 2000.
5. Data on total employment in columns 2 and 6 are estimated on the basis of NSSO work participation rates (UPSS) for the 38<sup>th</sup>, 43<sup>rd</sup>, 50<sup>th</sup> and 55<sup>th</sup> Rounds and the appropriate population projections. They relate to 1 July 1983 and 1 January 1988, 1994 and 2000. The other data on employment in the organized sector are based on Employment Reviews of the Ministry of Labour for the respective years. They relate to March of 1983, 1988, 1994 and 1999. To this extent, the data relate to different time points, but are good enough as approximations.
6. New India Assurance Company, National Insurance Company, United Insurance Company and Oriental Insurance Company
7. Banking Statistics, Vol. 28, March 1999, Reserve Bank of India
8. This excludes the 31, 000 in Reserve Bank itself
9. Equal Remuneration in India: Law and Practice on Gender Based Wage Differentials With Special Reference to the Banking Sector, ILO, New Delhi, August 2000 (Table 4.1)
10. Based on data collected from the Indian Banks Association. The data relate to member banks only.
11. Nisha Srivastava, See Foot Note 2
12. Based on data published in Indian Cooperative Movement – A Profile, National Cooperative Union of India
13. Based on information from the National Federation of Cooperative Urban Banks
14. P.P.Koli, Women's Urban Co-operative Banks – A Critical Appraisal in Western Maharashtra, 1992
15. On the basis of data from the Employment Reviews, Ministry of labour, for the two years
16. Employment Reviews for the two years
17. Usha Kenhere in Women in the Organised Sector; The Problems of Women Employees in Banks
18. Kirtida Surti, Role Stress: Emergence of Organizational Factors in Banking Women and Deepti Bhatnagar, Women in Banks: Role Enlargement or Enrichment in Women as a Workforce in the Organized Sector – An Empirical Perspective, Ed. I.S.Singh
19. see Foot Note 9
20. Study by Deepti Bhatnagar in Women in Banks: Role Enlargement or Enrichment
21. Report of the Committee on Financial System under the Chairmanship of M. Narasimham, 1992
22. The scheme of VRS covers employees above 40 years of age and with at least 15 years of service and the benefits are two months salary for every completed year of service or the entire



salary for the remaining years of service, whichever is lower. The Reserve Bank has also announced in mid-February 2001 an early severance scheme for its employees who are aged at least 50 and have a service of 20 years and have been superceded twice in the annual promotions.

23. In State Bank of India, for instance, it has been reported (Economic Times, 1 Feb. 2001) about 33,000 (most of them among the officer cadre) employees have applied for VRS, constituting about 14 per cent of the Bank's work force of 2.32 lakhs. In Andhra Bank the percentage is over 11 per cent. In United Commercial Bank (Financial Express, 29 Jan. 2001) more than 10 per cent of the officers and 11 per cent of the award staff have applied for VRS.
24. Insurance Industry Survey in Business India, February 5-18, 2001
25. Sigma Report quoted Business India, February 5-18, 2001
26. For the possibilities of employment growth in IT sector, see Jeemol Unni and Uma Rani, in Globalisation, Information Technology and Service Sector, Indian Journal of Labour Economics, Vol. 43, No.4, 2000
27. Based on contacts with bank managers and employees opting for VRS. Other reasons include the rumoured reduction of retirement age from 60 to 58 and frustration due to inadequate career enhancement. The success of VRS is also considered to be a symbol of the failure of the human resource development planning of the public sector banks. See, for instance, S. Arunajatesan and S. Balaji in Hindu of 8 February 2001.
28. Deepti Bhatnagar, Foot Note 23
29. See Foot Note 13
30. Usha Kenhere, see Foot Note 22
31. According to a NASSCOM survey, quoted in Jeemal Unni and Uma Rani, Globalisation, etc., Indian Journal of Labour Economics, Vol.43, No. 4, 2000

## THE WOMEN STREET VENDORS

By Arvind Singh

At the busy crossing road crossing near the secretariat of Bihar government, Prabhawati Devi sells vegetables. She was the first person to start selling vegetable here. Now atleast a hundred vendors sit along with her. She came to Patna in the year of 'Nehru's death.' Her day begins at 5 A.M. and she goes to sleep at 12 in the night. She says, 'If I work hard then I am able to earn Rs. 70-80 daily.' However there are many problems. When police evict regularly her income dips down. She laments about the bargaining and haggling nature of the customers. Further, carrying the commodities to and from and setting up the shops twice in a day is problematic and takes lot of time. In case of rains, it is more troublesome. When asked about her aspiration in life, she seemed to seriously ponder over it. Then her eyes glitters as she says : "A place where I can sell my vegetables peacefully without any disturbance by the police or anybody else." Street Vending is one of the ways by which men and women generate employment. It is estimated that in India 10 million women and men are depended on vending commodities for their livelihood. Street Vendor show an entrepreneurial spirit and are able to feed, cloth, house and educate their families. They also contribute to the city's growth and commerce. They provide an important service to the urban populace by providing goods in a timely manner at convenient locations. Over 50% of the urban population with lower incomes are totally dependent on them. The better of consumers also buy at least 50% of their needs from them. Not only this, they decentralise the marketing system of the cities and regulate spatial distribution of the cities. However despite these, vendors are subjected to enormous harassment by the authorities.

The problems can be briefly put as follows :

1. The master plans prepared for cities do not allocate space to vendors/hawkers. The study conducted by NASVI in 9 cities has shown that the master plans do not even mention about vendors / hawkers of the nine cities, only the masterplan of Ahmedabad mentioned about informal sector. Our planners blindly imitate the western concept of marketing ignoring our tradition. Thus weekly markets are struggling to survive. Western concept of sterilised & mechanised marketing is being forced upon people ignoring the fact that display of wares and social interaction has been the hall mark of the Indian markets.
2. Vendors have to deal with multiple authorities i.e., Municipal Corporation, Police (Thana as well as Traffic), Regional Development Authorities, District Administration, Local Panchayat and so on. This leads to more exploitation and also in some cases positive steps taken by one authority is nullified by the other.
3. The Municipal Corporation laws are outdated and based on 19<sup>th</sup> Century British Municipal Laws which are detrimental to the peaceful conduct of business by vendors. The policies of various corporation also harm the vendors. For example, in cities like Patna/Lucknow the contract for collection of municipal tax is auctioned to contractor who exploit the

vendors to the hilt. The Tehbazari system of Delhi too creates ambiguity and despite payment of tax there is no security of selling the commodities.

4. Supreme Court Judgements : The Supreme Court has taken the cognizance of the need of the vendor to earn his/her livelihood, as well as the importance service they provide to the consumer, and has directed the urban authorities to facilitate the earning of their livelihood in a way harmonious with the needs of all citizens. In 1985, the Supreme Court in the Bombay Hawkers Unions vs. Bombay Municipal Corporation directed that each city should formulate schemes, which would include hawking and no-hawking zones. This was followed by the 1989 Supreme Court Judgement of Sodhan Singh etc. vs New Delhi Municipal Committee and another etc., where hawking was decided as a fundamental right Article 19(1)g, subject to reasonable restrictions. According to these judgement it was the intention of the Supreme Court that the livelihood of the vendors be preserved and at the same time the interests of the pedestrians and other through traffic be preserved. These however were never translated into action.
5. In order to attract foreign investment, many cities have launched beautification drive, which has intensified the eviction process of vendors. Eviction takes a heavy toll on the business of vendors and they have to restart the cycle of building their work capital. Eviction is perhaps the biggest challenge being faced by vendors.

#### **Operation Sunshine**

At the end of the night on 24<sup>th</sup> Nov. 1996, hundreds if leaders of leading constituent of Left Front and Police Cops joined hands to implement Operation Sunshine. The Cardres put on badges of Calcutta Municipal Corporation (CMC). They resorted to ransacking, loot, setting of fire and last but not the least indiscriminate assault on innocent hawkers. 1640 stalls were burnt and raised to dust and 102 hawkers were arrested. Calcutta based dailies front-paged Operation Sunshine, as some scribes had been taken to select spots to project operation Clean-up side of the programme, disregarding the wailing dependants of victims of Operation Sunshine. State Government made a statement that Operation Sunshine was successful. Operation Sunshine was essentially against economical development and anti-people. There are about 191,000 hawkers in Calcutta. On the contrary, various deliberation, legislative actions, seminars etc. have reiterated that hawkers continue to play an important role in the economy and the smooth development of society. Estimates say that the total annual contribution to the economy by hawkers of Calcutta is to the tune of Rs. 3000 crores. To give an interesting example, the food hawkers got a signature campaign of the office goers for allowing them to put up stalls in the afternoon. The food for which they pay Rs. 30 to the restaurants is provided by the hawkers in Rs. 5.

6. Many so called 'citizen groups' are raising voice against the vendors under the false notion that cities without vendors will be clean.
7. The banks do not come forward to meet their credit needs as a result of which they are

8. There is no social security fund for the vendors.
9. Anti-social elements and police and municipal official extort money from them. As a result of all these a large portion of vendor's income is drained and they are not able to carry on the business with dignity and peace. These problems are compounded when it comes to women street vendors. But first the number of women vendors. A census conducted in Patna by Nidan in 1997 showed that 21.56% of vendors are women. Given below is summary of census according to the place/mode of selling.

### Census Results

Category	Men		Women	
	Number	Percentage	Number	Percentage
Footpath	13,467	73.79	4,783	26.21
Government land	21,464	85.80	3,552	14.20
Push cart (static)	5,154	97.97	107	2.03
Push caet (mobile)	1,334	99.18	11	0.82
Completely mobile	3,287	44.80	4,049	55.20
Private land 40.60	2,089	85.40	357	14.60
Total	46,795	78.44	12,859	21.56

Total number of vendors 59,654

As can be seen by the figure, only in case of mobile vendors, the women outnumber the men. In fact, even the access to the so-called 'unauthorised markets' is limited for even. Thus many of them are scattered. A random sample survey conducted by S.N.D.T. University found only 11% women vendors in the 'established' markets.

To quote Prof. Sharit Bhowmick's study of 9 cities "The sex composition of the hawkers was in favour of males in most of the cities. Mumbai and Calcutta have larger proportion of male hawkers than the other cities. In the former over 75% of the hawkers are male while the study of Calcutta claims that only 5% of the hawkers were female. In the other cities, namely, Ahmedabad, Bangalore and Bhubaneswar males around 60% of the hawkers. Imphal is the only city covered where hawkers are exclusively women. In all the cities, with

the exception of Imphal, the income of the female hawkers is substantially lower than the males. This is for mainly two reasons. Firstly, women hawkers sell cheaper goods and in small quantities as they lacked capital. In most of the cities (Mumbai, Ahmedabad, Bhubaneswar, Patna and Bangalore) they sell vegetables, fruits and flowers in small quantities. Secondly, women hawkers cannot spend as much time on hawking as their male counterparts as they need to take care of the daily needs of the family such as child care, cooking, cleaning etc. These activities not only curb their independence but also reduced their income through hawking. In Imphal, the women who take to hawking come from poor families. Since they lack capital to invest in their goods, they are unable to buy greater quantities of goods to increase their income. Hence we can see that in all cities women vendors are in more vulnerable position than the males”.

To quote further from the study “A common feature in all cities covered is that the income of the female hawkers are lower than those of the males. In Mumbai and Bangalore the income of females selling vegetables, fruits and flower is between Rs. 30 to Rs. 40 per day. Another important fact is that in both cities these female hawkers are either the main earners in the family or they supplement their husbands' or fathers' household income range between Rs. 1000 and Rs. 1500 per month. Undoubtedly these women belong to families that are below the urban poverty line or just barely above it. Mumbai provides contrasts as far as female hawkers are concerned. The women squatting on the pavements in the working class area of the Central Mumbai (Lal Bagh, Parel, Chinchpokhil etc.) have started hawking after the closure of the textile mills in that area. In contrast to these petty hawkers the flower sellers at Siddhi Vinayak temple at Prabhadevi, also in central Mumbai represent a higher income group. This temple attracts a large number of devotees on all days and more so on Tuesdays. The flower seller around the temple are exclusively women. These women too are wives of textile workers who are now unemployed. They used to face a lot of harassment by the police and municipal authorities while plying their trade. They then got together and formed an informal association through which they tried to get legitimacy for their work. The municipal authorities finally agreed to allot them space on the pavement where they could construct kiosks. They have now increased income considerably. Their average monthly income would be around Rs. 3000 “Studies also point out that women vendors are more concentrated in selling perishable goods like vegetables, fish flowers, fruits etc. This result is higher risk in terms of time and space. Goods have to be sold on time. Evictions and confiscation play havoc on their lives. Hundreds and thousands of examples can be cited to illustrate how goods simply get rotten or sold at throw away prices or the ‘rubble’ is



returned by the Municipal authorities to the vendors after few days of confiscation. The working capital is disastrously disturbed. A major problem faced by women vendors is lack of sanitation facilities in the market. This causes enough hardship. Cases of sexual exploitation are also reported from every city. A distressing picture is that a lot of old women, who were no longer supported by their families, were forced to take up vending for a livelihood. Even among the unorganised sector, vendors are relatively more organised. A major way in which women vendors are further discriminated against is neglect and ignorance by trade unions. With perhaps the sole exception of SEWA, trade unions have somehow neglected the women. Women organisations have also not organised them. Recently years have witnessed some changes but are very slow to create any major impact. In absence of them being organised or women leaders among them, the women vendors are more vulnerable to exploitation. Then they are either marginalised, or have to concede more concessions or are left at the mercy of the union leaders.

### **Formation of Alliance**

Organisations throughout the country have been organising vendors and hawkers since quite some time. For the last 50 years many struggle have been up at local level against marginalisation and atrocities on vendors by these organisations, unions and also by individuals. Though some local and national gains were made due to years of struggle, no significant improvement in their overall situation has been observed. Problems still persist in almost all the cities of India. A marco-level policy for street vendors is the felt need across the cities in India, irrespective of their demographic, geographic and cultural differences. The necessity for endeavouring together was felt by many such organisations. At the initiative of SEWA, Ahmedabad. The National Alliance of Street Vendors, India was formed in September 1998 to work for fomulation of a National Policy for Street Vendors. The National Alliance is a coalition of various trade unions and voluntary organisation working for protecting the rights and improving living conditions of hawkers and vendors More than 250 organisation from 49 cities 22 states of the country are presently part of the National Alliance.

### **Demands**

The National Alliance urges the Government to formulate a National Policy having the following :

- Give Vendors legal status by issuing licences, and providing appropriate hawking zones.
- Protect and expand vendors existing livelihood.
- Promote and develop the natural market system.
- Make street vendors a special component of the plans for urban development by treating them as an integral part of the urban distribution system.
- Include the vendors in Town and City Master Plans.
- Issue guidelines for supportive services and social security at local levels.
- Set up a social security fund for street vendors.



- Promote self-governance of hawkers through organisation.
- Set up appropriate, non-formal mechanism like tripartite or multipartite committees with representation by street vendors and hawkers, NGOs, local authorities, the police and others.
- Provide street vendors with relief measures in situation of disasters and natural calamities.

### **Initiatives**

Since its formation in September 1998 the Alliance been carrying out various activities :  
These are as follows :

1. *Organisation of regional meetings* : Four regional meetings have been organised in Delhi, Bangalore, Mumbai and Patna for North, South, West and East Zone respectively. The regional meeting have helped in –

Initiating dialogue with planners, municipal bodies, police.

Enabling intervention in the cities in which meetings were organised.

Highlight issues – among all-national dailies and news program on electronic media have covered the meetings.

Identificaiton and linking trade unions and voluntary organisation.

Initiating National level dialogue

2. *Organisation of meetings in cities* : meetings have been organised in many cities like Lucknow, Calcutta, Katihar, Nawadah etc. with the above mentioned objectives.
3. *Newsletter* : A newsletter called "Footpath Ki Aawaz" is being published after every three month. It has emerged as strong medium of communication and source of information about other activities/organisations.
4. *Study* : In an effort to gather more information about laws/policies relating to vendors and their implementation a study was conducted in 9 cities of India – Mumbai, Ahmedabad, Indore, Patna, Calcutta, Bangalore, Bhubaneshwar, Delhi and Imphal. They study was co-ordinated by Prof. Sharit K. Bhowmick, head of the Department of Sociology of Mumbai University. The draft report has been published.

5. **Supreme Court Cases :** National Law School was requested to do a study of judgements of Supreme Court relating to vendors. The report has also been published.
6. **Gathering Information :** Ever since the formation of the Alliance many interesting and relevant informations have been gathered or unearthed from various sources. Such information has helped developed strategy and has helped in advocacy.
7. **Sharing Information :** Alliance is also acting as a conduit of information for its member organisation. All relevant information being gathered is posted to members and information is also provided when demanded.
8. **Highlight Issues :** Issues are being highlighted through media, seminar, workshop etc.
9. **Communication material :** Posters and other communication material have been developed.
10. **Catalyst role :** The Alliance has been able to act as catalyst and has given a big boost to the localised struggle in many cities.
11. **Perspective building :** The National Alliance has also built the perspective of its partners in terms of multi pronged strategy for achievements of the goals of its members. Further, an unique change has occurred in terms of perspective building due to interaction between the member organisations. For example, many trade unions have realised the use of development work in any struggle and similarly the N.G.Os are more aware and motivated about the benefits of various methods of struggle.

The national initiative got a boost with Street Net Association becoming active.

**STREET NET ASSOCIATION :** The International Alliance of Street Vendors (originator of Street Net) was formed in 1955 by a group of activists from eleven countries around the world working to promote and protect the rights of street vendors. Over the past several years, the Alliance has evolved into a network of individuals and organisation committed to increasing the visibility, voice and bargaining power of street vendors.

The Alliance service as a bridge between and among individuals and organisations working on behalf of street vendors in different regions of the world and at different levels of action (local, national, regional, and international). The Alliance decided to promote the development of a global network to promote the exchange of information and ideas on critical issues facing street vendors and on practical organisation and advocacy strategies. Through this network (Street Net) it is hoped that member will gain an understanding of the common problems of street vendors, develop new ideas for strengthening their organising and advocacy efforts, and join in an international campaign to promote policies and actions that can contribute to improving the lives of millions of street vendors.

Conclusively one can say that though street vending provides the poor women an important avenue to take care of their families, due to lack of faulty policies and perceptions their income is not only drained but are also exposed to the exploitation by various forces. In an era of liberalisation, when entrepreneurship is being encouraged, women vendors continue to suffer due to neglect. The suffering has increased in recent years because of the 'clean city' drives by the local governments. Small steps by government in fact, have brought considerable changes in the lives of these women vendors. Recent years have witnessed spurt in their organising but the most important intervention in their lives would be a national policy, which would not leave them at the mercy of local governments or even individual administrators.

## Relocating Space for Women Workers in Construction Industry

By Ashok Raj and Rakesh Kapoor

### 1. Introduction

In the ensuing conflict between business and labour, propelled the changes taking place due to globalisation of the country's economy, the labour group which is perhaps going to be the worst affected is the women construction workforce. Highly invisible in terms of their sweating contribution to a male-dominated sector, these women workers for ages have remained as secondary-helper workers, extremely underpaid, exploited and marginalised. Yet new aspirants as migrant labour from rural areas keep on arriving in increasing large numbers on construction sites in hope of exchanging their labour in return for a sustainable livelihood. The structural changes now being introduced in the construction industry threaten the very survival of this workforce as a distinct labour category.

Women construction labour has remained the least understood and cared for. In the mainstream labour discourse, it has remained virtually submerged in the large mass of unorganised construction labour. In recent times, no research studies have been carried out on the plight of this large segment of workforce except occasional field surveys and interventions by welfare organisations. The trade unions have also not been able to differentiate this labour force for taking up special interventions and regular support.

This paper attempts to locate women construction workers in the changing world of business and technology in the Indian construction industry. It suggests a set of measures towards enhancing the productivity of this workforce, improving its employment conditions and promoting its labour rights and welfare.

### 2. Magnitude of Workforce

The construction industry is one of the largest segments of the unorganised sector in the country, next to agriculture in terms of investment and employment. It may be the second largest employer with 3 lakhs organisations offering work to a large number of skilled, semi-skilled and unskilled workers. However, the exact size of the construction workforce in this country and the proportion in it not known. Various estimates are as follows:

- (i) According to the 1991 Census data, construction workers accounted for 5.54 million out of 285.93 million workers, or 1.9 percent of the economically active population in the country. The number of women construction workers was estimated to be 0.42 million or 7.6 percent of the total workforce.
- (ii) According to NSSO Survey (1993-94), the construction workers constituted 3.2 percent of the total workforce. 4.5 percent of all male workers and 1.27 percent of all female workers were engaged in construction activity. The figures for urban and rural construction workers were 6.3 per cent and 2.3 per cent respectively. Among women construction workers more than 98 per cent are casual workers, whereas the proportion of casual workers among women workers in all industries together is far less, about 75 per cent Deshpande and Deshpande (1998).
- (iii) According to the Ministry of Labour, in 1996-97 there were 8.5 million workers in construction (or 1.7% of economically active population).

- (iv) According to trade union sources, in 1995-96 the number of construction workers was as high as 1.30 crore amongst whom more than one crore (83 per cent) were contract workers. 16 per cent of the national labour force are construction workers. The proportion of women workforce could be 10 per cent or even as high as 50 per cent. A large number of women are also deployed in brick kilns but their number is not known.
- (v) The proportion of construction workers in the unorganised sectors is estimated to be 78 per cent. Among the total 41.56 lakhs women workers in the organised sector in the country in 1997, only 1.56 per cent are construction workers.

## 2.1 Deployment

Table 1 gives the number of women workers deployed in various types of construction operations in the country. It is seen that apart from building construction, they also work in infrastructure development projects and in water management projects in large numbers.

**Table 1 Number of Women Employed in Different Construction Works**

Industry Code	Type of Construction Work	Size of Workforce
500	Construction and Maintenance of buildings (including aerodromes)	856,903
501	Construction and maintenance of roads, railway bridges, tunnels, pipelines, ports, harbours, runways, etc.	850,680
502	Construction and maintenance of water-ways and water reservoirs such as bunds, embankments, dams, wells etc.	802,867

Source: Compiled from Gopalan (1999).

## 2.2 Growth Pattern

The share of employment in construction has continued to rise in urban areas over a period between 1977-78 and 1993-94. It was 3.7 per cent in 1977-78, 4.8 per cent in 1983, 5.4 per cent in 1987-88 and 6.3 per cent in 1993-94 (Visaria, 1996). According to another estimate, during the period 1981-1991, the rate of growth of employment in the construction industry was 7 per cent per year against the national growth average of 2.3 per cent (Thakur, 1998).

**Table 2: Distribution of Urban Workers by Usual Status by Industry Division**

Industry Division	Males			Females		
	1983	1987-88	1993-94	1983	1987-88	1993-94
Agriculture	9.7	8.5	8.7	25.5	21.8	19.3
Minimng & Quarry	1.2	1.3	1.3	0.8	0.9	0.7
Manufacturing	27.0	26.0	23.6	26.0	26.9	23.6
Utilities	1.1	1.2	1.2	0.2	0.3	0.3
<b>Constructions</b>	5.1	5.8	7.0	3.7	4.3	4.9
Trade	20.2	21.5	21.9	9.9	10.9	10.7
Transport	10.1	9.8	9.8	1.7	1.2	1.5
Services	24.8	25.3	26.4	31.4	33.6	38.8
Not classifiable	0.8	0.6	0.1	0.8	0.1	0.2
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

Source: NSSO, 1997; taken from Deshpande and Deshpande (1998).

As seen in Table 2, there has been a relative decline in both male and female employment in urban areas in manufacturing, while that in construction has increased over the years. In these areas, the female intensity in the construction workforce has shown an appreciable increase over the years. While the share of female construction workers to the total female workforce has also gone up marginally, the increase is lower than that observed in the corresponding share for males. This apparent anomaly can be explained by a substantial increase in the work participation rate of women in urban areas as well as an increase in the sex ratio of the population (Deshpande and Deshpande, 1998).

In rural areas, only about 1 per cent of the total rural women workers are found to be engaged in construction work mostly provided by public works. It has been found that rural women usually shift from agriculture to construction work in case of a drought but most of them revert back to agriculture after the drought. However, those who had taken up manufacturing continue in it even after the drought (Deshpande and Deshpande 1998).

The female deployment in the construction sector also seems to be positively aligned with female employment in manufacturing other than home-based work. This alignment is observed especially for cities undergoing rapid increases in the female employment in the construction sector. For male workers, employment in construction is negatively aligned to employment in non-household manufacturing (Mitra and Mukhopadhyay, 1989).

### **(3) Marginalisation: Nature and Conditions of Work**

The marginalisation of women workers in construction industry is caused by an extreme fragmentation of labour at the pre-entry level according to sex and skills. This manifests in the inhuman nature and condition of work of these workers and their extreme discrimination by the employers.



### (a) Nature of work

Unlike other industries, where women are employed in semi-skilled or sometimes even in skilled jobs, in construction industry they are engaged only in manual work (see Table 3). The jobs, in fact, are far more strenuous than in manufacturing industries. They are mostly head-load workers, who carry bricks, cement, sand and water from one place to the other, sometimes over great heights along precariously balanced wooden beams or structures. They are also involved in cleaning up, concreting and earth work. In construction industry women workers represent a very large segment of the unskilled workforce which is nearly 85 per cent of total workforce in this sector. They are completely absent in the apprenticeship trades (accounting for nearly 50 per cent of workforce) and specialist non-craft occupations (Subramaniam, 1982).

The women workers begin at the lower rung of the job hierarchy and remain there till the end of their working life. They can never aspire to move up in this hierarchy to become skilled masons, painters or carpenters. While a male unskilled worker can acquire skills over a period of time, a female unskilled worker remains unskilled even after her retirement. There seems to be a very small of women masons/brick layers, found mostly in rural areas.

Given the strenuous nature of work and the difficult conditions in which it is carried out, young women are employed in the prime of their youth. In most cases the work life of a woman in the construction industry comes to an end at the age of about 35 years (John, 1997a).

Women are engaged in substantially large numbers in brick kilns where they carry out operations like raw bricks to be spread in the sun, turning the bricks on all sides for even drying etc. Building and construction operations in rural areas are also carried out by women workers in large numbers.

**Table 3 Categories of Construction Workers according to Type of Skills Workers' group**

Workers' group	presence of women workers	Workers' group	presence of women workers
<b>(a) Unskilled workers</b>		<b>(a) Skilled workers</b>	
Weight Lifter	High	White Washer	Nil
Dust Lifter	High	Sand Blast Operator	Nil
Digging Worker	High	Carpenter	Nil
Watchman	Nil	Plastering Operator	Nil
Waterman	Medium	Mason	Low
Santering worker	Nil	Title Fitter	Nil

<b>(b) Semi-skilled Worker</b>		Painter	Nil
		Plumber (iron)	Nil
Steel Bender	Nil	Cement Finisher	Nil
Concrete Mixer	Low	Glazier	Nil
Brick Layer	Low	Electrician	Nil
Glass Fitter	Nil	Blacksmith	Nil
Scaffolder	Nil	Pipe Lifter (cement)	Nil
		Machine Operator	Nil
		White Washer	Nil

Source: Subramaniam (1982).

### **(b) Causalisation of workforce**

The employment of workers in the construction industry exhibits very high causalisation and contractualisation. More than 95 per cent of the 3.5 million construction workers in the country are temporary workers. An additional 6.5 million seasonal workers are also engaged in the unorganised sector, a large proportion of them being women (Shankran, 1994).

### **(c) Invisible employer-employee relationship**

The operations of the construction industry are based on the system of contracting, subcontracting and labour contracting. The labour sub-contracting system continues to be the main mechanism for the recruitment of construction workers. The labour contractors exercise a dominant influence in matching the supply to the demand for various skills and so also in the wage determination of construction workers.

As a result of above system, there is no direct relationship between the employer and the worker. Throughout his/her career a worker remains invisible to the principal and to the prime contractor. The principal employers in both public and private sectors do not organise the labour process. The work is contracted to private companies or individuals, who need to have no knowledge about the production process or the labour organisation (Subramaniam, 1982 and Van der Loop, 1996).

### **d) Low wages**

The contractual/casual nature of the employment results in substantial difference in wage rates. The unskilled workers are differentiated far more in respect of wages and other facilities than those employed on a semi-permanent basis. This discrepancy between wages is a permanent feature in both the organised and the unorganised sector. The existence of a chain of sub-contractors between the main contractor and the workers directly engaged in the performance of the tasks, also depresses their remuneration. This is as much true of the male workers as of the females. In the industry unskilled men, as helpers, also do head-load concreting and earth work, but women are always paid less than men for equal work (Pal, 2000, Noronha, 1998 and Girija, 1988).

In construction projects in rural areas, a large number of tribal women are involved and they are paid less than the non-tribal women. In areas where there is lower demand in agricultural work, wages of women workers in construction are generally low (Sinha and Ranade, 1975).

As seen in Table 4, the average daily wage earnings of casual women workers in construction sector in 1993-94 was as low as Rs.9.56 (at 1982-83 prices) and it increased only by Rs 2.30 since 1987-88. The wage of male casual labour was only slightly better.

The level of skills also determines the regularity of work. While skilled workers are absorbed on regular-work period, the unskilled women workers are absorbed workers up-to-work period, leading to irregular availability of work and low average yearly wages (Subramaniam, 1982). The short duration of employment, frequent movement from one site to another makes it difficult for them to have a settled life and stable household (Pal, 2000).

**Table 4 Average Daily Wage Earnings of Casual Wage Labour in Various Industries**  
(in Rupees at 1982-83 prices)

<b>Activity Status/Sector</b>	<b>Male 1987-88</b>	<b>Female 1993-94</b>	<b>1987-88</b>	<b>1993-94</b>
Rural-Class Labour in Public Works	8.36	9.46	6.16	7.01
Others Types of works in Agricultural sector	8.19	8.91	5.41	6.25
Non-agricultural sector	10.25	11.36	5.87	6.54
Urban Casual labour in Works (Other than public works)				
Agricultural sector	9.49	10.54	5.60	6.81
Mining and quarrying				
Manufacturing (of which)				
Consumer goods	11.56	12.68	5.20	6.00
Capital goods	11.11	12.12	5.74	5.80
Electricity, gas and water	11.19	15.39	6.98	8.87
<b>Construction</b>	<b>12.83</b>	<b>14.41</b>	<b>7.86</b>	<b>9.56</b>
Trade	9.93	10.62	5.58	7.71
Transport, storage and Communication	11.67	13.18	9.92	7.57
Finance and business service	11.16	10.90	1.15	9.88
Community, social and personal services	10.96	10.30	5.87	7.15
Non-agricultural sector	11.61	12.72	6.1	7.27

Source: NSSO 43rd Round (July 1987 to June 1988) and 50th round (July 1993 to June 1994); taken from Singh (2000).

**Box 1: Chithal: Women Construction Workers in Tamil Nadu.**

The word 'Chithal' meaning small person, has become synonymous with women labour in construction industry. They form the lowest rung in the hierarchy of relations in this industry and their status is connected with the very structure of the industry itself. Whether she labours for the public sector or in the private sector makes little difference in her conditions of work and status.

On all sites, a woman construction worker remains a Chithal, the unskilled category, throughout her career. The male unskilled, called Perial, who performs a slightly different work from that of his female counterpart within the unskilled category, is always paid higher. Thus the wage differentials can be said to be based entirely on sex difference. There seems to be no basis for rating of unskilled work lower or higher in value than another. For instance the work of Chithals, namely, carrying construction materials, rates lower in value than to work of Perials who is mixing these materials on sites. Chithals perform the work of Perial on small sites, but they are not entitled to a higher wage equal to that of Perial.

And unlike public employees, Chithals enjoy no maternity benefits, social security and proper working conditions. Non-employment (lay off) during and after pregnancy leads to severe hardship on the part of Chithals.

Source: Girija et al (1988).

**(4) Indian Construction Industry**

The construction industry plays a vital role in the Indian economy with an annual turnover of Rs. 2,10,000 crores. It makes a substantial contribution to the GDP and National Capital Formation and also accounts for a major share of the capital outlay of the national plan. The value added in construction as a per cent of GDP is around 4.5 per cent (as against 7.8 per cent in developed countries) (CIDC, 1997).

The strength of the Indian construction industry comes from a substantial pool of highly qualified, experienced technical manpower, managerial cadre, abundant labour force along with well-established engineering practices.

Table 5 gives the Gross Capital Formation (GCF) of construction industry in public, private and household sectors. It is seen that since mid-1980s, the proportion of public sector in GCF has decreased while that of private and household sectors has increased over the years. Also the capital formation in 1993-94 has become more than two and half times than in 1986-87.

However, the current trends in massive increase in GFCF do not match with the growing national needs. The infrastructure investment requirements up to the year 2001 on an assumption that the GDP will increase from 5.5 per cent to 7 per cent, will be in the region of Rs. 45000 billion over the next five years. In the housing sector, there was a housing shortage of 31 million units in March 1991 (Expert Group on the Commercialisation of Infrastructure Projects - Rakesh Mohan Committee, 1996). It has been estimated that this shortage would be about 41 million units by 2001, out of which 75 per cent will be in the rural areas (John, 1997).

**Table 5 Gross Capital Formation by Sectors in Construction at Current Prices**

Year	Public Sector	Private Corporate Sector	Household Sector	Total
1980	6900 (50.55)	508 (3.72)	6241 (45.72)	13649
1986-87	18598 (60.83)	1877 (6.14)	10098 (33.03)	30573
1987-88	19308 (60.83)	179 (6.14)	13900 (33.03)	34787
1988-89	2277 (53.75)	1923 (4.64)	17245 (39.96)	41445
1989-90	21974 (45.88)	1851 (3.86)	24607 (50.25)	47892
1990-91	25486 (43.67)	2886 (4.94)	29991 (51.39)	58363
1991-92	30076 (44.75)	4490 (6.68)	32639 (48.57)	67205
1992-93	31650 (43.012)	5490 (7.48)	32263 (49.40)	73403
1993-94	34954 (44.04)	7342 (9.25)	37077 (46.71)	79373

Source: CIDC (1997).

#### **(5) Impact of Globalisation: The Industry**

In the post liberalisation period, Indian construction industry is witnessing many structural changes which are going to radically transform the business as well as the construction labour market. As a result of a burgeoning economy coupled with a tremendous strain on infrastructure and increasing urbanisation, the construction market in the country is growing at a phenomenal pace and is predicted to continue doing so in the coming years. This sector is also making big strides at the export front; it registered a 100 per cent growth in 1998-99 over that in 1997-98, while most of the sectors such as the auto industry projected negative rates in the same period (The Hindustan Times, 1999).

The expansion of construction sector is characterised by new openings, in favour of both private and foreign capital and technology, and a considerable reduction in public investment. The new formations now taking place in this sector are summed up as follows:

With the onset of liberalisation, the private construction sector has suddenly been given a very important role to play in nation building. Requirements of substantial funds, latest technology and more efficient working system have suddenly assumed importance. Development of Roads and highways, Railways, Docks and Harbours, Power plants, Petrochemical plants and several other areas have now become the domain of private sector.

Several projects on Build, Own and Operate (BOO) or Build, Operated and Transfer (BOT) basis in the aforementioned areas are being executed by the private sector, apart from 100 per cent ownership basis. It is worthwhile to note that a majority of such projects are being executed by joint venture business bodies where partners of multi-country origin are involved. Housing and Real Estate Development, however is an area which does not permit foreign participation, though Indian private construction sector is quite actively involved (Swaroop, 1997).

As seen above, the opening of the economy has placed domestic construction industry in a highly competitive market. Under the prevailing WTO regime, the essential requirement of global tendering has facilitated the entry of many MNCs in the Indian construction scene in a big way. The presence of some of these companies is increasingly visible in many infrastructure development projects being undertaken under government funding as well as under bilateral/multilateral assistance arrangements. Major foreign companies which have already arrived are : Bechtel (USA), Hyundai (Japan), Mitsui (Japan), Obayashi (Japan), Savdesa (Sweden) and Trafal House (UK).

Many world leaders in construction have already arrived staking claim on projects for building of petrochemical plants, refineries, factories, roads, bridges and metro rail projects. Highly technology-smart and equipped with huge paraphernalia of latest machinery and construction methods, the entry of these companies is going to have far reaching implications for the domestic construction industry as well as the labour.

For the industry, the main trends are easily discernible. First is a rapid and complete privatisation of the construction sector. Although government would remain the major client and probably the major credit provider, the role of public sector companies and government departments in construction projects would become extremely marginal.

However, far more significant would be the rapid transformation of the technological base of the industry. This transformation is being propelled by two mutually reinforcing factors. First is the immediacy of the need of the domestic industry to become technically competitive to come at par with the foreign stakeholders in the construction market. The second factor is the growing interest of the foreign manufacturers of construction machinery and accessories as well as of consultancy firms for whom India is a potential huge market



hardware and technical expertise. With extensive marketing strategies, these companies are now making inroads into the Indian construction industry in a big way virtually eliminating the role of domestic companies like Hindustan Earth Movers Ltd, Engineers India Ltd. and many others.

The impending modernisation is going to shake out the Indian construction industry from its age-old slumber of traditional technologies. As in the developed world, the future trends would be towards use of factory-provided pre-construction elements reassembled at construction sites coupled with extensive mechanisation of a large number of operations.

Table 6 lists major equipment and construction elements being introduced in the construction industry. Nearly all operations, from mud digging and shifting, concrete mixing, placing and curing, assembling of steel structures and assembling of pre-fabricated elements would be mechanised. Ready-mix concrete plants, for instance, have already being introduced at many places. In fact, as retail market expands, such plants would supply concrete as per the customer's specifications on construction sites and the would placed on the structures by pumping machines. As the French multi-national, Lafraq, has already entered in the field of the cement market in a big way, the share of ACC is getting reduced and as a result, the company is now rapidly diversifying into RMC and in fact has created a niche market for this new technology product in some parts of the country. In fact, RMC and pre-fabricated structures are finding increasing use, not only among the large firms but also medium sized construction activities in urban areas.

**Table 6 Major Construction Equipment/Accessories being Factory-produced  
Equipment/Accessories Impact on Labour**

Excavators	Reduction to 1/20th of present workforce
Ready-mix concrete (RMC) Plants	Reduction to 1/20th of present workforce
Concrete pumping machines	Reduction to 1/10th of present workforce
Chemical concrete curing	Reduction to 1/5th of present workforce
Bar-behind machines	Reduction to 1/5th of present workforce
Steel structures with high tension bolts	Reduction to 1/10th of present workforce
Wall panels (made from flyash-based cement)	Reduction to 1/10th of present workforce
Pre-fabricated segments	Reduction to 1/10th to 1/5th present workforce
Complete pre-fabricated steel structure	Reduction to 1/20th of present workforce
High-strength concrete ASC slabs of different sizes (made from flyash-based cement)	Reduction of 1/20th of present workforce
Auto-dov wall panel using flyash cement (aerated, light weight half of a mud brick weight, low cost and high eat isolation property; most ise in earthquake prone regions	Reduction to 1/20th of present workforce
Pre-engineered buildings	Reduction to 1/50th of present workforce

Source: Information collected from industry sources.

Pre-fabrication of construction elements (including ASC slabs and Auto-dov wall panels) represent a major technological leap for the construction industry in the coming years. In fact, the industry would witness setting up of high technology production plants which would produce concerte-based construction segments by rolling as being done in Russia and many other Eastern European countries.

Thus it is anticipated that mechanisation would facilitate high quality construction of international standards, and far less construction than taken by traditional manual operations.

In this rapidly changing scenario, CIDC has emerged as the country's flagship for making the way for a rapid modernisation of construction industry. Set up by Planning Commission jointly with construction corporates, the council intends to: (1) engender quality, speed, economy and efficiency in all types of construction activity, (2) to be competent and competitive in domestic and international markets; and (3) to be responsive to the economic, technical, environmental and social changes and public policies.

The CIDC has identified major critical factors which are undermining the competitiveness of Indian construction industry in the world market: (1) little access to the latest technologies, (2) lack of mechanisation and suitable infrastructure; (3) absence of practical and suitable system for construction financing; and (4) absence of unified and consistent training facilities for construction workers.

#### **(6) Impact on Labour**

The anticipated technological overhauling of construction industry is going to radically transform the country's traditional labour market. As the industry has been based on labour-intensive technologies, it has been a source of ready employment of a large mass of urban and rural poor. In fact, one major factor which has inhibited modernisation of Indian construction industry is the abundance of cheap labour.

The present trends indicate that as the industry is going to be highly capital intensive, there would be very high escalation of project costs (according to one estimate, more than double the costs with traditional technologies). With increased mechanisation, there would be massive displacement of labour in nearly all construction operations. As seen in Table 5, women labour would be completely eliminated from the main operations in which they have been traditionally deployed, namely, soil digging and carrying, carrying inputs in concrete mixing and placing, concrete curing and brick carrying. Although data on labour deployment on construction sites using modern construction methods is not available, it seems that the overall deployment of labour will become 1/50th to 1/5th of the earlier numbers. Obviously manual labour, and especially the women workers, would be increasingly eliminated from the construction sites.

The present emphasis on technological modernisation has completely overlooked the issues affecting the construction labour, particularly women workers. According to CIDC estimates the growing investment being made in the industry will generate over 20 million employment opportunities. But it seems that this estimate has not taken into account the impact of mechanisation on labour deployment (CIDC, 1997).

Apart from massive displacement of unskilled and semi-skilled labour, the changes in business and technology would lead to much greater casualisation of labour. This is because the massive growth in investments is being obtained under the conditionality of a liberalised labour market put by the international and other donor organisations. This coupled with the building of large conglomerates of foreign and domestic private builders and contractors would make the employer-employee relationship far less visible.

From the available data, the above trends are already discernible. A comparison of Table 5 with Table 7 shows that in the post-globalisation period, while the construction industry is witnessing massive increase in the capital formation, its wage bill is decreasing over the years. This situation implies two distinct possibilities: Either a large proportion of labour particularly the unskilled category is highly underpaid or the industry is now in the process of displacing this labour through increased mechanisation. Clearly, women construction workers are going to be worst affected by this emerging scenario.

**Table 7 Total Gross Wage Bill and Per Capita Daily Earnings of Employees Covered Under the Payment of Wages Act, 1936 (1986-1996) in the Construction Industry**

Year	Gross Wage bill (Rs. in '000)	Per capita earnings (Rs.)
1986	23,524	29.52
1987	245	22.43
1988	7,576	20.19
1989	43,138	59.52
1990	66,297	58.32
1991	67,814	53.41
1992	3,253	39.40
1993	8,926	40.40
1994	3,235	63.00
1995	3,712	56.84
1996	249	45.50

Source : Compiled from Indian Labour Journal, March, 1998.

Apart from their displacement from the construction sites, women workers are also going to lose jobs in the brick making sector. Brick kilns which employ women and children in large numbers are now facing closure because of heavy air pollution caused by them. Increasing use of ASC slabs and Auto-dov panels would make mud brick making obsolete because of reduction in demand at least in the urban areas.

Thus Indian construction industry represents a classical case where the women workforce is made to pay the highest when new technologies are introduced. They lose out on skills and are the worst victims of increasing unemployment. It is ironical that while globalisation is generating jobs for women workers in export promoting zones, free trade zones and factories, its impact on women workforce in construction industry is becoming highly damaging even to their meagre survival.

As the industry becomes far more dominated by men and machines, women are going to be increasingly pushed out. Latest trends also indicate that the participation of women in construction in rural areas is also decreasing which possibly indicates a stagnation in rural construction sector. Thus with their reducing access to work in big public and private sector projects, the huge mass of women would shift towards the traditional household construction sector in urban areas. Needless to say the nature and condition of their work would remain the same till this sector also finally adapts mechanisation in a big way rendering the this workforce jobless.

## **(7) Whither Women Labour Rights and Welfare**

### **(A) Increasing casualisation of workforce**

A high degree of casualisation and contractualisation in construction industry has a direct bearing on the wages, working conditions, provision of social security and opportunities for skill development. The industry structures the labour market in such a way that the labour force remains fragmented and flexible. Workers are either hired by contractors on a semi-permanent basis, or registered as casual workers.

Contractual construction work falls within the organised sector of the economy; hence the Minimum Wages Act, Equal Remuneration Act, Contract Labour (Regulation and Abolition) Act, Workmen's Compensation Act and certain labour welfare regulations including stipulations on overtime are applicable. Despite the existence of rules and regulations on wages and conditions of work, these are not implemented. The labour laws relating to social security like the Employees Provident Fund Act, 1952, the Employees Sate Insurance Act, 1948 and the Payment of Gratuity Act, 1972 are based primarily on the premise of an enduring visible employer-employee relationship, which is not applicable to construction workers. The recent changes in the industry - its rapid globalisation and development of increasingly competitive market and renewed emphasis on subcontracting of construction activities through a chain of foreign companies, builders, contractors and sub-contractors - would accentuate the contractualisation, flexibilisation and casualisation of labour in a big way.

Amidst the massive changes in construction industry being engineered by massive investments and technological modernisation, the issues of labour rights and welfare of the workforce have been given a short shrift. Although the CIDC proposes to safeguard the interests of construction workers in these changes, no organisation of construction workers is listed as a member (John, 1997). Given the lowly status of women workers in the industry and their apparent dispensability, the CIDC documents do not even recognise their role in the changing world of construction business. The Building and Construction Workers Act (1996) also does not specifically mention inclusion of women workers in the Tripartite boards to be constituted under this legislation.

As part of promotional efforts, the CIDC in collaboration with Industry Credit Rating Agency (ICRA) has initiated a programme of credit rating of Indian construction companies so as to give them incentives in bidding in projects worldwide. The agency is also formulating a construction cost index to take into account cost escalations due to inflation and other factors. However, none of these initiatives seem to give any emphasis on the obligations of the companies to ensure growth opportunities for the workers and safeguard their rights.

No evidence is available whether the foreign construction companies/their Indian partners in the joint ventures are treating domestic labour as per the stringent labour welfare requirements in their own countries. It is possible that the conditions of labour may not be very different as many operations in the projects being handled by these companies are being carried out through sub-contracting of work to local contractors/sub-contractors.

### **(B) Safety and health hazards**

Although India has ratified the ILO Convention 55 on safety measures, construction industry has remained one of the worst accident-prone sectors in the country. The most common occupational hazards are: failure or collapse of scaffolding, cantering of structures, improper guard against the work environment, working during night with poor lighting, fire and electrocution, excessive noise, handling of heavy, finished and semi-finished materials like metals, blasting, underground work, etc. Equally damaging are the health hazards which lead to many incurable diseases (see Table 8). Women workers suffer also because of the drudgery of their work and the manner in which they have to shift materials on the construction sites.

Medium and small construction firms which employ more than 90 per cent of labour do not follow any kind of safety guidelines. Some of the unskilled labourers know that there do exist rules that call for compulsory observance of safety measures, but they never get any safety gadgets, not even simple protections like helmets, gloves and ear plugs. Medical first aid facilities at most construction sites are either absent or inadequate. Employers often do not pay compensation in cases of accidents and even death of workers on the sites.



The above situation is partly due to the fact that the construction companies and contractors quote low tenders by not including the provision for safety measures which would increase their costs considerably. Surprisingly, no mention of accidents and safety measures has been made in CIDC's formulation of either the weakness of the industry or its programmes of training (Menon, 1999).

**Table 8 Common Health Hazards in Construction Industry**

<b>Cause</b>	<b>Effect</b>
Cement dust	Irritation to lungs, cancer and skin disease.
Plaster	Irritation to lungs, eyes and skin and lung cancer
Wood Burning	Asthma and lung cancer
Sand	Silicosis
Asbestos	Asbestosis (lung disease)
Work at heights	High blood pressure
Sound	Loss of hearing stress and high blood pressure
Heat	Heat cramps and sun burns
Vibration	Numbness of hands and fingers
Repetitive Work	Sprain and Rheumatism

Source: Menon (1997).

### **(C) Suffering motherhood**

A majority of construction workers live at the construction site itself. Contractors rarely build temporary sheds for workers and even these sheds lack basic amenities and have no proper sanitary or lighting facilities. Workers always have to live with the non-availability of fuel and drinking water. As usual, it is the women workers who bear the brunt of this lack of basic facilities. All these factors directly contribute to the poor health of the workers and their children.

According to the provisions in the Factories Act (1948) and the Building and Construction Workers (Regulation of employment and conditions of service) Act (1996), the employers are bound to provide separate water and toilet facilities for men and women workers. These are seldom adhered to, exposing the women workers to embarrassment and subtle and manifest sexual abuse (Pal, 2000) .

Women workers are entitled to maternity benefits, but most of them do not avail of these and work until the day of delivery, and they are back at work within three to four weeks after childbirth lest they lose a day's earnings. Though there is a provision for crèches on

construction sites, not a single company is reported to have provided this facility (Labour Bureau, 1996). The utter callousness to the needs of working mothers and the non-provision of any facilities for basic education to their children creates a situation of high incidence of child labour in construction industry. At tender ages, in the absence of alternatives, children start assisting their parents and end up child labourers.

The plight of women construction workers has become so acute that a very large majority of the desire occupational change; they want jobs involving less strenuous work in a better work environment. Many women workers would even like to leave their jobs if their husbands could earn enough (Subramaniam, 1982 and John, 1997)

**Box 2: Mobile Creches: An Innovation in Women Labour Welfare**

Mobile Creches, a voluntary organisation, committed to children of poverty stricken working mothers, has set up 377 mobile creches centres and has reached thousand of children through its permanent offices in New Delhi, Mumbai and Pune.

These creches are so called because most of them are temporary and move alongwith the infants from one construction site to another till they grow above 12 years. Their services include health hygiene, nutrition and primary education. They attempt to tackle problems of acute shortage of safe drinking water, absence of drainage and garbage disposal system

Source: Asian Age (1997).

**(D) Response of trade unions**

The response of the trade unions towards mobilising women construction workers has been far from impressive as only 4 per cent of these workers are registered as union members. The average number of women members per union is as low as 20, while the figure in case of men workers is 460 (Table 9). Thus their status as unskilled helpers in construction industry is also reflected in their status in the trade unions as well.

**Table 9 Trade Union Membership of Men and Women Workers in the Construction Industry**

Percentage of Members		Average number of members per union
Men	96	460
Women	4	20

Source: Compiled from Labour Bureau, Statistical Profile on Women Labour (Fifth Issue), 1998, Ministry of Labour, Chandigarh/Shimla.

**(E) Towards strengthening of provisions**

The labour organisations have raised many objections to the provisions in the Building and other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 and the Building and Other Construction Workers Welfare Cess Act, 1996 (National Campaign Committee for Central Legislation on Construction Workers, 1988, National Federation of Construction Labour, not dated and Shankran, 1995). The main objections are at three levels:

- (i) The legislation has highly inadequate measures for regulation of work. It concentrates mainly on welfare provisions.
- (ii) The amount of levy to be collected as per the legislation is insufficient to provide adequate social security measures. The normal wage component in construction activity is around 20 per cent, a minimum levy of 7 per cent is essential to make the legislation workable.
- (iii) Bringing in size of establishments into the definition of workers to be covered by the Act would be to exclude the majority of workers from the purview of the Act.
- (iv) There are no obligations in the contracts the contractors should provide crèches, toilets, drinking water, canteens, pay minimum wages and implement other welfare measures, and then costs should be included in the cost of the project. In fact, the procedure of calling in the lowest tender in construction makes the builders to cut down projected costs by cutting down on labour welfare provisions and wages.

**(8) Expanding the Skill Base**

Apart from immediate implementation of the two legislations, an expansion of the skill base is going to be crucial for the larger upliftment of construction workers, particularly the unskilled women workers. In view of the projected technological changes, the construction industry would require a much larger component of skills in its activities. Expanding the domain of skills would not only lead to an increase in the quality, speed and productivity

levels of the industry and standardisation of work, but it would also improve the economic and social conditions of the workers. For them, it would ensure greater continuity of employment and also raise their productivity, earning capacity and levels of living.

The facilities for formal training of construction workers has remained extremely low. The Industrial Training Institutes have not been able to give adequate attention to the industry especially due to the low level of literacy of the workers. The Building Centres and Habitat Polytech under HUDCO set up by government too have proved to be largely unsuccessful in imparting training to workers on a regular basis.

In response to the emerging needs of the industry, the CIDC has given special emphasis on generating trained manpower on a pilot basis. The turning programme would cover limited number of trades and aim at producing instructors, trainers and master craftsmen. National Building Construction Corporation (NBCC) has also initiated a training programme for imparting multi-skills to the construction workers at the Employees Development Centre for expanding the scope of training to construction workers sponsored by Labour Cooperatives. The National Academy of Construction (NAC) had proposed to the government to make it mandatory for contractors to have their workers certified by the Construction Workers Training Institute (CWTI), for executing government works. Moreover, at least 10 per cent of the workers should be mandatory certified by the institute for implementation of major projects like World Bank-funded schemes (News Time, 1999).

Similarly, The National Academy of Construction has set up the CWTI, one among the seven institutes on the anvil, which would cater to upgrading skills of workers in the construction industry. However, these initiatives looks rather cosmetic in view of the fact that with an annual increase of 12.8 lakhs unskilled workers, their number would reach a staggering 180 lakhs in a few years (John, 1997).

In this content, it should be recognised that although formal institutional skill training which takes into account the changes in technology as well as organisation of work is essential for skill formation in the new globalised content of the construction industry, it will not be sufficient to meet the demand of skilled labour. Thus the traditional *ustad-shagird* system (transfer of skills from the from a master craftsman to helper) which is prevalent in many crafts related to construction work (Raj, 1997), should also be strengthened as another of skill formation. Although the traditional system is slowly disintegrating due to phenomenal growth of construction industry (John, 1997), its usefulness remains crucial as the limited opportunities for formal training are likely to remain limited. Moreover, the training initiatives have to move beyond the conventional perceptions of the distinct male-orientation of the construction trades, and offer opportunities to women workers to become a viable constituent of the trained human resource for the industry.

## **(9) Challenges and Strategies**

In the present era of globalisation of economy, the construction industry has to realise that there is a need to adopt a more inclusive process for its development in which capital formation, expansion of market and the overall productivity are directly linked with the well being of its labour force. Unless the structural changes being introduced in the industry do not provide to the labour an equal partnership, the intended reforms will not bear much fruit. It will certainly not be a case of liberalisation and economic reform with a human face. At the same time, bad labour conditions and inhuman treatment of workers, particularly of women, would give a bad image to the construction industry and to the country (as has happened in the case of child labour in carpet industry).

Apart from a progressive change in the mindset of the industry, a package of state interventions are also required for healthy development of the labour market to ensure supply-demand balance, and adequate wages and work and living conditions for the workers.

It also needs to be emphasised that in order that the workers have a proper share in the gains of productivity and prosperity of the industry, the institutional set up of the labour market, arrangements for recruitment, and training and fixation of wages and conditions of work, need to be restructured in a way that provides power to workers to bargain with the employers as equals. To achieve this, the present system of production, from the industry to the labour market, which perpetuates fragmentation and deprivation of the workers needs a complete overhauling.

Within this prospective, women construction workers should be recognised and supported as a distinct labour category. With necessary social as well as technological interventions, it is necessary to create a viable space of these workers among 'the men-and-the machines' in the industry as a productive segment of the workforce. For this, they have to be provided adequate opportunities for sustainable livelihood, access to technology through imparting of skills and upholding of their gender rights.

Women's work in construction involves extreme drudgery. There should be a wide expansion of their work with suitable technological inputs to reduce the drudgery of physical labour as well as to increase their productivity. In fact, as shown by many studies, incorporation of the views of women workers regarding the use of equipment and machinery leads to an increase in the productivity of many industrial operations.

Increased women's employment has been a keen aspect of recent changes in global production and trade, particularly in labour-intensive manufacturing. It is likely that demand for women workers may decrease in the coming decades as a lack access to skills would

greatly undermine their full participation in the emerging high technology-based economy. In this context, it is of utmost important that the work of women construction workers is thoroughly upgraded by including them in new areas of operations by providing them extensive opportunities for skill training. At the same time, a set of women-friendly technologies need to be introduced in the construction operations which not only would reduce the drudgery of their work but also help them in taking up many skilled trades in the industry.

A list of recommendations for improving the condition of women construction workers are presented below. These recommendations are based on the views of labour experts and activists expressed in various reports and documents.

## **(10) Recommendations**

### **(A) Creating Support Systems for Women Construction Workers**

#### **Recommendations:**

#### **Action By:**

(1) Constitute tripartite boards at the district, region and state levels **(with 50 per cent representation to the workers, at all levels in which women workers should be included in proportion to their numbers in a given region)** to perform the following functions:

Ministry of Labour, NCCL and state labour ministries

- ◆ Regulate employment and wages with provisions for regulating the wages against price rise
- ◆ ensure equal wages for women workers
- ◆ ensure payment of minimum wages as rainy season relief (similar to the scheme for fish workers)
- ◆ adopt a mechanism for resolution of disputes

(2) Include women workers in brick kiln sector in the construction workers' legislations

Ministry of Labour

(3) Ensure compulsory registration of construction workers (with a separate register for women workers) and issue identity cards to them

(4) Ensure compulsory registration of employers including contractors, sub-contractors and other labour suppliers, without any ceiling on the number of workers employed

(5) Make it mandatory that election of workers representatives in tripartite boards is from amongst the workers through secret ballot and not by nomination of state government



- (6) Ensure speedy and strict enforcement of the rules under the amended Acts throughout the country
- (7) Promote housing and other construction work in rural areas to generate employment for rural women
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**(B) Upgradation of Skills and Occupations**

(1) Identify construction operations (both in on-site and factory production of construction elements) which are being created by technological changes and in which women can be increasingly absorbed in the future.

Ministry of Labour, National Academy of Construction, CIDC, engineering institutions

(2) Promote training of women construction workers in traditional as well as specialist skill occupations in collaboration with Regional Vocational Training Institutes and mini-ITIs with resource persons from industry and local master artisans and technicians.

Directorate General of Employment and Training, Welfare Boards, CIDC, Regional Builders Associations

(3) Carry out amendments in the apprentice act to provide reservations for women construction workers.

Ministry of Labour

(4) Ensure reservation of at least 25% of seats for women workers in the courses offered by Construction Workers Training Institute (CWTI), the Building Centres and Habitat Polytech.

National Academy of Construction, CIDC, HUDCO, CAPART

(5) Make it mandatory for construction corporates to promote a certain proportion of women workers to skilled occupations by providing on the job training.

Ministry of Labour, Ministry of Urban Development and agencies involved in construction.

(6) Request national literacy mission groups to identify women workers and motivate them to join the literacy classes.

National Literacy Mission, NGOs

(7) Promote enrollment of young girls in ITIs and vocational institutes in construction courses.

Directorate General of Employment and Training,

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### **(C) Development of Women- friendly Technologies**

Carry out research and development on:

- i. development of equipment/tools which can be reduce the drudgery of work carried at by women.
- ii. technology assessment of construction equipment/ methods from gender point of view and identify modifications to make them women friendly in their operations.

DST, CAPART, National Academy of Construction, Engineers India Ltd., NBBC, HUDCO, CSIR and engineering institutions and NGOs.

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### **(D) Ensuring Safety and Health**

(1) Adopt comprehensive safety measures in tune with the technological changes in the industry.

Ministry of Labour, Ministry of Law and Company Affairs

(2) Make it mandatory for companies to:

- i. include safety measures and their costs in the planning stage of the projects and enlist a 'safety clause' in the bill of quantities attached with all tenders.
- ii. disseminate instructions on safety regulations and precautions to be taken among workers on regular basis and displaying them at prominent places on work sites in languages familiar to workers.
- iii. provide on-site medical facilities and medicines for workers
- iv. submit reports on general health of the workers every month to the concerned welfare board

Ministry of Labour, Ministry of Urban Development and agencies involved in construction.

(3) Identify personal safety gadgets which can help in reducing the occupational hazards faced by workers, particularly women

National Academy of Construction, National Institute of Occupational Diseases, Centre for Bio-medical Engineering, IIT, Delhi and other S&T institutions

### **(E) Ensuring Rights and Welfare**

(1) Make it mandatory that the welfare cess to be created through the Act should under no condition be less than 2 per cent of the estimated cost of construction.

Ministry of Labour, NCCL

(2) Set up women cells in each welfare board with special provisions for funds

Ministry of Labour

and to provide the following benefits to women workers:

- ◆ Ensure payment of provident fund benefits
- ◆ Include women workers employed through contractors in the coverage of the of bonus Act.
- ◆ Provide compensations in case of death, accident or invalidation by fixing a considerable amount
- ◆ Link workers with ESI to provide medical, sickness accident and maternity benefits.
- ◆ Provide to women workers maternity benefits of a suitable amount for each delivery and provision of maternity leave
- ◆ Ensure provision of crèches at worksite and in residential localities and promote deployment of mobile crèches on a large scale
- ◆ Ensure problem of sexual harassment of women working in the construction industry by adopting preventive measures under the law and provision of relief for women victims; and making it mandatory for employers to keep a register of workforce engaged by them
- ◆ Make it obligatory for employers to provide temporary accommodation to workersBring construction workers under pension scheme after 50 or 55 years of age
- ◆ Fix a time limit within which clarify must be provided.

(3) Make it mandatory that election of Workers Representatives in welfare boards should be elected from amongst the beneficiaries through secret ballot and not by nomination through state government.

(4) Introduce a system of rating of construction companies according to their performance in meeting the provisions of labour rights and welfare, and safety and health, particularly with respect to women workers.

Ministry of Labour, CIDC  
and NCCL

**(F) Collecting Evidence for Policy making**

(1) Identify women masons, tile fitters, carpenters, painters, etc. in construction industry and examine the pattern of their skill formation and productivity vis-à-vis their male counterparts.

DST, CAPART, National Academy of Construction, HUDCO and NGOs

(2) Carry out studies on:

- i. impact of mechanisation on construction labour deployment.
  - ii. safety and health issues from women workers point of view and identify appropriate measures.
  - iii. condition of labour force in projects being handled by foreign construction companies
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V V Giri National Institute of Labour, NCCL and NGOs

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# Globalising Handicrafts Market and Marginalisation of Women Crafts-workers

By Ashok Raj and Rakesh Kapoor

## 1. Introduction

In the present era of liberalisation, the country's handicrafts sector stands out as a major achiever in terms of phenomenal expansion of domestic and international markets. This sector now directly links a big traditional rural economy with the far distant metropolitan and global markets, providing visibility to a large number of artisans through their work.

Crafts are one of the most productive segments of the country's vast informal sector. They also constitute a major part of home-based work both in rural and urban areas, where a large number of women carry out a range of crafts-related activities (Singh, 2000). For these women and their families, crafts has remained their main occupation and often the only means of livelihood.

The country's crafts scene is presently undergoing a complete transformation, governed by compelling market factors. The unprecedented increase in the demand of handicrafts in the country as well as abroad has led to new situations. Firstly, this phenomenon has resulted in the crafts-persons having an access to new markets, which they could not have dreamt of a few years ago. Secondly, a segment of crafts-persons have acquired a new identity: they now have a nationally/regionally recognised identity and are respected by the government institutions and crafts enthusiasts alike (Discover India, 1998). Thirdly, To keep pace with current demands, many of them have successfully made the transition from traditional techniques to modern ones, while emphasising complete self-reliance yet to be witnessed in any other sector.

## (2) Women and Crafts Production

Handicrafts sector is the largest employer of manpower after agriculture in rural India. Crafts production traditionally has been organised around home-based producers and local users in a complex mix of rights and community obligations. Crafts occupations are customarily caste-linked where the place of craftsmen and women in the social hierarchy is codified in the status of their particular caste. These customary caste relationships and family kinship structures have continued to shape women's work and women's entitlements.

Traditionally, the Indian village economy had crafts as an important source of non-farm activity, seasonal as well as perennial. They supplied the basic requirements of the village such as for earthenware, wooden tools, blacksmithy, basketry, leatherware, etc. (Raj, 1999). Many rural crafts like cane-bamboo crafts and earthenware in which women are engaged in large numbers are essentially a case of subsistence production. By and large, such crafts in India are engaged in by poor households for day-to-day survival producing items for the local community.

With the arrival of commodity market system with industrialisation, crafts tended to decline because large industries provided substitutes for items craftsmen used to produce for local consumption (Krishnaraj, 1992). The declining economy of crafts forced men to seek alternative employment in the form of labour, either in the village or outside, but some switched to commodity production of saleable craft items establishing links with outside procurers and traders. But women of the same families continued to do crafts work within the traditional pattern of family and community obligations.

However, from the 1960s onwards the crafts sector began to receive national and international attention because of prolonged efforts towards promoting certain artistic and highly skilled crafts traditionally patronised by the elite and aristocratic sections of the society. With extensive support from the government agencies, crafts enthusiasts and NGOs, a luxury upmarket, both domestic and foreign, has been carefully developed in these handicrafts over the last few decades (see Chattopadhyay, 1975 and Saraf, 1982). An important aspect of this process was the official recognition and rewarding the masters among the crafts-persons for their excellence in work. Thus a large number of masters were discovered from their obscure existence in the remote backward areas and brought to the centre stage. Among them, there are large number of women who with their magic hands have become the flagship of country's culture and an agent for promoting foreign trade.

### **(3) Women Artisan Intensity**

The increasing demand of the craft products over the decades in both domestic and the international market, has resulted in massive increase in employment in crafts sector. The sector witnessed a dramatic increase in number of crafts-persons; from 48.25 lakhs persons during 1991-92 to 81.05 lakhs in 1997-98 (Annual Report, Ministry of Textiles, 1998-99). As women constitute nearly 18 per cent of total artisan population (Vijyagoplan, 1993), their present number is estimated to be about 14.60 lakhs. Trends continue to indicate that while male participation in crafts has been slowly decreasing over the years, female participation is on the rise, particularly in rural home-based crafts sector (Krishnaraj, 1992).

The proportion of women employed in different handicrafts varies from a low of 40 percent to a high of nearly 80 to 90 per cent (Krishnaraj and Deshmukh, 1990). Table 1 gives number of women employed in different crafts groups. Women artisans dominate in trades like decoration of cloth (embroidery and lace making), coir work, cane and bamboo craft, dyeing and bleaching of textiles, earthenware, reed mat making, artistic leatherware, weaving and papier mache. However, over the years, women have also started entering those craft areas traditionally considered to be male bastions, namely, stone carving, metal work and wood work (Raj, 1999 and Labour Bureau, 1999). The number of women handicrafts artisans getting the recognition of master crafts-persons is also increasing over the years. On an average, they constitute around 15-20 per cent of the total masters awarded by the government agencies in a year (Raj, 1999).

**Table 1**  
**Distribution of Crafts by Number of Women Employed**

<b>Crafts Groups according to Number of Women Employed</b>		
<b>0.5 to 1 million</b>	<b>0.2 - 0.5 million</b>	<b>0.1 - 0.2 million</b>
235 Weaving and finishing of cotton textiles in handlooms, other than khadi 740,899	272 Manufacture of wooden and cane boxes, crates, drums, other, wooden containers, baskets and other wares made entirely or mainly of cane, rattan, reed bamboo willow 319,808	236 Weaving and finishing of cotton textiles in power looms 158,024
	279 Manufacture of wood, cane and bamboo products not elsewhere classified 248,358	261 Manufacture of all types threads, cordage, ropes twines, nets, etc 162,240
	320 Manufacture of structural clay products 216,350	Embroidery and making of crepes, laces and fringes 174,379
	322 Manufacture of earthen ware and earthen pottery 331,112	268 Manufacture of coir and coin products 163,859
		277 Manufacture of cane and bamboo furniture and fixtures 156,692
		389 Manufacture of miscellaneous products not elsewhere classified such as costume jewellery, costume novelties feathers, plumes artificial flowers brooms, brushes lamp shades tobacco pipes badges, wigs and similar articles 190,586

Source: Gopalan (1998)

As seen in Table 2, males continue to be the dominant workforce in the handicraft sector represented in this table (and also in other tables which follow) by the 12 main crafts

**Table 2**  
**Distribution of Artisan Population by Sex in Selected Crafts**

(per cent)

<b>Crafts</b>	<b>Male</b>	<b>Female</b>
Lace Work	1.69	98.31
Reed Mat Making	20.00	80.00
Embroidery	28.00	72.00
Artistic Leatherware	65.71	34.29
Papier Mache	70.59	29.41
Cotton Durri	85.71	14.29
Woollen Carpets	85.82	14.18
Hand Printed Textiles	86.89	13.11
Cane and Bamboo work	88.24	11.76
Zari and Zari Goods	91.91	8.09
Woodware	92.52	7.48
Woollen Durri	96.25	3.75
Shawls	97.14	2.86
Art Metalware	97.73	2.27
Imitation Jewellery	99.04	0.96
Stoneware	91.80	0.20
All Crafts	83.28	15.72

Source: (Vijayagopalan, 1993).

It has been further observed that among the artisan households, about 29 per cent of the family members are engaged in handicraft work. About 40 per cent of the artisans are found to be illiterate (Vijayagopalan, 1993). Among the masters, more than 97 per cent of the masters in the sample were literate with nearly 84 per cent having attended school. Among these nearly 31 per cent had done either metric, higher secondary or an equivalent course (Raj, 1999).

#### **(4) Globalisation of Indian Handicrafts through Exports**

From a meagre Rs. 19 crores in the early-sixties, handicraft exports crossed Rs. 1,220 crores mark by 1990-91 and reached a staggering figure of more than Rs 8000 crores in 1999-2000 (Table 3 and Table 4). However, there seems to an extreme regional imbalance because the share of handicraft exports from southern region and eastern region has remained extremely low.

**Table 3**  
**Year-wise Exports in Handicrafts**

Year	Value of exports (Rs crores)
1961-62	19
1971-72	91
1981-82	412
1990-91	1220
1999-2000	8060

Source: Compiled from various annual reports, Ministry of Textiles.

This phenomenal growth in handicrafts exports has taken place primarily because crafts had a natural advantage of good market access which has been built up in a big way since the 1980s as part of showcasing country's cultural heritage in the western markets. With the extensive outward market-oriented thrust in the 1990s, the crafts sector cashed on the prevailing familiarity of the prospective customers in the West with Indian artifacts, and thus built on the niche market which had already been created through massive institutional support of the state.

#### **(5) Marginalisation of the Workforce: Nature and Conditions of Work**

##### **(A) Employment Status**

The crafts artisans are either own-account home-based workers or wage earners working in manufacturing units often owned by a master crafts-person. For nearly 52 per cent of the self-employed artisans and 25 per cent of wage earnings in this industry, handicrafts is a hereditary occupation (Vijayagopalan, 1993). Thus contrary to the common belief, a large workforce in this sector does not have a family background in crafts but have taken it up as a means of employment.

Every wage household had an average of 1.46 members engaged in handicraft activity. In the self-employed sector, the average labour force per manufacturing unit was 4.82 members, comprising 2.21 persons from the artisan family and 2.61 persons as paid labourers. Thus every self-employed artisan was associated with 1.18 paid workers. Among the different crafts, employment was the highest in embroidery followed by reed mats, woodware and hand printed textiles (Vijayagopalan, 1993).

**Table 4**  
**Item-wise Exports of Handicrafts during 1998-99 and 1999-2000**

(Rs. crores)

Item	1998-99	1999-2000	Percentage increase/ decrease
<b>A. Carpet &amp; Other Floor Coverings</b>			
(a) Woollen	1783.34	1888.45	+5.89
(b) Silk	136.44	153.93	+12.82
(c) Synthetic	94.16	93.65	(-)0.54
Total	2013.94	2136.03	+6.06
<b>B. Other Handicrafts</b>			
1. Art Metal-ware	1324.16	1497.18	+13.07
2. Wood-ware	286.04	348.95	+21.99
3. H.P. Textiles Scarves	1033.98	1158.05	+12.00
4. Embroidered & Crocheted Goods	1209.42	1584.36	+31.00
5. Shawl as artware	18.18	21.50	+18.26
6. Zari & Zari goods	74.95	83.52	+11.43
7. Imitation Jewellery	104.10	113.64	+9.16
8. Misc. Handicrafts	1007.57	1116.40	+10.80
Total	5058.40	5923.60	+17.10
<b>Grand Total</b>	<b>7072.34</b>	<b>8059.63</b>	<b>+12.34</b>

Source: All India Handicrafts Board.



## **(B) Wages and Incentives**

The average daily wage rate of women crafts workers was as low as Rs 18 in 1990-91 - nearly half that of men and nearly the same as paid to a child worker in the crafts industry (Table 5).

The daily wage rates for the male, female and child artisans were found to have increased at a compounded average rate of 5.9 to 6.2 per cent per annum during the last ten-year period (1981-82 to 1990-91). For the male, female and child labour, however, the rise in the wage levels was not found to be commensurate with the general increase in the price levels during the decade. If the current wage levels of 1990-91 are deflated by the present cost of living index, it is found that handicraft artisans are in no way better off, at present, as compared with the situation obtaining ten years earlier in respect of real wages (Table 6).

Among the various crafts, male artisans engaged in imitation jewellery, followed by shawls, get the highest wages. Women engaged in hand printed textiles get the maximum wages followed by the cane-bamboo making industry and zari work. The wage rate in three women-dominated crafts - lace work, reed mat making and leatherware - is extremely low. In fact, all crafts indicate a status quo in wages over the years.

As in other industries in the unorganised sector, the payment of wages to artisans is on piece rate basis. This system works to the advantage of the employers in the sense that workers in the unit are termed as contractual labour and are beyond the purview of labour laws and regulations (Singh, 2000).

Unlike other unorganised sectors, job security for the wage earning artisans as a whole does not seem to be a serious problem due to a perpetual shortage of adequate skilled personnel in most crafts. It is still a common feature, in most crafts for employers/master craftsmen to have a hold over artisans by advancing loans, thereby they have to continue to work with them for years (Gupta, 1999). But as the sector is expanding rapidly, its manpower base would also expand, drawing people from non-crafts occupational backgrounds. This might eventually lead to less job security as the employers would be able to exercise greater freedom in hiring and firing workers.

**Table 5**  
**Average Wage Rate in the Handicrafts Sector (current prices)**

Year	Daily Wage Rate (Rs.)		
	Male	Female	Child
1980-81	17.62	9.26	8.81
1981-82	18.78	9.90	9.20
1982-83	20.02	10.58	9.62
1983-84	21.34	11.31	10.06
1984-85	22.75	12.09	10.53
1985-86	24.23	12.94	11.33
1986-87	25.85	13.83	12.15
1987-88	27.59	14.78	13.03
1988-89	29.43	15.81	14.03
1989-90	31.41	16.90	15.02
1990-91	33.43	18.08	16.33

Source: (Vijayagopalan, 1993).

**Table 6**  
**Real Average Wage Rate of Artisans**

	Average wage rate (1981-82) (Rs.)	Average wage rate (1990-91) at current prices (Rs.)	Real wage rate (1990-91) at constant prices (1981-82=100) (Rs.)
Male	18.78	33.43	18.30
Female	9.90	18.08	9.89
Children	9.20	16.33	8.94

Note: The cost of living index (price indices) has recorded a level of 182.7 points in 1990-91 as compared to the base year, 1981-82.

Source: Vijayagopalan, 1993.

However, insecurity in work is often caused by the continuously changing whims and fancies of the buyers, particularly the importers of crafts in other countries. Therefore, the crafts-persons have to keep on innovating and creating new designs, products and use of new materials to keep alive the interests of the prospective buyers and thus sustain and expand the existing market demand.

Almost all the artisans in wage employment, males as well as females, in all trades are not aware of the level of minimum wages (Table 7). More than 75 per cent of the manufacturing units do not pay the wages promptly to their workers, particularly in trades of woollen duri making, imitation jewellery, shawl making, woodware and papier mache. Incentives for additional production are not paid in most except to some extent in embroidery.

**Table 7**  
**Wages and Incentives Payment Conditions of Wage Earning Artisans**  
(per cent of workers)

Crafts	No incentive for additional production	Not aware of minimum wages	Prompt payment of wages
Woodware	100.0	100.0	9.8
Imitation Jewellery	100.0	100.0	12.5
Cane and Bamboo Work	100.0	87.8	77.8
Hand Printed Textiles	98.4	100.0	57.4
Shawls	100.0	100.0	5.3
Stoneware	100.0	100.0	26.7
Woollen Carpets	99.0	100.0	17.7
Art Metalware	96.5	94.7	27.2
Woollen Durri	100.0	100.0	4.6
Cotton Durri	100.0	100.0	60.0
Zari and Zari Goods	100.0	100.0	21.2
Embroidery	91.3	100.0	50.0
Lace Work	100.0	100.0	-
Artistic Leatherware	100.0	100.0	86.7
Papier Mache	100.0	100.0	14.3
All Crafts	98.4	98.2	27.5

Source: Vijayagoplan, 1993.

### (C) Work Environment

In the handicrafts industry, the workers in general have to work for strenuous long hours. Basic amenities like proper light, ventilation, drinking water facilities, etc. have remained inadequate in most of the units employing wage earning artisans. Even in units engaged in

crafts like lace work , embroidery, art metalware, etc., inadequate ventilation poses serious health hazard to the workers. In crafts engaging substantial female labour, nearly one-fourth of the total units do not provide toilet facilities (Vijayagopalan, 1993).

#### (D) Non-adherence to Labour Rules and Regulatory Measures

Like most industries in the unorganised sector, in the crafts industry too labour rules and regulatory measures are generally not followed. 43 per cent of the labourers normally worked till late hours. In trades which are accident-prone, no precautions are taken against accidents. Medical/first aid facilities and provision for leave in case of serious accidents or illness are not available in nearly all production units. In 92 per cent of the units no compensation is paid to workers for accidents (Table 8).

**Table 8**  
**Adherence to Labour Rules Regulatory Measures**  
(per cent of wage earners)

Crafts	Working late hours	No medical facility	No first aid	Accident compensation	No leave facility	No maternity leave
Woollen Carpets	28.6	89.2	83.7	93.6	59.1	97.5
Woollen Durri	18.2	..	81.8	90.1	68.2	100.0
Cotton Durri	40.0	80.0	100.0	100.0	60.0	100.0
Imitation Jewellery	43.8	90.6	75.0	93.7	71.9	100.0
Zari and Zari Goods	38.3	87.9	78.8	100.0	57.6	97.0
Embroidery	63.0	97.8	97.8	97.8	78.3	97.8
Lace Work	47.4	100.0	47.4	94.7	57.9	100.0
Hand Printed Textiles	59.0	96.7	80.3	100.0	82.0	100.0
Shawls	63.7	94.7	57.9	100.0	36.8	100.0
Art Metalware	46.5	87.7	75.4	86.0	72.8	100.0
Woodware	68.6	76.5	15.7	74.5	25.5	96.1
Stoneware	33.3	73.3	66.7	100.0	33.3	100.0
Cane and Bamboo Work	88.9	88.9	88.9	88.9	77.8	89.0
Reed Mat Making	100.0	100.0	100.0	100.0	100.0	100.0
Artistic Leatherware	13.3	93.3	50.0	100.0	100.0	100.0
Papier Mache	85.7	100.0	14.3	92.6	14.3	85.7
All Crafts	43.3	90.0	72.4	91.9	63.1	98.4

Source: Vijayagopalan, 1993.

### **(E) Occupational Satisfaction**

The artisans, in general have an extremely low occupational satisfaction. This is reflected in their opinion that most of them would not desire their children to continue in their profession (Raj, 1997). Among the five women-dominated trades, artisans were most dissatisfied in artistic leatherware. In lace work and papier mache work, although the women were more or less satisfied with the working conditions, even then they were quite against their wards taking up this occupation (Vijayagopalan, 1993). In fact, young boys and girls belonging to artisan families are now dropping out of their hereditary occupations and opting for less strenuous occupations like typing and tailoring and in the service sector (Jaitly, 1998). This extreme occupational dissatisfaction may have serious repercussions for manpower development in the crafts sector which is becoming crucial in view of the ever-expanding crafts market.

### **(F) Access to the Market**

For the crafts-persons, the predominant channel for marketing their produce is the vast network of middlemen/traders as nearly 93 per cent of the artisans disposed their products through this channel. Only 3 per cent of the crafts-persons undertook direct export activities although 46 per cent of the self-employed artisans were aware of the final destination of their products. The artisans engaged in art metalware, woodware and papier mache undertook some direct exports. In the five crafts dominated by women (except papier mache to some extent) none of the crafts persons seem to be directly linked with the export channels (Vijayagopalan, 1993).

### **(6) Impact on Labour**

#### **(A) Reverting back to traditional sector for employment**

Liberalisation and the accompanied emphasis on developing extended export markets has resulted in a large expansion of the crafts labour market. This is primarily due to the sharp increase in demand for crafts artifacts in both domestic and foreign markets. But additionally, there are two reasons for this development. Firstly, the opening of the economy has led to a large number of closures in the small-scale industries in the organised manufacturing sector and also displaced male workers from the unorganised sector (Gupta, 1999).

Secondly, the entry of big companies in traditional sectors like food processing and fisheries is rendering a large number of people earlier engaged in these sectors without work. For instance, with exports becoming a priority over domestic trade and consumption, more than 10 million fisherfolk across the entire country were displaced from their traditional work. As

the menfolk were marginalised because of these changes in the fishing industry, the burden of bread winning was thrust on to the women. For instance, thousands of women who have been traditionally involved in the screwpine mat weaving as a home-based craft had to support their families with meagre earnings from this work (Jaitly, 1999). As already seen, women artisans are taking up crafts in which males have traditionally dominated. It is not clear whether this is due to increasing market demand or marginalisation in their traditional occupations.

The above developments clearly show that instead of creating large opportunities in work in the manufacturing sectors, globalisation is making a large section of labour (especially women) to revert back to the traditional sector of home-based industries, particularly crafts production, absorbing part of the unemployment created by globalisation (Gupta, 1999). Thus it is ironical that while during the colonial period, machine-made imports led to a massive decline of export of Indian crafts like fine count weaving leading to a complete pauperisation of the crafts-men and turning them into wage labour (Bannerjee and Mitter, 1998), in the present times, it is the crafts-persons and their traditional sector which have contributed significantly to expansion of exports market. In fact, the manpower demand in crafts sector indicate that labour adsorption is increasing constantly..

#### **(B) Increased visibility and low returns**

With the phenomenal expansion of crafts market in recent times, the visibility of the work of women artisans and their male counterparts has increased tremendously. Their work is now increasingly patronised as evident from the increasing number of people visiting crafts haats, melas and other such events. Many of these women crafts-persons have gained mobility beyond their household/village/town participating in crafts events in the country and abroad, but it is doubtful whether this access to market has readily changed their socio-economic conditions. No evidence is yet available to suggest that these women have made some gains towards their empowerment in terms of ability to take occupation-related decisions, bargaining power in the market and even meeting their personal needs.

In spite of huge earnings being made in the crafts markets, the share of the crafts-persons in the profits continues to be low (Vijayagopalan, 1993). As already seen, as the artisans lack bargaining power, their exploitation by the private exporters and their agents continues. In fact, crafts products from the interiors of the country are procured at extremely low prices. Women crafts-persons, of course are the most exploited in this transaction.



### **(C) In search of increased labour productivity**

In the coming years, the high value crafts sector is going to be totally revolutionised with a complete blending of traditional skills with inputs of technology with the objective of achieving innovative quality and low price of products to meet consumers' needs and at the same time enhancing the productivity of the artisans.

The blending of skills with technology is expected to reduce the drudgery of work in many crafts but in view of the need of transforming a traditional craft expression into entirely new series of artifacts, the very nature of the organisation of work is going to change. The crafts work now would witness a shift from the traditional method of creating an artifact as single unit (which takes much energy and effort) to simultaneous production of different designs based on a kind of assembly line production (as in manufacturing). For instance, while a group of women would make Madhubani paintings, another group would do the framing and another would convert them into lamp shades and other items.

### **(D) Foreign sources of raw materials and technology**

In the present liberal environment, the backward linkages which provide raw materials and tools to the crafts-persons would get increasingly transformed. In the case of raw materials, it is anticipated that the market would be highly competitive. Materials such as cheap treated wood, cane and bamboo, natural fibres, special metals, artificial gems and beads and dyes and other items for weaving and cloth decorating crafts would arrive in Indian market in a big way. A large number of factory produced modern tools would make way into the country's crafts sector. In this scenario, it is anticipated that China and South East countries are going to emerge as formidable contenders. Imports of power-driven wood and cane and bamboo treatment machines from these countries have already been initiated by many manufacturers. In the long run, these development would have serious implications for the economy (and hence labour deployment) in many traditional support sectors which provide the basic inputs for crafts production.

### **(E) High competition in labour market**

In each crafts trade, the labour market is going to become highly competitive because the artisans would have to meet two conditions to ensure their survival in the highly commercialised crafts market: the maintenance of traditional high value skills; and extremely high productivity standards. This would lead to a far greater fragmentation of labour than in the present multi-tier hierarchy among artisans in each trade. Those at the lowest rungs engaged in substance production, with no access to better skills, materials, technology and credit would be extremely marginalised. The artistic crafts work would exclusively move towards large-scale mercantile production for the far distant markets and would soon be devoid of its natural creative zeal and its age-old obligations to the tradition.

## **(F) Issues of skill development and access to technology and credit**

The expectations of increased productivity and excellence in innovative efficiency from artisans in the emerging scenario are being hindered by many difficulties faced by them. These are: a) lack of congruence with the market needs and demands, (b) lack of availability of raw materials at affordable prices, (c) lack of access to credit and (d) infirmities in skill training due to poor infrastructure.

For women artisans, above difficulties are further complicated by their low status in the crafts labour hierarchy. As they remain dependent on their age-old skills, tools and production methods, their work remains largely centred around a particular product or technique. As they have no access to new knowledge, they are unable to carry out necessary adaptations to meet the emerging market needs. Bhatt and Jhabvala (1996) sum up this staticity in women artisans' work:

*Their traditions provide them with knowledge about local conditions and materials and about problems specific to their techniques. But this know-how is neither built into a wider knowledge system nor taught as a part of it: so, over time, there is a danger of parts getting lost in transmission. To avoid that, workers are taught to regard each step in the process—whether ritualistic or actually productive - as being sacrosanct; no explanation is given about its necessity. This creates a mind-set which venerates the past and distrusts change. This is particularly true of women who, much more than men, are supposed to be the keepers and not the questioners of family traditions.*

The policies of liberalisation under the directions of GATT/WTO have promoted privatisation of the country's financial institutions which in turn is leading to diminished access of the poor communities to institutional credit. Financial and banking institutions now prefer to move to more lucrative urban areas and seek higher and greater returns by investing in fast growing sectors. In contrast, the guidelines to meeting the requirements from sections of the poor seeking loans from government sources are becoming highly stringent (Jaitly, 1998). Clearly, poor entrepreneurs like the crafts-persons have no access to the big credit market.

## **(G) Issue of intellectual property rights in crafts**

Our master crafts-persons are the holders of highly valuable indigenous knowledge. Under the present regime of intellectual property rights, their age-old inheritance of designs, use of materials and production methods remain unprotected. As the global market of Indian crafts is rapidly expanding, there are distinct possibilities of large-scale piracy of traditional designs of Indian crafts by the commercial interests in other countries using computer-aided design technology. Moreover, many foreign importing firms may also enter in the crafts field

and set up joint ventures with their Indian counterparts for procurement and production of crafts goods in the country. This may lead to further marginalisation of crafts-person's particularly of women, as has happened with workers in many manufacturing industries.

### **(7) Challenges and Strategies**

In spite of their increasing contribution to economic development and foreign earnings, crafts persons, especially women suffer from all the ills of unorganised labour - low returns on the produce, low bargaining power, absence of visible employer-employee relationship, lack of access to easy credit, lack of opportunities for upgradation of skills, diversification in products and inability to adoption of appropriate technologies, and above all miserable working conditions and absence of welfare support systems.

However, as the ground situation indicates very little has been done in providing an extensive support infrastructure for the development of artisans, particularly the much larger section which is involved in subsistence production and do not have access to the urban up-markets. The conditions of social security like better workplace, insurance and medical facility continue to be miserable. Ironically, in the case of women artisans no serious efforts have gone into even enumerating and quantifying areas of their work.

For the women artisans in particular, agencies like the women's welfare department, women's development corporations, the industries department, Khadi Village Industries Commission and the handicrafts boards have a contributory role to play but these women cannot reach all these institutions and there is no integrated mechanism to provide specific attention to their demands. Thus, they find themselves grappling alone with independent strategies for survival that do not carry them very far (Jaitly, 1997). Therefore, it is of utmost importance that these agencies evolve a viable integration of their efforts so that they can provide an efficient support system to their prospective beneficiaries.

Many voluntary efforts by organisations like SEWA, Social Work Research Centre-Tilonia, Dastakar and Hand Mazdoor Kisan Panchayat have helped women crafts-persons to become a highly productive workforce in the rapidly changing economic scenario. In these efforts, economic empowerment of these women to a great extent has been made possible by providing extensive organisational support systems to them. Setting up production cooperatives of women artisans which are linked up with marketing cooperatives with the produce as equal stakeholders in the enterprises has proven to be an innovative model which hold much promise, the success of which so vividly has been exemplified by SEWA's work among women craftspersons (see Box 1).

Apart from the support provided by voluntary groups, policy support and action by state/central agencies, country's S&T institutions and the industry are equally essential for the interventions for the uplift of artisans to be sustained over longer period. The crafts industry as well as the private exporters too have to realise that for the sustenance of the present surge in crafts market, it is necessary to make the crafts workers as equal partners in the present endeavour. The quality of production (the ensuring of which is the main criterion for maintaining a stay in the foreign markets), and higher level of workers' productivity can be guaranteed only

**Box 1: The SEWA Initiative among Women Chikan Workers of Lucknow**

The SEWA programme of uplift of the women chikan workers of Lucknow has helped the beneficiaries in many ways. They are no longer the exploited and ill-paid workers they used to be a decade ago. Now they are well organised with substantial increase in their income. These crafts-women now travel around the country in crafts bazaars selling their work. They now hold an enviable place in society. It is believed that young women in Lucknow have very good chances of making good matches if they are members of SEWA.

For example, the famous Lucknow chikan work was losing its market because the home-based Muslim women who used to produce it had no direct market contacts and were trapped into repeating their traditional designs and products. Their work, which was usually done at home in extremely poor surroundings, often came out soiled and uneven. SEWA Lucknow, an NGO, brought the workers together in an organisation which made it possible for them to work in a proper workshop and with new designs and products. Reports are that, for sometime now, chikan work has been enjoying a wide and very profitable market.

If the workers have their due share in economic gains being made and their working conditions improve. As shown by the SEWA's initiative among women chikan workers of Lucknow, an improvement in their earnings not only led to high quality of their produce, it also made them better consumers and enhanced their savings, resulting in an overall improvement in their quality of life (SEWA,1997).

Finally, at the policy level, there is an urgent need to examine the provision of patents and copyrights acts to identify the mechanisms for giving long due protection to the works of master crafts-persons. One distinct possibility being presently explored by All India Handicrafts Board is assigning added premium price to crafts artifacts which have region-specific historical/cultural origin as defined under the Geographical Indicator Act.

## **(8) Recommendations**

### **(A) Creating Productive Support Systems and Market and Credit Access for Women Artisans**

#### **Recommendation:**

#### **Action by:**

- (1) Promote production and market access by women artisans by setting up:**
  - (a) Mentor Systems** for prospective women crafts-persons (taken as a group in a trade) for promoting their work.
  - (b) Women Crafts-persons Production Co-operative Systems** linked with Marketing Co-operators with producers as equal stakeholders.

Confederation of Indian Industry (CII), public sector undertakings, crafts manufacturers/exporters and their associations.

- (2) Set up trade guilds** of women crafts-persons to promote all around linkages with market and resource institutions (like those of metal workers, weavers, potters and other trades at present); and also to serve the purpose of registration of women crafts artisans in their respective trades .

All Indian Handicrafts Board, Khadi and Village Industries Commission, crafts worker's associations in various trades

- (3) Set up a core technical support fund** in the regions having high women crafts intensity to help the artisans acquire latest tools and equipment and access to new designs and product development.

All India Handicrafts Board, Khadi and Village Industries Commission, Department of Science and Technology,

CAPART, crafts councils in various states, crafts manufacturers/exporters, corporate houses, and Small Industries Development Bank of India

- (4) Set up Network of Marketing Units** under regional women employment promotional councils in different regions with the mandate of:

- ◆ Identifying markets for the produce of women crafts-persons in the country and abroad.
- ◆ Disseminating information on their products among buyers through development of computer database on internet.
- ◆ Make it mandatory for exporters to:

All India Handicrafts Board, Khadi and Village Industries Commission, government crafts procurement agencies and resource NGOs.

- i. display the share of crafts-persons in the sales price of the crafts artifacts being sold
- ii. inscribe the names of the master crafts-persons on the artifacts.

**(5) Provide attractive tax benefits/incentive/awards to:**

- i. manufacturers/exporters whose annual export volume has a certain proportion of crafts goods produced by women crafts-persons; and
- ii. marketing units which have sub-contracted production to women artisans groups and cooperatives at substantial level.

Ministry of Finance, All India Handicrafts Board, crafts boards and councils in various states

**(6) Set up self-help groups of women artisans and establish a formal single-window credit access system by integrating various channels of financial assistance presently available to poor women to provide them short-term revolving funds.**

Khadi and Village Industries Commission, Rashtriya Mahila Kosh (Ministry of Social Welfare and Empowerment), Small Industries Development Bank of India, various state level social welfare and crafts agencies, various cooperative banks and donor agencies.

**(7) Introduce a scheme for awards for women crafts enterprises/women groups at state/district level for their excellence in carrying out developing of crafts and marketing work**

Ministry of Labour (central and state), All India Handicrafts Board, and state boards with inputs from resource NGOs and crafts councils.

**(B) Providing an Integrated Package of Skills and Technology**

**(1) Set up technical training schools (on the lines of afternoon mini-ITIs) for women artisans in clusters of high artisan intensity with the mandate of:**

- ◆ Providing training facilities and integrating these with the traditional Ustad-Shagird system of imparting skills in crafts.
- ◆ Discovering and popularising languishing crafts particularly those practiced by women.



- ◆ Helping women producers in upgrading their production methods to make more value-added products through S&T inputs and quality standards.
- ◆ Preparing an **inventory of master women crafts-persons** in different regions so that their expertise could be utilised in skills training programmes.

Ministry of Labour, All India Handicrafts Board, Khadi and Village Industries Commission, Department of Science and Technology, CAPART, Institute of Crafts and Design-Jaipur, National Institute of Design-Ahmedabad, Resource NGOs and local technical institutions.

- (2) Develop **technologies specific to women's crafts work** (tools, machinery, processes) which would make production of goods easy at homes, less labour intensive and time consuming. Engineering institutions, National Laboratories, National Institute of Design and other R&D institutions with support from Department of Science and Technology, CSIR and other agencies, Institute of Crafts and Design-Jaipur, National Institute of Design-Ahmedabad.
- (3) Make **literacy as an essential component** in the formulation of projects by NGOs areas of in skill impartation and income generation among women artisans. National Literary Mission, and project funding agencies.

### **(C) Developing Social Security System for Women Artisans**

Set up a **National Expert Committee** on Women crafts-persons with the following mandate:

- ◆ Working out comprehensive guidelines and institutional system for safeguarding the rights of women artisans in terms of minimum wages, health and safety and other benefits.
- ◆ Identifying mechanisms for setting up **special social security and welfare fund** based on a cess contributed by marketing agencies and exporters and set up channels for its dissemination to support provision of provident fund, group and maternity insurance, crèches, medical services, for women artisans (say through a tax on the materials or finished goods, as in the case of *beedi* sector).

Ministry of Labour, Ministry of Social Welfare and Empowerment, All India Handicrafts Board, Crafts Council of India and resource NGOs.

**(D) Areas of Future Action: Inputs for Developing Policy for Women Artisans**

**(1) Carry out all India census of male and female crafts-persons**

**(2) Carry out region-wise surveys/studies to:**

- ◆ assess the quantum of women's work in the country's crafts sector and its contribution to national economy; and the impact of this work on their empowerment in terms of role in decision making, living standards and education of children.
- ◆ Study the nature of technical and financial support obtained by the women artisans from crafts agencies/institutions, scientific and technical institutions, NGO and international agencies.
- ◆ Assess the role of the women crafts-persons in providing training to young crafts-persons particularly girls under family apprenticeship and as resources persons in the training programmes.
- ◆ With respect to marketing operations of crafts, examine:
  - i. level of access women crafts-persons to domestic and foreign markets, linkages with financial and marketing institutions
  - ii. role of private procurers/agents in procurement of crafts produce and identify measures for minimising their control.

Ministry of Labour, All India Handicrafts Board, and state agencies and boards

**(3) Carry out technology assessment of crafts technologies from gender point of view** in order to assess their suitability of operation by women and identify modifications in these technologies to make them women-friendly in their operation. All India Handicrafts Board, Department of Science and Technology, ILO, UNDP, UNIFEM, S&T institutions and resource NGOs.

**(4) Carry out studies on the major initiatives** taken up by SEWA and other organisations in developing organisational and entrepreneurial capabilities among women artisans in order to elicit valuable inputs for the policies and development programmes.

DST, Ministry of Labour, Ministry of Social Welfare and Empowerment, UNDP, UNIFEM, ILO and other agencies.

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# **Harvesting Global Markets and the Conditions of Women Workers in Indian Food Processing Industry**

**By Ashok Raj and Rakesh Kapoor**

## **5.1 Introduction**

In the wake of economic liberalisation, Indian food processing industry has witnessed a massive growth in terms of production, diversification of products and expansion of domestic and foreign markets. Apart from the rise in household incomes, urbanisation and growing preferences of consumers for processed food, one major factor driving this growth is deployment of women workforce in many of the sub-sectors of this industry.

The policy reforms in trade and commerce introduced in food processing sector are aimed at creating extensive market-oriented production systems for value-added food to reach out to expanding number of domestic and global consumers. Yet no serious attention is being paid to improve the labour conditions in this rapidly expanding industry. The women workforce, in particular, both in the organised and unorganised sectors is going to be increasingly marginalised.

Information on deployment of women in food processing industry and the conditions of their work is scanty. Except for a few studies on women workers in fish processing and cashewnut industry and trades like papad and spices production, no attempts have been made to examine the impact of the changes in business and technology in the larger food processing industry on the lives of these women workers.

This paper takes a de tour of country's food processing sector, delineating the major changes which have taken place in the post-liberalisation period. It examines the impact of these changes on the conditions of women workers in the organised and unorganised sectors of the industry. For this purpose, three sub-sectors - seafood processing, cashewnut processing and papad production in the unorganised sector - have been taken up as case studies.

## **5.2 Indian Food Processing Industry**

Food processing industry is a very significant manufacturing sector in the country. It ranks fifth in its contribution to value addition and tops the list in terms of employment in manufacturing. nineteen per cent of the total production units in the country are in the food processing sector (Gopalan, 1995).

This industry comprises three groups: primary food processing industry, unorganised and cottage sector industry and processed food manufacturers in the organised sector. Primary food processing industry comprises dal mills and oil mills, rice hullers and flour chakkis. The unorganised and cottage sector industry comprises traditional food units like bakeries, pasta products, fruits, vegetables and spices processing units. Processed food industries in the

organised sector consists of a large number of small-scale units. Most of these units are of small capacities of less than one tonne per day. The number of large/medium scale units is far less (Mamgain, 1996).

The main features of Indian food industry (Annual Survey of Industries, 1993-94 and Mckinsey and CII, 1998, Business India, 1998) are:

- (1) The size of the Indian food market is estimated to be approximately 138 billion dollars. Primary processing accounted for more than 70 per cent of the food processing industry.
- (2) The share of food processing industries in the gross value of the manufacturing sector output has been estimated at a mere 15.19 per cent. In terms of the net value added, the share is even lower at 10.02. Only about 5 per cent of food is processed in the organized sector.
- (3) Sales of value-added food products is 42 billions dollars, representing 30 per cent of total food market sales.
- (4) Consumers in the country spend about 73 per cent of total private consumption (147 dollars per capita) on food.

The trend of growth in the primary processing sector shows a large increase in hullers, roller flour mills, oil expellers, solvent extraction units. In the organised sector, fruits and vegetable processing, meat and seafood processing and production of dairy products and beverages have increased significantly over the years. In the unorganised sector, there has also been significant growth in the production of bakery products, savouries, spices, pickles and papad.

### **5.2.1 Sub-sectors**

#### **(a) Seafood Processing**

The seafood industry is a major constituent of country's processed food sector. It comprises 402 factories registered with the Marine Products Export Development Authority and over 625 active exporters. Of these over 380 are manufacturer exporters and 240 merchant exporters. The industry is mainly located in Veraval and Porbunder in Gujarat, Mumbai and Ratnagiri in Maharashtra, Goa, Tuticorin, Nellore and Mandapan in Tamil Nadu, Calcutta in West Bengal, Vishakhapatnam in Andhra Pradesh and the Kollam-Kochi belt of Kerala. The total installed freezing capacity is 7,500 tonnes per day or 27.4 lakh tonnes per annum.



However, production falls far short of this installed capacity at just 1,050 tonnes per day or 3.80 tonnes per annum. Consequently the industry capacity utilised in relation to the installed capacity is only 14 per cent (Warrier, 1998, Business Line, 1999 and CEC, 2000).

### **(b) Cashew Processing**

Located mainly in Kerala, Tamil Nadu, Andhra Pradesh, Orissa, Karnataka, Goa, and West Bengal, this industry consists of 752 processing units. The total cashew production in 1995-96 was 4.17 lakhs tonnes with Kerala accounting for more than one-third of the total produce. The total value addition by processing during the period 1991-95 is estimated to be Rs.170 crores (CEC, 1999).

### **(c) Papad Production**

In the unorganised food sector, papad production, like pickle making and processing of spices is a significant activity carried out by women. There has been significant increase in the production over the years (Gupta, 1999).

## **5.3 Magnitude of Women Workforce**

In the country's manufacturing sector, (including organised as well as unorganised sectors) food processing is the fourth largest employer of women after manufacture of bidi (17.00 lakhs), garments (10.75 lakhs) and handloom sector (7.41.lakhs). It is estimated that nearly 3.10 lakhs women workers (0.35 per cent of total women workforce) are employed in this sector. This is in addition to 2.92 lakhs (0.37 per cent) deployed in grain mill sector (Gopalan,1995).

In the organised sector, total employment in food processing industry in the country was estimated to be 12.29 lakhs in 1993. This represents 15.56 per cent of the workforce in total manufacturing (ILO, 1998). The proportion of women workers is estimated to be 19.5 per cent. The average number of women workers per manufacturing unit is 15 (see Table 6 and Table 7 later).

A large proportion of food processing in the unorganised sector is largely carried out by women, using the traditional skills in many primary food processing areas. However, no information is available on their deployment in these occupations.

### 5.3.1 Deployment in Selected Sub-sectors

Secondary data on deployment of women workforce in different food processing sub-sectors seems to be quite incomplete and scattered. Below some estimates regarding seafood processing, cashew processing and papad production collected from available sources are given below.

#### (a) Seafood Processing

This industry employs women in large numbers for processing of the catch from sea waters. The total number of workers in this industry is estimated to be 63,000, but according to some unofficial sources, their strength is not less than 1 lakh (CEC, 2000).

Table 1 gives details regarding labour deployment in the informal fish processing sector in the country. Women account for nearly 20 per cent of the workers in this sector. Although 92.5 per cent of the units in this sector are home-based own-account manufacturing enterprises (OAMEs), they account for only 25.7 per cent of workers, mostly family labour. The proportion of women workers in these enterprises is as high as 60.5 per cent. The non-directory manufacturing enterprises (NDMEs) employ men far more than women, the respective percentages being 93.3 per cent and 6.7 per cent (Dewan, 2000).

**Table 1**  
**Gender-based Labour Deployment in Informal Fish Processing Sector (Code 203)**

Type of units	No. of units	Labour Employed		
		Males	Females	Total
OAME	5548(92.5)	5712(39.5)	8735(60.5)	14447(100.0)
NDME	452(7.5)	39015(93.3)	2799(6.7)	41814(100.0)
Total	6000(100.0)	44727(79.5)	11534(20.5)	56261(100.0)

(percentages in parenthesis)

Source: Calculations based on NSS 45th Round 1990, Sarvekshana, S.13 (Dewan, 2000).

### **(b) Cashew Processing**

The total number of workers engaged in this industry is estimated to be about 1.50 lakhs with Kerala being the main employer accounting for nearly two-third of total employment. Among these nearly two-third constitute women workers. The average number of workers per factory is 199 and this figure for women workers is 135 (CEC, 1999).

### **(c) Papad Production**

About 4.07 lakhs women workers are estimated to be employed in the five states of Madhya Pradesh, Uttar Pradesh, Rajasthan, Gujarat and Karnataka. It seems that at all India level the number of women engaged in this trade would not be less than 8 lakhs as consumption of Papad has increased manifold in the last few years (Gupta, 1999).

## **5.4. Towards Harvesting Global Markets**

The structural and technological changes which are taking place in Indian food processing industry are centred around the provisions of GATT/WTO - easy market access, reduction in tariffs and removal of agricultural subsidies in domestic and export markets. As these provisions are slated to fully liberate agricultural trade the world over by 2002, the country is faced with the challenge of acquiring high competitiveness in this sector in order to have a substantial share in the domestic and global markets in processed food. The present policy prescriptions, therefore, are not only aimed at making the country a dominant global player in this sector, but also to give a big boost to Indian agriculture and create vast work opportunities both in urban and rural areas.

The development of the food processing industry, in fact, is seen crucial for the transformation of subsistence-type traditional agriculture to a fully blown agro-industry. It is expected that the allround growth of the food industry will bring immense benefits to the economy, raising agricultural yields, improving productivity, creating employment, and raising the living standards of large numbers of people throughout the country. It would also lead to creation of 5 million new jobs all along the food chain by 2005 (McKinsey and CII, 1998).

The massive changes being envisioned in the country's food processing sector have been inspired by its tremendous growth potential. The projections made in this regard postulate that apart from meeting the domestic needs, there is immense scope to increase the share in the international market of food products. The size of India's food market is expected to double by 2005 from the present Rs. 2,50,000 crores. The consumption of value-added foods would treble from the present Rs. 80,000 crores to Rs. 2,25,000 crores by 2005, far higher than the entire manufacturing industry (Business India, 1998).

The seafood products sector, in particular, is poised to make a big leap with the lifting of quantitative restrictions on imports as per the WTO guidelines. The processing capacity in this sector remains idle for a greater part of the year (because of the seasonability of the catch in Indian waters). With free imports, this idle capacity can be used for value addition to seafood imported from other countries and re-exported to different parts of the world.

In the above scenario, the rapid growth of food processing sector is being propelled by a large number of measures aimed at providing a series of incentives to manufacturers and removing all the constraints to growth. These include: priority lending status at a differential rate of interest rationalising excise structure; pruning of the list of items reserved for the small scale sector and complete exemption of customs duty on imported capital goods; and raw materials for export oriented units.

The above measures have already started showing some major gains. As seen in Table 2, nearly 7000 investments worth a whopping Rs.72,000 crores have been made in the sector during 1991 to 1999. The foreign investments of worth Rs. 9100 crores account for about 12.5 per cent of the total investments. The sub-sectors in which heavy investments have been made in the post-reform period are milk and milk products, edible oil, soft drinks/water/confectionery, fermentation and food and vegetable products. Those attracting foreign investments are soft drinks/water/confectionery and to lesser extent fruits and vegetable products. In the seafood sub-sector, the promotional efforts at the international level have also been productive. For instance, the country has been included in the List-1 of countries eligible to export marine products to the European Union (Business Line, 1999).

**Table 2:Details of Investment in the Processed Food Sector (From July 1991 to December, 1999)**

(Rs. crores)

Sub-sector	Industrial Entrepreneur Memoranda		Industrial Approvals (100% Export Oriented Units/Industrial Licence)		Total		Foreign Investments out total Investments
	No.	Investment	No.	Investment	No.	Investment	
Grain Milling and Grain-based Products	328	5798	94	949	422	6747	564
Fruits & Vegetable Products	1403	3256	405	5026	1808	8282	1001
Meat & Poultry Products	75	383	58	1393	133	1776	459
Fish Processing and Aquaculture	105	460	190	2171	295	2631	605
Fermentation Industry	521	9256	211	2073	732	11329	615
Consumer Industry including Soft Drinks/Water/Confectionery etc.	681	7423	76	5794	757	13217	5193
Milk & Milk Products	1087	13744	25	961	1112	14705	371
Others including food additives, flavours etc.			61	733	61	733	292
Edible Oil/Oil seeds	1675	13416			1675	13416	
<b>Total</b>	<b>5875</b>	<b>53736</b>	<b>1120</b>	<b>19100</b>	<b>6995</b>	<b>72836</b>	<b>9100</b>

Source: Annual Report, Ministry of Food Processing Industries, 1999-2000.

The growth prospects of the industry centre around substantial value addition at competitive prices and ensuring of high quality levels. But at present, the country processes only about two per cent of the food produced whereas Thailand processes 30 per cent, Brazil 80 per cent, while the USA and UK process as high as 60-70 per cent of the food produced. The value addition to food production in the country is also a paltry 7 per cent. In contrast, it is 23 per cent in China, 40 per cent in Thailand, 45 per cent in the Philippines and 188 per cent in the UK. Further, less than 5 per cent of fruits and vegetables produced are processed, compared to 30 per cent in Thailand, 70 per cent in the USA and the Philippines, and 80 per cent in Malaysia (Mckinsey and CII, 1998).

The efforts towards building the food processing sector are also geared towards containing the massive post-harvest losses of the food produced. The losses which are as high as the 40 per cent are owing to inadequate and primitive post-harvest infrastructure, insufficient storage and cooling facilities and poor quality of raw produce (Raj, 1995). The losses of fruits and vegetables alone are of the order of Rs 50,000 crores a year. And yet capacity utilisation of food processing industries in the country is only around 40 per cent. In the small scale sector, this utilisation is estimated to be 48 per cent, which is one of the lowest of all industry groups in this sector (Mamgain, 1996). Thus to meet the rapidly growing domestic as well as global processed food demand it has now become imperative that a cold chain infrastructure be set up so as to extend the shelf life of food from farm gate to the export and retail stage.

### **5.5. The Performance**

Recent trends indicate that the performance of country's food processing sector in the post-reform period is not commensurable with the extensive promotional efforts. Major indicators are (Business India, 1998 and Table 3):

- (a) Agriculture accounts for over 40 per cent of the GDP, but its share in the country's total exports decreased to 18.84 per cent in 1997-98 from 28 per cent in 1985-86. This is despite the country being the world's second largest producer of foodgrains after China and the leader in fruit and vegetable output, having outstripped Brazil over the past two years.
- (b) The industrial production of food products has been gradually increasing since 1985 and although it began to stabilise in the early 1990s, it showed a sudden drop in 1993.
- (c) The output of the food industry as a percentage of total manufacturing output during the period 1985-95 has remained more or less constant at 14-16 percent.



As seen in Table 3, the wages per worker in food processing industry as a percentage of wages per worker in total manufacturing industry is less than 60 per cent. This shows as the workers in the food industry earn less than the average in total manufacturing. Despite increased mechanisation in recent years, the food industry still employs a large number of non-skilled, low paid workers for labour-intensive jobs. The wages of such workers must be responsible for bringing down the average earnings in this industry compared to those in total manufacturing.

**Table 3**  
**Major Performance Indicators of Indian Food Processing Industry**

(a) Index number for Industrial production of food products with 1990=100								
1985	1986	1987	1988	1989	1990	1991	1992	1993
75	79	82	89	89	100	105	106	99
(b) Output as a percentage of total manufacturing output								
13.76	14.30	15.07	14.70	15.71	14.91	16.05	15.13	13.85
(c) Total employment (lakhs)								
9.79	9.56	10.24	10.21	11.11	11.22	11.24	12.40	12.29
(d) Employment as a percentage of employment in total manufacturing								
14.88	14.65	15.02	14.92	15.38	15.38	15.28	15.81	15.56
(e) Wages per worker as a percentage of wages per worker in total manufacturing								
—	54.26	56.07	57.13	59.59	60.61	64.31	60.28	56.22

Source: Compiled from ILO (1998).

### 5.5.1 Exports

As seen in Table 4, all the major processed food sub-sectors have shown manifold increase in exports since 1993-94. In 1998-99 the export of processed food was Rs.13531 crores which is nearly three times the figure in 1993-94. However, except for a big leap in 1995-96, the overall annual increase in exports is showing an extremely fluctuating trend. Further, the cumulative export of agro products is less than 6 per cent of the country's total food market of Rs. 2,50,000 crores.

Indian food exports have remained largely on the traditional product line. The products which are not present in significant quantities in the country's export cartel are: cocoa products, groundnut oil, oilseeds, semi-processed food inputs such as preserved vegetables, frozen vegetables, thickeners, fruit juice concentrate, flavouring/colouring ingredients and soft drink concentrates (Business Line, 1999).

**Table 4**  
**Export of Processed Food**

(Rs. crores)

Sub-sector	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
<b>Processed foods</b>						
Processed Fruits and Vegetables	268	348	492	474	750	678
Animal Products	374	448	683	804	926	859
Other Processed Foods	457	416	1172	1836	1440	1166
<b>Rice</b>						
(a) Basmati						
b) Non-Basmati	1061	865	850	1247	1685	1866
Seafood Products	2504	3576	3501	4121	4643	4627
Grant Total	4889	5993	10415	10407	11129	13531
Percentage increase	-	22.6	73.8	0.0	6.9	21.6

Source: **Annual Report**, Ministry of Food Processing Industries, 1999-2000.

### Exports in Selected Sub-sectors

#### (a) Seafood Products

The Indian seafood processing industry exported nearly four lakh tonnes of marine products worth Rs 5000 cores during 1999-2000 mainly to Japan, the USA and the European Union. However, as seen in Table 4, the quantum and value of export have been stagnating of late.

#### (b) Cashewnut products

The exports of cashewnut products increased from Rs. 675 crores in 1991-92 to Rs. 1390 crores in 1997-98, but within the agriculture sector, its contribution has been declining over the years; from 8.58 per cent in 1990-91 to 5.8 per cent during the post-reform period. However, the share of these products in country's total exports has decreased; from 2.6 per cent in 1997-98 to 1.1 per cent in 1998-99 (CEC, 1999).

The cashew industry has also been hard hit by massive increase in free imports during the post-reform period. The imports which accounted for 14 per cent of the total supply in 1987-88, increased to 35.5 per cent in 1994-95. There is an absolute increase of imports from 42,300 tonnes to 2.24 lakh tonnes in the same period. In this period domestic production increased by 60.5 per cent only whereas imports increased seven times i.e. by 430 per cent. In addition more serious is the growing difference in imports and the export earnings (CEC, 1999).

### (c) Papad Products

The export of papad products has been on the rise (Table 6). The decrease in exports of papad in 1998 is because of various reasons related to non-adherence to WTO provisions (.). Papad products are being exported almost all over the world with Chennai (Tamil Nadu) as the main exporting centre. Shri Mahila Griha Udyog Lizzat Papad is a major exporter which registered a profit of Rs.794 lakhs in 1997-98 (Gupta, 1999).

**Table 5**  
**Year-wise Export of Papad**

Year	Value (Rs. lakhs)
1995	2594.72
1996	3900.05
1997	4434.32
1998	3670.06

Source: (Gupta, 1998).

### 5.5.2 The Constraints

One singlemost factor which tends to inhibit the development of overseas market for Indian products is that our products lag behind in world standards of hygiene as determined by World Trade Organisation. India, as a member of the WTO is responsible for meeting the sanitary and phytosanitary agreement on food safety (MVIRDC, 1998). The Hazard Analysis and Critical Control Points (HACCP) which is mandatory for all exports has not yet been adopted by the Indian industries as companies, industry associations and the government have not worked with a unified approach in promoting the concept of quality assurance and quality control. A national standard for food safety similar to the Codex alimentarius, the standard set out by the Food and Agriculture Organisation and the World Health Organisation is still under discussion even as other countries have developed generic models facilitating implementation of the standards on a large scale (Business India, 1998).

Thus the country faces the threat of losing its comparative advantage due to the non-implementation of adequate safety standards. Indian products continue to face the threat of rejection in the USA and other countries because of excessive pesticides residue, bacteria and pathogens and filth, which can be eliminated through the adoption of HACCP. In 1997, the European Union imposed a temporary ban on the import of fresh and frozen fish from India because of the presence of *Vibrio cholerae* bacteria (The Financial Express, 1998).

The present policy emphasis on a rapid vertical expansion of the food industry has become a serious impediment to its growth. The heavy investments and the accompanied technological modernisation is essentially aimed at a rapid corporatisation of Indian food processing industry. No serious attention is being paid to the small scale and the unorganised sectors which account for more than 75 per cent of the total industry and employ women in large numbers.

As the domestic big companies and multinationals with huge investments and state of the art technology are entering the processed food sector in a big way, they are pushing out small and unorganised units out of the market. Due to lack of finance, access to latest technologies and modern quality control facilities, these units are not able to meet the required high quality standards and take up production of new range of attractive products for a rapidly changing market. For instance, Pepsi, that has entered in bhujia namkeen manufacturing, has not only captured part of the market of small units but is also endangering their existence (Mamgain, 1996). Thus the small scale and unorganised sector which dominate the country's food processing sector is going to be increasingly marginalised.

## **5.6. Conditions of Work**

### **(a) Seafood Processing**

Two recent studies (Warrier, 1999 and CEC, 2000) on the condition of women workers in seafood processing reveal that several units employ sophisticated equipment and work under contract for major corporate firms. There are big players monopolising the industry, but ironically, these firms use rudimentary forms of organising production by keeping migrant workers under captivity generally at the workplace itself, making them work for long hours in unhygienic conditions, denying minimum wages, exploiting them sexually and using many other coercive measures to extract labour with minimum costs.

The industry's justification that seasonal nature does not make it amenable to labour laws was no longer valid as several processing units had diversified into products such as squid, cuttlefish and octopus and were not solely dependent on shrimps and prawns available only

between September and March. Moreover, the use of refrigeration and growth of aquaculture farms using biotechnology ensured a perennial supply of raw material and the year-round working of these units.

Almost the entire workforce in this 'completely export-oriented' industry consists of young women migrants from states like Kerala, Tamil Nadu and Karnataka. These women work in slave like conditions for unlimited hours, earn meagre wages and are vulnerable to sexual abuse and exploitation. Most units are reportedly congested and damp with cold water and ice on the floor causing skin diseases. Most women workers are said to be suffering from respiratory diseases, arthritis and rheumatism.

These contract workers have no uniforms, not even gloves and boots. Employers rarely provide healthcare. There are no regulated work hours. Overtime or PF are unheard of. Lured by the promise of about Rs 1,200 a month, they end up getting as little as Rs 300. The women live and work in abysmal conditions. The work sheds are located in obscure places 'safe' from labour inspection and check. As one employee put it 'work goes on in darkness'.

In contravention of all regulations, the workers are squeezed in excessive numbers into a narrow shed. Punishments are harsh and if any shell piece is found unremoved, the overseer drastically reduces the daily wage of the workers. On a generous estimate each peeler is believed to make Rs.100 a day (minus the contractor's commission).

There is a preference for Kerala women in the shrimp and prawn peeling sheds in Gujarat, Maharashtra, West Bengal and even neighbouring Karnataka. Women from Kerala are believed to be disciplined, efficient, clean and possess a certain degree of education. As transplanted labour these women have no local support and are compelled to live in ghetto-like conditions (sometimes with just two toilets for 50 women) located near their place of work. There are 76 prawn peeling factories in Veraval in Junagadh district of Gujarat alone and each factory employs nearly 500 girls from Kerala working under crowded and unhygienic conditions.

Although women workers in fish processing are technically governed by the Inter-State Migrant Workers Act and the Contract Workers Act, in practice the relationship between the recruiting agents and the women workers is based on patronage rather than any legal contract. A majority of the women were unaware of the method of recruitment or the name of the company for which they worked.

Recently, about 50 trade unions representatives of governmental agencies and NGOs headed by NCLR launched a nationwide campaign on the 'Labour Rights of Women Workers

in Fish Processing Industry.' The campaigners have presented a charter of demands to the Ministry of Labour as well as the Seafood Exporters Association of India seeking justice for the women workers. Their demands include implementation of the Contract Labour Act and the InterState Migrant Workers Act as well the Minimum Wages Act.

### **(b) Cashew Processing Industry**

A recent study on the condition of women workers in the cashew industry reveals the deplorable conditions that exist in this industry (CEC, 1999). While men do heavy jobs such as loading, unloading and roasting of raw nuts, women shell, peel, grade and pack the nuts. Women workers usually enter the labour market as child labourers.

Processing of cashew products is increasingly becoming home-based to avoid unionization, payment of minimum wages and other benefits. The Kudivarappu, or putting-out, system operates on a piece rate basis and employs workers at rates much lower than paid in factories. The rule is to pay on the basis of the kernels successfully recovered (i.e without breakage or damage). Majority of the workers are paid piece rate wages. In the shelling process, workers are paid on a kilo basis. In peeling, the workers are paid a bit higher because it requires some more skills and experience. They are also paid on a per kilo basis every week.

Of the three female-dominated tasks, shelling, which involved the unpleasant task of removing the nut from the shell smeared with a pungent, corrosive oil, was done by scheduled caste women and constituted the lowest paid work. Here shellers received between 32 to 76 paise per kilogram of shelled nuts as against 94 paise for peeling, and about Rs. 2 for grading 100 kg of nuts. The rates were somewhat better for factory employees. Many of the women workers comprised the main earners in their families.

The concept of minimum wages is unknown among the workers as well as trade unions. However, the regular revision of wages and other benefits through negotiations by trade union is more or less followed by the industry. The negotiated terms are better than the ones fixed by the state. In the last 16 years of the enforcement of the Act, it has been revised only thrice. Despite the influence of trade unions in wage fixation, the cashew nut processing industry is able to grow by paying just half (to men) or a quarter (to women) of the stipulated wages.

Most workers save their earnings for their marriage expenses and, if their earnings go to the provident fund, they face many hurdles in getting their savings back. The Employees Pension Scheme, 1991, allows a worker to get pension only if he /she has worked for at least 10 years. This provision does not cover those who work with different employers over this period. In only one or two factories in the study area, machines were used to break the shells. While breaking the shells, a thick liquid substance comes out and irritates and burns



fingertips and even the skin on the face where it might spray during the shelling. The burns cause black spots. Newly recruited workers often fall victim. In shelling and peeling, women have to also squat for long periods of time.

Most of the women workers were affected by lung diseases and from disease of the uterus. 33 per cent of the surveyed workers were afflicted with asthma, 26 per cent by rheumatism and 22 per cent by tuberculosis. In Kerala, where nearly 60 per cent of the country's total cashew nut workers are employed, ESI hospitals were facing closure in 1997.

### **C) Papad Production**

Almost all the workers use their own home as the workplace. Most of the workers are given work through the employer or the contractor. In 68% of the cases, the work is allocated to the workers indirectly by owners or by co-operatives like Shree Mahila Grih Udyog Lijjat Papad or Khadi Gramodyog. Very few have direct access to the market. The workers have practically no access to medical or other facilities or to training (Gupta, 1999).

Work is carried out from a very tiny place from the family living area that makes both working and family living difficult. Drying of papad becomes difficult but in the absence of alternatives the workers are helpless.

The maximum number of workers have a monthly income of Rs. 200 -700 per month. About 50 to 60 per cent of the workers earn between Rs. 200-400 and about 25% between Rs. 400-700 a month. About 11 per cent of the workers earn less than Rs.200 a month. The overall income of papad workers in the states of Madhya Pradesh, Uttar Pradesh, Rajasthan, Gujarat and Karnataka works out to Rs. 388 per month. In Bikaner, wages of the batarins are between Rs.5-10, although the rates fixed by the Rajasthan government range between Rs. 8-16 per 100 papads, depending on the size of the papads. Batarins do not know the stipulated wages. No one is getting the minimum wages.

In Lijjat papad, the relationship is direct between batarins and the owner but the minimum wages paid are lower where there is middleman (batara). In Bikaner, where per day production is 150 tonnes, 75 per cent of the work is being given through the batara who gets the work on a commission basis and distributes it on his own rates. Those getting work from middleman get only between Rs. 5 to Rs. 7.

### **5.7. Impact on Labour**

The increasing marginalisation of the small scale and unorganised sector (which is essentially labour intensive) would make a very large segment of workers jobless. Many home-based own-accounts enterprises would be the first victims of this process. At the

same time, extensive technological modernisation in the organised sector would also displace not only large numbers of unskilled workers (mostly women), but also many skilled ones whose skills would become obsolete for handling new technologies.

As seen in Table 3, total employment in the organised food processing sector has been increasing meagerly at a rate of 3 per cent per annum even in the early 1990s. This employment as a percentage of total manufacturing output during the period 1985-95 has not increased and has remained within 14-16 per cent.

However, the fixed capital per worker increased from Rs.8,200 in 1974-75 to Rs.25,000 in 1992-93, though it stagnated or fluctuated for many of the sub-sectors. Investment in most of the sub-sectors peaked either in 1988-89 or 1992-93, which perhaps indicates that modernisation of the industry by adoption of new technology had increasingly been undertaken starting in the late 1980s (ILO, 1998). Evidence also indicates that employment declined in those branches in which there were high levels of investment to modernize facilities and increase capacity. For example, employment in the fruit and vegetable processing, grain milling, bakery, hydrogenated oils and fats and soft drinks branches declined in the early 1990s (Mamgain, 1996).

Thus it seems that in the post-reform period, heavy investments in food industry and diversification to many new product areas is not leading to a rapid expansion of employment opportunities as was expected. The employment seems to be increasing only for skilled labour as indicated by the relative increase in machine days worked in the industry (Mamgain, 1996). This indicates that a substitution of capital for labour has started taking place.

The food processing industry is now increasingly based on a complex system of computerisation, instrumentation and automation covering all the vital operations from materials reception, storage, processing, packaging warehousing and distribution. In the processing stage, for example, the process control systems that monitor activities and provide information to operators and controllers are crucial to efficiency and quality. These systems economise on and enhance the use of raw material and ingredients, doing tasks, which had previously been conducted during manual laboratory testing. Large fruit and vegetable processing plants are mechanising most of their operations, including procurement, storage, grading and delivery, equipped with a fruit-ripening control system and mechanical devices for peeling, de-stoning and extraction as well as for refining puree in a controlled CO<sub>2</sub> atmosphere, and also for aseptic packaging. A modern fish-processing machine equipped with a microprocessor can be programmed to fillet various fish with appropriate cuts (ILO, 1998).

Thus the FD industries, which used to be relatively labour intensive, have become increasingly capital-intensive by adopting modern microelectronics-based automation technology. This has been necessitated by increasing competition domestically and globally, and also due to growing pressure from demanding consumers as well as retailers, of which the latter have become more concentrated and powerful in recent years (Mamgain, 1996). The manufacturers have no choice but to become more competitive simply in order to survive. Large-scale companies are constantly upgrading their plant and equipment in an effort to improve their productivity, while medium-scale enterprises are increasingly following suit. They are adopting cost-cutting measures in all spheres of their operations, including materials handling, processing, production, packaging, marketing and distribution.

Thus, while technological development is inevitable in an increasingly competitive and globalised environment, labour displacement caused by labour-saving technology is becoming a serious concern in countries such as India where there is a large number of unemployed and under-employed people, as well as a large number of new labour market entrants each year (ILO, 1998).

The above changes have started affecting the deployment of women workers in the industry. The proportion of women in the total workforce has been declining since 1981 showing a slight increase in 1992 and 1993. Similarly, the female/male ratio has also been decreasing. There is also a decline in the average number of women workers per manufacturing unit since 1981; from a figure of 21.7 in 1981 to 14.8 in 1982.

Clearly, as the food processing industry is becoming increasingly modernised, women workers who work at the lowest rungs in labour hierarchy are going to be far more adversely affected than their male counterparts.

**Table 6**  
**Year-wise Deployment of Women Workers in Food Processing Industry**

Year	Percentage of Femaleworkforce	Female/male ratio
1981	24.3	0.32
1986	19.7	0.24
1991	17.4	0.21
1992	19.3	0.24
1993	19.5	0.24

Note: Figures exclude manufacture of beverages.

Source: Compiled from Table 2.3, Labour Bureau (1998).

**Table 7**  
**Year-wise Number of women workers per manufacturing unit**

Year	Number of women workers per manufacturing unit
1981	21.7
1983	18.2
1986	16.0
1992	14.8

Note: Figures exclude manufacture of beverages.

Source: Compiled from Table 2.3, Labour Bureau (1998).

### **5.8. Towards An Horizontal Expansion with Upgraded Skill Base**

In the present policy environment, it seems that employment in food processing industry is not going to increase at a faster rate purely with increased investments to promote a vertical expansion of the industry. There is a need to expand the employment base by providing investments, technology and other supports in new areas of food processing, i.e. promoting a horizontal expansion across medium small scale and unorganised sectors in the structure of this industry (Mamgain, 1996).

However, the prospects of a rapid expansion of food processing industry in new product areas is going to be increasingly jeopardised because of growing non-availability of highly skilled manpower in the coming years. Even at present, most of the skill formation is essentially through on-the-job training in the industry. The proportion of formally trained manpower is extremely small. For example, within the small scale sector, the percentage of ITI trained workers is the lowest (0.3 percent) in the industry groups, viz.. food processing leather products and cotton textiles. The food related trades, unlike other non-traditional trades, also do not figure in the priority preference of the students opting for ITI and other vocational courses because of the high degree of seasonality and comparatively low levels of earnings in food processing (Mamgain, 1996).

In this horizontal expansion, the large women workforce in food processing, which is going to be marginalised in the current modernisation phase, can be productively re-deployed if they are assimilated in the process of technological upgradation. In this process, development of viable technology access systems for women producers as well as workers and creation of opportunities for training and retraining in new knowledge intensive areas of modern food processing become of utmost importance.

## 5.9. Challenges and Strategies

The food processing industry in the present times represents a curious dichotomy between the product-on-the shelf and the labour who has produced it. While the final products formations need to be of very high quality packed in glossy and user-friendly packaging, its producers on the floors of the factories and other dingy workplaces continue to be trapped in highly unhygienic and unhealthy work environment without hope of minimum wages and protection from various laws.

The prospects of creating a space of high promise for Indian food products in the global market are being jeopardised by the poor labour conditions prevalent in country's food processing industry. Deplorable unhygienic work conditions, non-adherence to labour regulations and inhuman treatment meted out to women labour are widespread virtually in all sub-sectors of this industry.

The WTO provisions regarding process food stipulates strict implementation of sanitary (human and animal) and phytosanitary (plants) measures in the processing units. However, Indian companies have largely failed in introducing these measures. As a result, poor labour practices and non-adherence to WTO provisions would endanger the Indian food industry to sanctions by the importing countries in the form of non-tariff bans on the imports. In fact, the inspecting team of the European Union, which visited India after the import of processed seafood was banned in 1997, demanded strict monitoring of work conditions and labour regulations with respect to women workers employed in the processing units (Business India, 1998).

Within the industry, the processes of globalisation are promoting a rapid vertical expansion with the vast small scale and unorganised sector becoming increasingly marginalised. A serious consequence of this is the large scale displaced of women workers.

Therefore, the focus of the present policy environment should also include the vast small scale food and cottage food processing, sector which employ women in large numbers to prepare it fully to face the competition from big industrial houses and multinationals. This would require enhancing all round productivity of these units in terms of both labour and capital utilisation. To achieve this, an extensive technological upgradation programme of these units with supporting linkages with financial and training institutions should be taken up. Equally important is providing marketing support to these enterprises to reach out to domestic and global markets.

There is also a need to upgrade the traditional practices of women in food processing through scientific and technological inputs to ensure high quality and reduced drudgery of work. Many technologies such as cryogenic spice grinders, cryo-containers and

refrigerators, quick fish freezing systems and controlled atmosphere food storage systems have already been developed by institutions like Central Food Technological Research Institute, IIT Kharagpur, IIT Mumbai, National Physical Laboratory, IISc Bangalore and Jadavpur University, but not yet made accessible to small producers. These technologies need to be fully exploited (Raj, 1996). Large-scale dissemination of these technologies would also give a boost to food equipment manufacturing industry in the country.

## 5.10. Recommendations

### (A) Creating Support Systems for Women Workers in Food Processing

Recommendation:	Action by:
<p>(1) Constitute tripartite boards in food processing sector (on the lines of construction workers) (with 50 per cent representation to the workers, at all levels in which women workers should be included in proportion to their numbers in a given sub-sector of the industry) to perform the following functions:</p> <ul style="list-style-type: none"> <li>■ regulate employment and wages with provisions for regulating the wages <u>against price rise</u></li> <li>■ ensure equal wages for women workers</li> <li>■ Enforce payment of minimum wages as rainy season relief</li> <li>■ Monitor hygiene condition in manufacturing units and health of workers on a regular basis</li> <li>■ Ensure registration of women workers.</li> <li>■ Adopt preventive measures under the law to eliminate sexual harassment and provision of relief for women victims.</li> <li>■ Make it obligatory for employers to provide temporary accommodation to workers.</li> </ul>	<p>Ministry of Labour, and workers' bodies.</p>
<p>(2) Promote production and market access by women by setting up:</p> <ul style="list-style-type: none"> <li>(a) Mentor Systems for prospective women groups in a sub-sector for promoting enterprises</li> <li>(b) Food Parks of Women Production Co-operatives in different sub-sectors of food processing and having common quality testing and packaging facilities</li> </ul>	<p>Ministry of Food Processing Industries, Con-federation of Indian Industry, Agricultural and Processed Food Products Export Development Authority, Marine Products Export Development Authority and other bodies</p>



(3) Set up a core technical support fund to help the self-employed women acquire latest know-how and production and testing equipment in different sub-sectors of food processing.

Ministry of Food Processing Industries

(B) Providing an Integrated Package of Skills and Technology

(1) Develop an inventory of skills in various sub-sectors of food processing as per the needs of technological upgradation of the industry

Ministry of Labour, Ministry of Food Processing Industries

(2) Set up technical training schools (on the lines of mini-ITIs) with the mandate of providing training to women workers/producers in new skill areas of food processing

Ministry of Labour

(3) Disseminate among women producers technologies in food processing, preservation and quality control which would make work less labour intensive and time consuming and products of high quality

Central Food Technology Research Institute, National Physical Laboratory, Department of Science and Technology, and Engineering institutions

(4) Make it mandatory for food corporates to sponsor a certain proportion of women workers for training in skilled occupations.

Ministry of Labour, Ministry of Food Processing Industries, Agricultural and Processed Food Products Export Development Authority

(C) Ensuring Rights and Welfare

(1) Set up a National Expert Committee with the mandate of Identifying mechanisms for setting up special social security and welfare fund based on a cess contributed by processed food companies and exporters to support provision of provident fund, group and maternity insurance, crèches, medical services, for women workers (say through a tax on the processed food products as in the case of beedi sector).

Ministry of Labour, Ministry of Social Welfare and Empowerment, Ministry of Food Processing Industries, and resource NGOs.

- (2) Introduce a system of rating of food processing companies according to their performance in meeting the provisions of labour rights and welfare, and safety and health, particularly with respect to women workers.

Ministry of Labour, Ministry of Food Processing Industries, and workers' bodies

- (D) Areas of Future Action: Inputs for Developing Policy for Women workers in food processing

Carry out region-wise surveys/studies to fill up the following prevailing information gap pertaining to women's work in food processing:

- i. Deployment of women in various sub-sectors of the industry both in the organised and unorganised sectors
- ii. Nature of work and conditions of employment in various sub-sectors of the industry
- iii. Displacement of women workforce from food processing sector caused by changes in business and technology
- iv. Forms of subcontracting arrangements in food processing sector and their impact on women workers and producers.
- v. Nature of access of women producers to credit, technology and market.

Ministry of Labour, Ministry of Food Processing Industries, Research institutions and NGOs.

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# **The Impact of Globalization on the Forestry Sector in India with Special Reference to Women's Employment**

**By Manjul Bajaj**

## **6.1. Forests in India**

About 90% of India's 64 million of forests is under state ownership; the rest is community and private forests. These forests are not evenly spread throughout the country but are concentrated in the Northeast, the Himalayas and Shivalik ranges, the central belt, strips along the Western Ghats and along the coasts, with more than 50% of forest lands located in the central plateau which, typified by poor soils and low agricultural productivity, is home to a large segment of the country's tribal population. Although state owned, few, if any, forests in India are preserves of pristine wilderness with even the remotest of forests providing homes and sustenance to poor, indigenous communities of forest dwellers. Altogether there are an estimated 100 million forest dwellers in the country living in and around forests and another 275 million for whom forests constitute an important source of livelihood support.

## **6.2. Women and Forests**

Women's economic dependence on forests extends far beyond their involvement as wage labour in forestry operations and forest based industry. Women interact with forests at multiple levels and this complex relationship needs to be understood in its entirety before any effort is made to trace the impact of macro-economic and policy changes on their lives and livelihood:

- With the exception of logging, women are involved in the entire gamut of forestry operations including more arduous tasks like pit digging and earth work. They are especially skilled and preferred for nursery raising.
- Women's forest based gathering activities are a major and sometimes their sole source of income. Where women have no property rights in land, forest products and common property resources provide the only sources of income for poor women.
- Women are the mainstay of most forest based handicraft and cottage enterprises such as bidi rolling, matches, silkworm rearing etc.
- In many communities the only property that women have sole ownership rights to, is livestock. The livestock economy however is dependent on the availability of fodder which again is derived from forests and commonlands.
- Women are the main gatherers of fuelwood in most societies and this is often done concomitantly for domestic use as well as for income through sale of firewood.

- forest produce plays a critical part in the subsistence economy providing additional nutrition for families, food security in the lean seasons, oils, medicines and a range of household items.

Before, dwelling upon each of these at length below it may be pertinent to point out that habitat, agro-climatic factors and the type of farming system prevalent have a large bearing on the degree and type of forest dependence. Following Kaur (1991), we may adhere to a four fold classification:(i) tribal women (shifting cultivation and collection of forest produce); (ii) hill women (terrace agriculture and animal husbandry); plains women (agriculture and animal husbandry); and poor urban women (fuelwood for cooking).

### 6.2.1. Women in Forestry Sector Operations

As Table 1 below details women are engaged in all aspects of forestry work with the exception of harvesting of logs.

**Table 1. : Gender Distribution of Work in Forestry Operations**

<u>Task</u>	<u>Men</u>	<u>Women</u>
<b>1. Development work</b>		
i. nursery operations		x
ii. clearing and road work	x	x
iii. earth work	x	x
<b>2. Maintenance work</b>		
iv. watering		x
v. weeding		x
vi. applying fertilizers and pesticides		x
vii. protection	x	x
<b>3. Harvesting</b>		
viii. major produce	x	
ix. minor produce		x
<b>4. Management</b>		
x. forest officials	x	negligible
xi. village extension workers	x	x

Firm estimates of the total and female employment generated in forestry operations are hard to come by. According to a 1980 estimate by Pant a total of about 47 million persondays of employment is generated by forestry and plantation activities of which 15.7 are for women (see Table 2 in section 2.5 later). If we assume 200 days work per person in a year this would suggest that some 235,000 people are directly employed in afforestation, of these 78,500 women. This broadly tallies with National Income Accounts Data (not desegregated

at the gender level) for 1980 which estimates 250,000 principal workers and a total of 345,000 including marginal workers. However, these estimates appear to be on the lower side.

Another estimate by Kumar et al based on NSS data for 1993/4 and census figures puts the total workforce dependent on forestry and logging at 14.8 million of which 4.6 million are women.

### **6.2.2. Women and collection of forest produce for sale**

Large numbers of women derive employment and income from collection of forest produce for sale. As per the report by Kumar et al cited earlier approximately 3 million persons are involved in collection of "uncultivated material in forests", of which 2.1 million are women.

Earlier studies by the author (Bajaj 1997, 1998) bring out the income dependence on non timber forest products at the family level in two salient agro-climatic zones - the hills and the tribal belt. A study done for Himachal Pradesh suggests that upto 10% of families in the Kullu-Mandi region get on an average 15% of their total cash income from NTFP collection for sale. In the tribal state of Chhatisgarh, a study of two districts by the author estimates the contribution of NTFPs to be around 20% of the per capita income at the village level. Both studies reveal that collection is primarily the task of women.

### **6.2.3. Women in forest based enterprises**

Several categories of NTFP provide employment in processing activities. The more important are:

- i) fibres and flosses (rope making)
- ii) bamboos, canes and grasses
- iii) medicines and essential oils
- iv) spices
- v) oilseeds
- vi) gums and resins
- vii) tans and dyes
- viii) leaves
- ix) lac
- x) honey and wax
- xi) pine oleo resins
- xii) sandalwood
- xiii) seed collection

The majority of workers involved in the NTFP related processing economy are women. The



participation rate of women is higher in forest enterprises as they depend on application of local skills and village level technologies for extraction and processing and are organized as self employment or household level or cottage enterprises.

Khare (1987), estimated the employment for women in forest based enterprises at approximately 571,851 million womandays. The other estimate available is that by Pant (1980) which furnishes employment estimates in different categories of processing (see Table ) totaling to about 304 million womandays.

#### **6.2.4. Women, forests and subsistence needs**

Forests contribute significantly to consumption levels and the overall quality of life in several areas but these uses being part of the non-monetized sector tend to be overlooked. Non timber forest products permeate every aspect of daily life in hill and tribal regions - nutrition (fruits, tubers, leafy vegetables, mushrooms, spices, cooking oil), personal hygiene products (toothbrushes, soaps, detergents, hair dyes, massage oils, slippers), household goods (bedding, utensils, baskets, storage bins, leafplates, brooms), farming (implements, leaf manure, sticks, stakes, baskets, pesticides, fencing) and livestock care ( fodder, bedding, ropes, veterinary care). Earlier studies by the author in Himachal Pradesh and Chattisgarh (Bajaj 1997, 1998) show that dependence on forest products is fairly widespread across villages and across the rich and poor alike. While the exact species used may vary from location to location the pattern of dependence was found to be fairly uniform across locations.

The details of a valuation exercise undertaken for Himachal Pradesh are furnished as Annexure 1. Results show a monetised value of NTFP consumption equal to Rs. 3125/ family/year. Taking an average family size of 5, these translate to Rs. 625 per capita. The significance of this is best appreciated when considering them against the annual per capita income of the state of Rs 6519 (1993-94). The numbers imply that non - monetised flows in the form of various non timber products from forests contribute about 10% additional consumption to the average rural family. Further, if fodder and fuelwood values are added the total value of consumption from forests increases to Rs. 40,150 /family/ year or Rs. 8030 per capita. It would thus seem that flows from forests are more important to the rural hill economy than all other sources of income put together.

Annexure 2. presents a similar valuation undertaken in the central tribal belt. Results show that in-kind flows or 'invisible income' from forests approximate an annual value of Rs. 7350 per family and contribute significantly to the quality of life in tribal areas. Excluding the values for grazing and fuelwood, the value of consumption based on local forest resources approximates Rs. 2000/ family per year. This roughly translates to about 10% of the average rural per capita income in the state. Fuelwood contributes another Rs. 3600/ annum and grazing Rs. 1700/ annum.

**Table 2: An Estimated of Employment Generated in the Forestry Sector**

	Mandays (in millions)	Womandays (in millions)
<b>HARVESTING</b>		
<b>Major Forest Products</b>		
Coniferous wood	8.9	.089
Non coniferous wood	36.6	3.56
Pulpwood	10.25	2.045
Firewood	80.67	40.36
<b>Minor Forest Products</b>		
Bidi leaf collection etc.	34.24	23.96
Bidi rolling	68.48	54.78
Bamboos, canes, grasses	56.77	39.72
Cashew nut collection	3.30	2.31
Charcoal	24.80	2.48
Essential oils	19.39	9.69
Fibers and flosses	17.52	8.76
Gums and resins	26.40	10.56
Grading of gums	40.00	32.00
Honey and wax	0.17	.017
Horns, hides etc.	2.68	0.268
Katha and cutch	2.98	1.49
Lac	4.15	2.07
Myrobalans	2.30	1.15
Oilseeds	63.48	42.33
Pine oleo resins	9.52	0
Raw tassar and silk	0.66	0.33
Sandalwood	.08	.008
Sandalwood dust	.50	0
Seeds for propogation	3.25	29.25
<b>Plantation Activities</b>		
200-500 mandays including 100-400 womandays per hectare depending upon terrain	31.29	15.69

**Source:** Pant (1980) as cited in Kaur (1991)

These attempts at valuation, though rough, are important for putting in perspective the economic value of forests, over and above their income generating aspects, to women in particular and to the household economy in general.

### 6.2.5. All India estimates

Two sets of estimates are available for aggregate employment in the forestry sector. The estimate by Pant (1980) is in terms of mandays of employment generated and includes the forest enterprises sector. This is furnished as Table 2. The estimates by Kumar et al (2000) are of numbers of people engaged and exclude the forest enterprises sector. These are presented in Table 3. While the two estimates are not directly comparable Pant's estimate seems to be an under valuation. The latter estimate based as it is on more recent NSS and census data seems to be closer to reality. This leaves us with 100 million people directly dependent on forests for income, excluding those engaged in forest based industry.

**Table 3: Principal and Subsidiary Workers 1993;  
Selected Categories and Total (in tens of thousands)**

Industry	Male	Female	Total
Floriculture & horticulture	5.03	2.38	7.41
Fodder	0.30	0.18	0.48
Medicinal plants and other cultivation	28.88	9.62	38.50
Plantations	484.77	455.79	940.56
Livestock	435.04	367.13	802.17
Hunting, trapping, game propagation	5.21	1.53	6.74
Forestry and logging	103.06	45.82	148.88
Planting, replanting and conservation of forests	47.16	6.02	53.17
Logging	18.36	6.77	25.13
Firewood/ fuelwood by exploitation of forest	2.42	2.46	4.87
Gathering of fodder from forest	0.74	0.63	1.37
Uncultivated materials in forests	9.00	20.96	29.96
Forest Services	25.38	8.98	34.36

Source: Kumar et al (2000)

### 6.3. Initial Hypothesis

Since women in rural communities across India are intimately linked with forests through a multiplicity of relationships, as detailed above, it would be axiomatic to assert that the income and well being of these women depends on the continued existence and health of forests. Thus, when assessing the impact of globalization on poor forest dependent women the principal assumption is that any increase in the pace of deforestation or degradation of forests would imply negative impacts while any obverse trend would imply a positive impact.

While some controversy exists on the exact extent and measurement modalities, it is widely acknowledged that the 1990's showed a sharp decline in the rate of deforestation in India with the Forest Survey of India data actually showing a reversal of the trend and an increase in the country's tree cover. That the 1990's have also been a decade of economic reform and globalization of the Indian economy would suggest that the overall impact of globalization has definitely not been negative. It remains to be explored and examined in which ways globalization may have translated into positive impacts on the state of India's forests and forest dependent communities.

### 6.4. Globalisation Defined and Demystified

Since the term "globalisation" is bandied around quite liberally and could mean different things to different people it would be useful to establish definitional clarity at the outset. In popular perception globalization is associated with an opening up of the country's economy to foreign participants accompanied by political, cultural and lifestyle changes. In a more strictly economic sense it refers to a series of steps to restructure the economy to make it internationally competitive. Following Reed and Rosa (2001) we may identify the ten distinct components of the economic restructuring and globalization package. Not all of these are currently in place in India and they are being pursued at varying paces within an overall trend towards greater global integration:

- Fiscal discipline (i.e. containing budget deficits)
- Public Expenditure Reforms (i.e. redirecting expenses from politically sensitive areas such as defense, administration, subsidies to more productive uses)
- Tax reforms (i.e. broadening the tax base and cutting rates)
- Financial liberalization (market determined interest rates)
- Exchange rate rationalization
- Trade liberalization (replace quantitative restrictions with uniform, low tariffs in the range of 10%)
- Foreign Direct Investment (barriers to entry of foreign firms to be brought down)
- Privatization of state enterprises
- Deregulation
- Establish Property Rights

So far the globalization process in India has concentrated on deregulation, increased foreign direct investment and trade liberalization along with some attempts at public expenditure and tax reforms. For the purposes of this paper we will adhere to the narrower economic definition of globalization excluding its socio-cultural ramifications from purview.

Globalization can be expected to impact upon the forestry sector at two levels: one, changes in the overall economy which effect the position of forests is. a vis. other sectors and two, direct changes in policies and practices regarding forest management - regulations, taxes, tariffs, trade in commodities etc. We take each of these separately in the two following sections.

### **6.5. Economic Reforms, Growth and Forests**

The likely impact of overall economic reforms and growth on the forestry sector is projected to be positive on three counts:

- Economic reforms call for the reduction of perverse subsidies. Subsidies have been particularly endemic in the agriculture sector in India with vast subsidies on water, power, credit, fertilizers and inputs all of which led to an expansion of agriculture into marginal common and forest areas. Particularly harmful has been the emphasis on subsidized hydel power projects which have led to submergence of pristine forest areas. A veering away from large dam projects as well as efforts to rationalize water and power tariffs and reduce fertilizer subsidies in recent years are likely to have corrected the imbalance between agriculture and forests in the latter's favour.
- It is widely acknowledged that India's forests are subject to a great magnitude of biotic interference well beyond their carrying capacity due to the sheer load of human and animal populations dependent upon them. To the extent that globalization fuels growth and creation of alternate livelihoods in the manufacturing and services sectors, it reduces the burden on forests and is likely to impact positively on their health and conservation.
- To some extent, globalization has introduced efficient and affordable substitutes for forest produce which was fast dwindling through over-extraction. The use of plastics in furniture and ropes (traditionally dependent on forest fibres and wood) is a case in point as is the use of corrugated cartons instead of wooden crates in fruit packaging.

## **6.6. Globalization and policy reform within the forestry sector**

State intervention in the forestry sector in India has been pervasive and government policies have had a decisive influence on the management and health of forests in the country. An earlier study by the author (Bajaj 1994) undertook a comprehensive analysis of the impact of six selected government interventions on forests in India viz.:

1. State ownership of forests
2. Nationalization of the non wood forest products trade
3. Subsidized supply of raw material to forest industries
4. Tariff and non tariff protection to domestic industry
5. Regulation of movement of forest produce
6. Restrictions on harvesting of trees on private lands

The study presented cumulative evidence of public policy failure and concluded that each of these interventions performed indifferently when evaluated against their original policy objectives. It also established that the policies were unambiguously detrimental in their economic, environmental and distributional effects and made the case for a smaller and more focussed government presence in the forestry sector.

Table 4 reproduced from earlier study, summarizes the deleterious impacts of excessive government presence in the forestry sector.



**Table 4: The Burden of Policy**

Policy <sup>1</sup>	Economic Impact	Equity Impact	Environmental Impact
All forests are the property of the state	a) ineffective protection b) disincentive to investments in afforestation	Harms long-term interests of forest dependent communities b) Affects farmers who may otherwise have engaged in rehabilitation of degraded private lands	Loss of forest cover
Nationalization of NTFP trade	High cost of administration. Reduces number of legal buyers Increased corruption	Favours government functionaries and middlemen. Disadvantageous to poor collectors	Reduces income from and therefore incentive to protect diverse multi-product forest systems. Leads to forest degradation via intensification of fuelwood extraction and grazing
Supply of industrial raw materials from natural forests at subsidized rates	a) Considerable loss of government income b) Reduction of incentives for industrial reforestation and proper forest management c) Distortion of choices vis. a vis. farm forestry and alternate materials. Also between timber and non timber uses d) Technological backwardness and waste in processing e) Short-term profiteering Large enterprises benefit most	Local communities lose access to multiple forest products Government loses income Farmers are deprived of investment opportunities Future generations subsidize current one	Excessive levels of cut. Waste in processing. Inadequate reforestation incentive. Loss in forest cover
Protectionist policies: Tariff and non tariff barriers	Negative economic impact by limiting competition and thus allowing or even fostering economic inefficiency	Policy favours mainly large concerns Consumers are forced to pay higher prices	More resources are needed to produce a given level of output. Permits use of older, less clean technologies. Faster depletion of forests as imports not allowed

Source: Bajaj 1994

The table above recapitulates the pre- globalization scenario. It remains to be seen how much the winds of change have swept the forestry sector and what impact these have had upon forests and the forest dependent.

The most salient change has been the lowering of import barriers for wood and wood products. Timber in log or sawn form and pulp have been included under Open General License and private entrepreneurs can make imports. There has been a quantum jump in the import of timber from about 1.5 million cum in 1989-90 to a total value of Rs. 50 billion in 1995-96 with imported quantities reaching about 50% of recorded timber production from forests land. An estimated 50% of pulp consumption is also currently imported. The liberalization of imports has benefited the country by

- conserving forest resources
- checking prices
- increasing capacity utilization, production and employment in forest industries particularly saw mills and paper factories
- technological upgradation

In all the impact on forest based communities and particularly women can be adduced as positive though the import of pulp has adversely affected farmers who had undertaken block plantation of eucalyptus and other such species.

On all other counts the progress of reforms have been slower. International participation and influence on forest management has been positive to the extent that greater stakeholder participation and community based management are now widely accepted within the forest bureaucracy. With the institutionalization of Joint Forest Management a great conceptual breakthrough has been made in sharing ownership with local communities. However, JFM covers only a minuscule proportion of the country's forest and even here the literature suggests that women's interests may have been adversely impacted upon in the initial stages.

Similarly, while there has been a veering off of committed subsidized supply to industry at the national policy level many states continue with the practice, fostering an inefficient and technologically obsolete industry and degrading forests further.

However by far the greatest failing, and that too impacting most on women collectors, is that of the continued state control and monopoly of the non timber forest produce trade, across different states in the country. Almost all important NTFPs are nationalized and can be sold only to government agencies. These agencies created by the state have long since reached a stage where they can play an effective role in protecting poor producers. Most state Forest

Development Corporations are defunct agencies confronted with mounting liabilities. Huge and redundant manpower and capital enhance operating costs and huge mark-ups are needed to break-even. Very often subcontractors are deployed and the collectors margins further squeezed. The extensive literature on the subject almost unanimously points towards decontrolling the trade and reducing the government role in it.

### **6.7. Conclusions**

The paper establishes that a strong, multifaceted link exists between women and forests and suggests that globalization may have served the cause of these women by helping check the rate of deforestation in the country over the last decade or so. A further withdrawal of the state and dismantling of the forest bureaucracy and handing over control to communities and to market forces would only benefit the forest dependent poor.

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## Annexure - 1

### An estimate of the value of products consumed directly from forests by a family in one year in rural Himachal Pradesh

Product	Quantity/ Price Assumptions	Estimate of Value (in Rs.)
Agricultural Uses Agricultural Implements	Annual value derived based on total cost of ploughs, sickle handles, forks and their average life in years.	100
Fencing	Based on labour expended on fencing an average holding of 5-6 bighas	350
Leaf Manure	Assuming 35 tokras/bigha/year for 5 bighas at the @ Rs. 6/tokra.	1050
Food		
Fruits	Assuming 15 kg of kaaphal @ Rs. 20/kg	300
Vegetables (mushrooms, fimgad, ghaghoch, malora, khuk)	Assuming 50 extractions from the forest in a year at an average price of Rs 5/ each	250
Spices (anardana, tejpatta, wild onions, pudina, rhododendron chutney)	Conservative estimate of Rs. 50/year	50
Honey and oils (jangli aalu/ sadha chuli)	Conservative estimate of Rs. 100/year	100
<u>Household Items</u>		
Brooms	Calculated for 20 brooms/ year on the basis of labour expended	30
Floor Mats	Assuming that 3 are replaced each year x Rs.25/ mat (local price)	75
Ropes	20 kgs per year @ Rs. 10/kg	200
Baskets	Assuming 7/ year @ Rs.25	175
Lathis (sticks)	Assuming 20/year @ Rs.1.50	30
Toothbrushes	Assuming @ 20 paisa each for 5 members for 365 days	365
Utensils, bins, leafplates	Rs. 50/ year assumed based on discussions	50
Total value of NTFP consumption		3125
Fuelwood	Assuming 40 kgs/day for 4 months and 20/kg for 8 months in the year @ Rs.1.65/ kg	16000
Fodder	Assuming 60% of fodder requirements are met out of forests, an average holding of 4 animals/ family and a price of 80 paisa per bushel of fodder x 30 bushels (1 load) per day	21,025
Total value of extractions from forests for subsistence (excluding timber used)		40,150

**Annexure - 2**

**An estimate of the value of NTFP consumption / family / year in rural  
Chhatisgarh**

Item	Used for	Average Consumption/ family/ year	Assumptions	Estimated Value
1. Mahua flower	Brewing liquour, food.	60 kgs/ family	A price of Rs. 4.00/ kg has been assumed for valuation purposes.	Rs. 240
2. Mahua seed	Cooking and massage oil	10 litres/family	Estimates ranging from 10 ltrs. to 25 ltrs. were given in different villages. A price of Rs. 35/ kg has been imputed.	Rs. 350
3. Other oilseeds	Lighting lamps, edible	5 litres/family	Very wide variations were found across different locations for this item. A minimum quantity @ Rs. 20/ litre has been assumed.	Rs. 100
4. Tubers	Food	10 kgs/ family	@ Rs 8/kg. Few of these are actually traded. The price is a notional one arrived through discussions.	Rs. 80
5. Fruits Jamuns	Food	30 kg/ family	Local price of Rs. 200/ basket of 40 kg imputed	Rs. 150
Mangoes		20 kg/ family	Price of Rs. 5/ kg assumed.	Rs. 100
Others (Tendu, Bhelwa, Chhind etc.)		25 kg/ family	Price of Rs. 5/ kg assumed	Rs. 125
6. Mushrooms		Food 20 kgs/ household	Price of Rs. 15/ kg derived at on the basis of prices prevailing in haat bazaars.	Rs. 300
7. Leafy vegetables	Food	20 kgs/ household	@ Rs. 5/ kg. Few of these are actually traded. The price is a notional one arrived through discussions.	Rs. 100
8. Rope	Various purposes	10 kgs	A price of Rs. 3/kg is assumed	Rs. 30
9. Brooms	Household purposes	20 brooms/ family	@ Rs. 3/ broom	Rs. 60
10. Mats	Household purposes	3 mats	Valued at 6 mandays labour @ Rs. 15/ manday	Rs. 90
11. Fencing material	Homesteads	Replaced annually	Valued at 10 mandays of labour @ Rs. 15/ manday	Rs. 150



12. Poles	House repair	4-5 poles used each year	4 poles valued at Rs. 20 each	Rs. 80
13. Other items not separately valued.	Medicinal herbs, honey, spices, toothbrushes, leaf plates for ceremonies etc.			Rs. 100
Total				Rs. 2055
Fuelwood	For cooking and heating purposes	8 months @ 20kgs/ day/ family and remaining 4 months @ 80 kgs/ day/ family	Valued at the locally prevailing rate of Rs. 10 per 40 kg load i.e. 0.25 paisa/ kg	Rs. 3600
Fodder	Grazing from forests	Assuming 2.5 large animals and 3 goats/ family and assuming 30% of large animal reqt. of fodder (6kgs/ day) and 80% of small ruminants reqt. (2kgs/ day) comes from forests).	Valued @ Rs. 0.50/kg	Rs. 1695
<b>Total including fuel and fodder</b>				<b>Rs. 7350</b>

Source: Bajaj, 1998

# **Productive Linkages of Indian Industry with Home-based and Other Women Workers through Subcontracting Systems in the Manufacturing Sector**

**By Ashok Raj and Rakesh Kapoor**

## **7.1. Introduction**

Among various segments of the Indian labour force, the home-based women workers living in almost every low-income urban locality in the country, are amongst the most exploited group of workers today. They constitute a major segment of labour deployment in the informal sector of the economy. The bulk of these women producers live and work in "on-the-margin" survival conditions and do a variety of jobs for industry and trade, ranging from sewing garments, assembling electronic components to simple jobs of sorting, packaging and labelling goods. As a workforce, home-based workers have remained largely invisible in statistical terms, and are not even counted in the official labour statistics as a distinct category.

Home-based work, which creates a wide range of goods and services for the manufacturing industry as well as for vast number of middle and small level producers, represents the most critical interface between formal and informal sectors. Big as well as small firms, in search of increased profits at lower costs, opt for decentralisation of production. In this decentralisation, home-based work often becomes an indispensable element in various subcontracting of production operations. In fact, the growing importance of subcontracting or outsourcing in industrial economies has provided an urgent impetus in India (and the world over) to strengthen the home-based production sector (Mukul, 1998).

In fact, in the present times of economic liberalisation, Indian companies have adopted subcontracting as a new strategy for effectively responding to the rapidly changing product profile and keeping their foothold in the competitive domestic and global markets. The practice of subcontracting is indeed an indicator of the efforts of the manufacturing companies to gain new margins of flexibility in changing product and labour markets. Therefore, the current changing market and labour relationships are poised to bring centre stage the home-based women workers where they would be expected to do a variety of production-related tasks.

The participation of women work force in industrial subcontracting is not well understood. Not much information is available on: (a) the size of the involvement of home-based women force in subcontracting arrangements sponsored by industry; and (b) quantitative evidence on the extent of production subcontracting across industries to house-based units. Therefore, the significance of subcontracting as a source of self-employment for household women workers remains ambiguous.

This paper attempts to a preliminary attempt towards filling up the above information gaps. Based on primary investigation and secondary sources, it envisages locating women home-

sectors. It takes a *detour* of the home-based work and its many complexities and suggests a set of guidelines for developing a national policy on home-based workers in the present context.

## **7. 2. Genesis of Home-based Work**

Home-based work represents a variety of activities and employment patterns. In India, home-based work is traditionally associated with agriculture and crafts-based occupations. A majority of home-based workers are the female heads of households, employed in agro-industries, food processing, *beedi* making, handlooms, handicrafts, garment making and, more recently, in manufacturing of industry-related goods.

Home-based workers, like contract labour, can be seen to represent a unique inclusion-exclusion complex operating in the labour market (Vijay, 1999). This complex is a conflicting process of development. At the one end, it represents a combination of inclusion in the opportunity to obtain work, and some security produced by it. At the other extreme, it represents their exclusion from the domain of full-fledged industrial labour having adequate institutional forms of support.

### *7.2.1 Home-based Work in India*

According to official estimates, there are around 20 million home-based workers in the country. However, unofficial sources indicate that they are perhaps double of this number (Jhabvala, 1996) (1). As per 1991 Census, the share of women workers in household industry in total women main workers (both rural and urban) is 4.63 per cent (Labour Bureau, 1998).

Table 1 gives ranking of States according to percentage of women workers in household industry to total women workers. It is seen that Manipur and West Bengal have the highest share of women household industry workers in their female labour force, followed by Kerala, Tamil Nadu, Andhra Pradesh, Punjab, Uttar Pradesh and Orissa.

**Table: 1 Ranking of States according to Percentage of Women Workers in Household Industry to Total Women Workers by States as per 1991 Census**

State	Total women workers	Percentage of women workers in household industry
Manipur	335,715	12.98
West Bengal	3,795,943	12.24
Kerala	2,501,536	7.76
Tamil Nadu	8,468,513	6.44
Andhra Pradesh	11,390,161	6.20
Punjab	643,521	5.75
Utter Pradesh	8,379,751	5.59
Orissa	3,238,842	5.42
Assam	2,281,698	4.66
Delhi	326,097	3.52
Madhya Pradesh	10,379,433	3.40
Goa	117,762	3.38
Karnataka	6,428,184	3.01
Tripura	90,999	2.91
Bihar	6,461,878	2.86
Maharashtra	2,568,538	2.65
Gujarat	5,389,492	2.55
Rajasthan	5,657,746	2.25
Haryana	859,321	2.23
Nagaland	224,647	1.65
Sikkim	100,005	1.37
Mizoram	144,812	1.25
Himachal Pradesh	887,204	0.97
Meghalaya	314,169	0.97
Arunachal Pradesh	157,300	0.58
<b>All India</b>	<b>91,397,489</b>	<b>4.63</b>

**Source:** Compiled from Labour Bureau (1998), **Statistical Profile on Women Labour (Fifth Issue)**,

Ministry of Labour, Chandigarh/Shimla.

Over the last few decades, pathbreaking efforts have been made by at least three famous non-government organisations, SEWA, Working Women's Forum and Annapurna Mahila Mandal. These organisations have not only organised home-based women workers for more employment opportunities and better conditions, but have also evolved a radically new perspective on home-based work, from the viewpoint of the workers themselves.

**Box: 1.5: Success Story-1: SEWA**

*Lijjat Pappads*, the grand success story of SEWA in creating a breakthrough in organising home-based *papad* makers in a highly successful and self-sustaining enterprise is world famous.

The brainchild of Ela Bhatt, SEWA, a women's union organises poor women workers in the informal sector, including home-based women workers, for better wages and working conditions, while at the same time developing co-operatives, banks and other channels for support. SEWA pioneered the concept of 'home-based workers' and showed that there is a section of the workforce which is part of the economy but which works within their own homes. Main landmarks in its success route are:

- ◆ SEWA now has a total membership of 2,20,000 women workers, of which about 23,000 (35 per cent) are home-based. The home-based women workers are organised into their own cooperatives with four thousand outlets and their own state level federations.
- ◆ SEWA bank started in 1974 with a capital of Rs. 60, 000 raised only from self employed women. Today the Bank has a capital of Rs. 14.5 crores.
- ◆ SEWA has helped increase the collective bargaining of many artisanal groups for getting the piece rate raised.
- ◆ Many women workers who were dismissed from their work for union activities have been organised in cooperatives and they entered the market as an equal of their ex-employers, thus generating employment and increasing the bargaining power of the women workers.
- ◆ The SEWA programme of uplift of the women *chikan* workers of Lucknow has helped the beneficiaries in many ways. They are no longer the exploited and ill-paid workers they used to be a decade ago. Now they are well organised with substantial increase in their income. These crafts-women now travel around the country in crafts bazaars selling their work. They now hold an enviable place in society. It is believed that young women in Lucknow have the best chances of making good matches if they are members of SEWA.

Source: Compiled from Bhatt, Ela (1996), *SEWA is Heading towards Full Employment at the Household Level*, An interview with Menon, Sindhu, Labour File, Vol. 2, No. 4, April, p 19-22; Bhatt, Ela (1997), *SEWA as a Movement*, in Datt (1997); Jhabvala, Renana (1996), *India can take the Lead*, Labour File, Vol. 2, No. 4, April, p 3-11; and Selliah, S. (1989), *The Self-Employed Women's Association, SEWA, Ahmedabad*, International Labour Office, Geneva.

### **7.3. Economic Reforms and the Re-emergence of Self-employed and Home-based Women Work Force**

The current economic reforms and the associated deregulation process has introduced radical changes in technology, business organisation and the labour market. These changes are now leading to what has been termed as 'flexibilisation' or informalisation of the country's industrial world (Vijay, 1999). This process has three distinct outcome:

- (a) growth of the informal sector;
- (b) greater feminisation of Indian labour market; and
- (c) re-emergence of home-based work as an important constituent in the country's industrial production.

#### **(A) Growth of Urban Informal Sector and Informalisation of Labour**

Liberalisation of trade, industry and finance are increasingly replacing the existing employment structures far more in the urban than in the rural economy. This, coupled with stagnation in agriculture and rapid urbanisation has led to rapid growth of the urban informal sector (Bhattacharya, 1998). As a result, the demand for labour has increased substantially after liberalisation in cities (Deshpande and Deshpande, 1998). Since the growth of employment is higher in the private informal sector, in comparison to the formal sector - the number of workers in the former has increased from 89 per cent in 1972 to 94 percent in 1995, it signifies a growing trend of contractual and casual labour in the Indian economy. In fact, some researchers tend to show that the policies of liberalisation, export promotion and contractual employment are supporting informal work as development, and in doing so, are aiding the restructuring of industrial production in terms of far more flexible arrangements

(UNIFEM-SIDA, 1995).

In this rapidly changing scenario, structural changes are occurring in the labour market. The earlier labour market regulations are seen as serious impediments to both cost-effective production as well as growth in employment opportunities. Companies now prefer to employ flexible labour for specific jobs which can be disposed off when the work is over. This non-permanency of labour in the form of casual/contract work force helps in reducing wage as well as non-wage costs (in terms of maintenance of permanent labour force). Thus earlier formal employer-employee relationships are now fast disappearing making way for informal ones (UN, 1992).

#### **(B) Feminisation of Labour Market**

One direct consequence of informalisation of the urban Indian labour market is its increasing feminisation. As already seen, not only is female employment increasing faster than that of males, the earlier employment structures of women are giving way to new patterns of their deployment and nature of work (Pradhan, 1995). According to available statistics :



- During the decade 1981-1991, male employment in urban areas increased by 3.5 per cent annually while that of women increased much faster at 6.1 per cent. The sex ratio of the work force improved from 139 women workers for every 1000 male workers in 1971 to 400 in 1991 (ILO, 1999).
- Increase in home-based workers is one of the principal factors behind rapid growth of the urban female work force. Nearly three-fourths of the urban female work force is constituted by the self-employed and casual workers, which includes most of the home-based workers.
- If the agriculture sector is excluded, the unorganised sector accounts for over 90 per cent of all women workers. This includes wage workers, piece-rate workers and the self employed.
- The proportion of women in total employment in factories is steadily increasing since 1971. It has risen from 8.6 per cent in 1971 to 9.9 per cent in 1991 and 10.7 in 1994.
- The labour participation rate of women in the country has increased from 14.22 per cent in 1971, 19.67 per cent in 1981 and 22.27 per cent in 1991.
- Based on uniform definition of workers, the female work participation rates of all workers (main and marginal) increased in urban India from 8.31 per cent to 9.74 per cent between 1981 and 1991; while the male work participation rates declined marginally from 49.06 per cent to 48.95 percent during the same period.

Thus liberalisation has affected casual workers, particularly the women casual workers, more favourably than regular workers in terms of employment opportunities. The demand for casual and intermittent work is increasing faster than for durable, regular work and women fit effectively in this work slot. As a result, the emerging labour market is segmented more in favour of women labour ( Deshpande, 1993).

The deployment of women workers in the emerging flexible labour market has at least three distinct consequences (Deshpande, 1993; Deshpande and Deshpande, 1998; and UN-SIDA, 1995):

- (i) Greater casualisation is leading to increase in wage differential between regular and casual workers, particularly women.
- (ii) Gender-based wage differential is widening with women being paid far less than men after liberalisation than what they used to earn before.
- (iii) As industries redesign and relocate their production operations, they resort to reduction of regular male employment or real income. As a result, there is a greater compulsion on the women to take up work leading to greater supply of female labour in the market, particularly in the informal sector.

Women are seen by their prospective employers to have much perseverance, ability for attention to details and familiarity to working in regimented conditions. In addition they are considered far more tuned to discipline than men and less demanding in terms of increase in wages and other benefits. Thus in the emerging deregulated labour market, Indian companies now perceive women labour as a highly benefiting low-cost workforce and at the same time having some peculiar advantages as compared to male workers.

Thus women's flexible and cheap labour is now being capitalised upon both in the formal and informal sectors. A clear trend of the feminisation of wage labour emerges as a great number of women work at lower levels and discriminatory wage rates are entering the scene (Deshpande, 1993). Women, in fact, now constitute the majority of the workforce in modern export industries and multinational corporations based in free trade and export processing zones. (UNIFEM-SIDA, 1995).

Most of these openings are dead-end jobs with few possibilities of upward mobility. But as the deregulation process gains momentum, the Indian labour market is likely to exhibit a decrease in discrimination in employment opportunities based on gender. Since the demand for women labour will increase, female unemployment will fall and industry would be less discriminating in giving employment to women. In addition, the domain of industrial occupations for women will widen and they may intrude into the jobs which were earlier bastions of male employment (Deshpande, 1993).

### **(C) Re-emergence of Home-based Work**

A third outcome of the feminisation of the labour force is the increasing prospects of home-based women workers becoming important players in the restructured system of industrial production. Already a large number of such workers in sectors like textiles, garments, hosiery and traditional handicrafts are linked indirectly to the domestic and international markets through a chain of manufacturing and trading companies (UNIFEM-SIDA, 1995). Apart from big manufacturers dedicated to the huge domestic market and exports, a significantly large number of small scale industries are now emerging as important employers of home-based women workers.

Raju (1993) through an extensive analysis of the deployment of female labour force according to size of urban centres in the 1980s and 1990s shows that women participation in home-based work has increased significantly in the 1990s. In the 1970s and 1980s, the distribution of household manufacturing in different size-class of cities showed a very small component of the household sector in the case of metropolitan cities. The number of both male and female workers in the household sector were found to be negatively correlated with those in the manufacturing sector. In the 1990s, the negative relationship between

number of male workers in the household and non-household manufacturing sectors weakened only marginally but for female workers, the negative relationship observed between the household and non-household workers in the 1980s actually disappears, to be replaced by a positive association which is statistically significant when all cities are taken together.

Raju (1993) concludes that there is a gradual obliteration of boundaries between household and non-household sectors in the large urban centres with an increasing mutual inter-dependence between the two whereby much of the work (which ultimately becomes an input in non-household factory industry) is being done by female workers at home on a contractual basis. At another level, this shift indicates the importance of the manufacturing sector in the employment of women. As the proportion of female workers in the population increases, their share in manufacturing would increase in a positive and significant way.

#### **4. Relationship of Subcontracting by Indian Industry with Export Oriented Industries and Women Labour Force in Informal Sector**

##### **4.1 Subcontracting: New Strategy for Flexibility in Indian Manufacturing**

In the new era of deregulation, companies have devised many changes towards re-organising their production systems. The strategy of prime importance is subcontracting arrangements or outsourcing of production, a phenomenon which has begun to occur on a large scale in recent years. By subcontracting, multinationals and large national entrepreneurs attempt to maintain a cutting edge over production and profits without having to make large capital investments (Ramaswamy, 1999).

The increasing use of subcontracting in industrial production indicates that companies are increasing flexibility in their attempts to find an optimal combination of production techniques and reduction of costs (Baud, 1985). One major impetus for this phenomenon is the availability of flexible labour, at lower costs of deployment and an attempt by industries to avoid dealing with non-unionised work force (Shah et al, 1994). Indian industry, in fact, is of the view that for the success of liberalisation policies, there is an urgent need for introducing an extended flexibility into the Indian labour market through liberalisation of the labour regulation regime (UN, 1992).

There are multiple causes that lie behind the spread of subcontracting practices (Bose, 1996; Business India, 1994, Nagaraj, 1984; and Ramaswamy, 1999):

- (a) Many high wage companies may find it attractive to outsource certain peripheral activities using low-skill work.
- (b) Subcontracting is employed as a means of reducing the risk associated with expanding

production. The risks in product markets are caused by increasing competition, product differentiation and niche markets.

- (c) Subcontracting enables a company to take better advantages of the division of labour, shed marginal activities and focus on a few core functions.
- (d) Competition among subcontractors keeps their supply costs low and enables the parent firm to expand or contract production over a wide range.
- (e) Subcontracting is used by large companies to test markets for new product lines with a view to reduce entry costs.
- (f) In some cases, subcontracting is so extensive that the firm's own employees have been reduced to a fraction of its total employment, and the character of the company is transformed from a manufacturing to a trading company.
- (g) A company can focus exclusively on its core areas and through subcontracting get the work done more effectively, while at the same time ensuring that its subcontractors do not intrude into its own areas of competence.

Thus the above trends suggest that as demand for differentiated products increases and niche markets emerge, a large proportion of industrial production in the country would be increasingly based on a flexible manufacturing system that employs small units (including those in the informal sector).

#### 7.4.2 Growth of Subcontracting in Indian Industry

Many reported surveys of Indian companies and case studies indicate that subcontracting in Indian manufacturing has grown rapidly in recent years. Ramaswamy (1999) provides an extensive analysis of the subcontracting practices in various sectors of industry. Table 2 presents the estimates of subcontracting intensity in manufacturing at different points of time. It is seen that subcontracting was not a significant activity in 1970. From 1978 onwards, it became widespread among large factories with a share of 21 per cent.

Table 3 gives the subcontracting intensities of selected industries. These are, in fact, the top ranking industries in five use-based classifications of industry groups, namely, Basic Goods, Capital Goods, Intermediate Goods, Consumer Durables and Consumer Non-durables. It is seen that the industries which employ subcontracting on a substantial scale are: vegetable oil and fats, stationery articles, canned fruits and vegetables, prepared animal feed, cotton textiles, coffee and instant coffee, consumer electronic products and components, cosmetics and toiletry products, drugs and medicines and electric lamps.

**Table 2: Growth of Outsourcing in Manufacturing\* 1970 to 1994**

Census sector 1970 1978-79	Census sector 1983-84	Factory sector 1993-94	Factory sector 1992-93	Census sector**	
Subcontracting intensity*	9.46	21.66	22.3	25.3	15.9
Share in regular manufacturing	88	85	100	100	58

\*Manufacturing excludes repairs.

Census = Factories with more than 200 workers.

\*\* Census sector = Factories with more than 50 workers.

Notes:

- (1) **Definition of Subcontracting Intensity:** The degree of subcontracting is taken in terms of value of goods sold by a company in the same condition as purchased from another manufacturer to whom the production was subcontracted. **Subcontracting Intensity** for a company is defined as *the ratio of the value of goods sold by the company in the same condition as purchased from a manufacturer to net value added by the company. Net Value Added of a company is the difference between gross value of outputs and the gross value of inputs for a given product.*
- (2) There was a change in the definition of census sector in 1978 and 1992-93. Consequently, they are not comparable. However, the data clearly suggest that for large factories subcontracting is a significant activity.

**Source:** Ramaswamy, K.V. (1999), *The Search of Flexibility in Indian Manufacturing: New Evidence on Outsourcing Activities*, Economic and Political Weekly, Vol. XXXIV, No. 6, February 6-12, p.363-368; based reports of Annual Survey of Industries (ASI) for various years.

**Table 3: Ranking of Selected Industries according to Subcontracting Intensity**

Industry	Subcontracting Intensity (Percentage)
Vegetable oil and fats	21.0
Stationery articles	18.0
Canning and preparation of fruits and vegetables	7.8
Prepared animal feed	11.2
Weaving and finishing of cotton textiles on powerlooms	11.0
Coffee and instant coffee	10.3
Television receivers, radio broadcasting equipment, microphones, record players, cassette players, audio and video tapes, etc.	79.4
Cosmetics, soaps, detergents, shaving products, tooth paste and toilet preparations	78.8
Drugs, medicines and allied products	64.5
Electronic valves, tubes, capacitors, circuits and other electronic equipment	59.4
Electric lamps	55.4
Semi-finished iron and steel products	52.0
Agricultural machinery and equipment and parts	37.5
Textile garments	32.0
Metal furniture and fixtures	30.7
Motor vehicles and parts	17.5
Refrigerators, air-conditioners and fire fighting equipment and parts	11.5

Source: Based on Ramaswamy (1999).

#### 7.4.3 Relationship of Subcontracting with Labour Intensity

Considering all industries, there seems to be a positive association between subcontracting intensity and labour intensity (defined as the labour per cent of value added). Consumer Non-durables' Industries have the highest subcontracting intensity and their average labour intensity is also the highest. Their value added share is also high, next only to Basic Goods' Industries. The median employment size is the lowest in Consumer Non-durables' Industries. Capital Goods' Industries and Consumer Durables' Industries both exhibiting similar values of these parameters.



Intermediate Industries have the lowest subcontracting intensity but high labour intensity. Their value added share is low. Basic Goods' Industries, which have the largest median employment size, ranks third among the industry groups in terms of value of subcontracting intensity. The reason is obvious: this group represents process technology and continuous flow methods of production and therefore is not amenable to outside production. This is in contrast to Consumer Non-durables in which batch production methods seem to be widespread.

The nature of technology employed by an industry appears to affect its subcontracting activity. It has been found that industries which use technologies requiring more labour per unit of output, are more amenable to subcontracting because of the feasibility of subdivision and replicability of activities.

#### **7.4.4 Impact on Small Scale Industries Sector and Informal Sector**

The singular outcome of all round increase in subcontracting operations of Indian industry is its contribution towards rapid development of the small scale industries sector in the country, including small production units in the unorganised sector. Certain government industrial policy initiatives such as the MODVAT (Modified Value Added Tax), have also indirectly helped this trend. In fact, in the country's export expansion efforts, small scale industries are poised to become major foreign exchange earners. This sector contributes nearly 40 per cent of the total industrial output apart from accounting for a major share in both export and employment (CII, 1998).

The emergence of the small scale industries sector as a major partner in subcontracting is expected to have positive implications for expansion of the informal sector, particularly the small home-based enterprises. As the production activities of small scale industries expand, these will have spillover effects for the home-based sector.

#### **7.4.5 Subcontracting and Export Orientation of Industry**

Data indicate that many export-oriented industry groups (including those in the small scale sector) also exhibit high values of subcontracting intensity. They employ women in large numbers either in wage employment or as unorganised labour in the informal sector. Certain industries like textiles/garments, food processing, have also increasingly resorted to subcontracting of their production operations to home-based women workers.

**Table 4: Ranking of Small Scale Industries according to Value of Exports (1996-97)**

Sector	Value ( Rs.)
Ready-made garments	167292.4
Processed foods	48685.6
Basic chemicals, pharmaceuticals & cosmetics	43312.2
Engineering goods	33900.0
Finished leather & leather products	32000.0
Rayon & synthetic products	16133.0
Cashew kernels & cashewnut shell liquid	12830.3
Marine products	9530.4
Woollen garments & knitwears	8634.0
Plastic products	7146.1
Processed tobacco, snuffs & <i>beedis</i>	5203.3
Chemicals & allied products	3534.0
Sports goods	2175.1
Spices, oils & oil resins, curry powder and paste	1180.0
Lac	929.0
<b>Total</b>	<b>392485.4</b>

Source: CII (1998), **Handbook of Statistics**, Confederation of Indian Industries, New Delhi.

Table 4 ranks the small scale industry groups according to the value of their exports. A comparison with Table 6.2 shows that nearly all groups in the list are involved in subcontracting mode of production.

#### **7.4.6 Subcontracting and Female Employment**

Among the top 10 industry groups which employ women in large numbers namely Tobacco and related products, Cotton textiles, Cashew-nut Processing, Machine tools and parts, Matches, explosives, fireworks, Clay, glass, cement, iron and steel, Drugs and medicines, Grain mill and bakery, Garments, Coir and coir products many of these groups overlap those which are adopting subcontracting arrangements for production on a large scale. With the exception of matches, explosives and fireworks, clay, glass and cement, drugs and medicines and grain mills and bakery, the other industry groups are largely for export.

Based on above observations, some major conclusions can be drawn: there seems to be a direct correlation between the top ranking industrial sectors which have shown high degree of subcontracting in their production operations and those sectors which provide contractual employment/work to women labour in large numbers. This kind of correlation also appears to be widely prevalent among the top export-oriented industries.

Therefore, it can be concluded that the four phenomena, namely (i) greater subcontracting in industry; (ii) growth of key export-oriented sectors; (iii) growth of small scale industries sector, its increasing participation in subcontracting work and its expanding role in country's exports; and (iv) increasing deployment of women workers both in contractual work and informal production work - are mutually related and reinforcing. Together they hold the prospects of developing formal systems of linking home-based women workers with industry through mutually benefiting subcontracting arrangements on a large scale in various sectors of industry. Clearly, as subcontracting operations expand, the informal sector and hence home-based work gets increasingly integrated with industrial production activities.

#### **7.5. Pattern of Involvement of Women Workers in the Subcontracting Chain of Large and Small Businesses**

In modern industry, subcontracting creates an economically viable transaction between home-based women workers and the manufacturers. In this transaction, the principal company places an order for parts of the production to individual home-based workers or their groups.

Equally important is the linkages of home-based work with a wide range of producers or small firms within the unorganised sector itself. Here these producers involve women workers in many stages of their production ranging from assembling of components and parts to packing of goods.

Table 5 gives a representative sample of the subcontracting arrangements in the organised industrial sector in which women workers are deployed. An inventory of subcontracting work carried out by home-based women workers for industries in small-scale and unorganised Sectors is given in Annexure. It provides information pertaining to 57 trades being practiced by home-based workers in six locations, namely, Aligarh, Agra, Amritsar, Delhi, Ludhiana and Mumbai. The trades are related to production in 15 manufacturing sectors in the small scale and the unorganised industries.

### **7.5.1 Forms of Subcontracting Arrangements Involving Women Workers**

The study has identified the following forms of subcontracting systems in which women are actively involved in some stages of manufacture of industrial goods:

#### **I. Women Workers in Vendor Subcontracting System of Companies**

Many big companies, including multinational corporations have evolved a composite vendor system of subcontracting for their production. Depending on the nature of work, some of these vendors either employ women workers in large numbers or give out work to home-based workers mostly through contractors.

*Examples:* Maruti Udyog Ltd., BPL, Johnson & Johnson Ltd., TELCO, Elin Electronics, and Hindustan Lever Ltd.

#### **II. Company-sponsored Women's Co-operative Production Systems**

Big corporates in heavy industry sector have a very big inventory of plant accessories required in their plants on a regular basis. Some companies have set up cooperatives of women living in the vicinity of their plants for production of such items.

*Examples:* Steel Authority of India Ltd. and Bharat Heavy Electricals Ltd.

#### **III. Company-to-Small Unit Downward Subcontracting**

In this subcontracting arrangement, established companies give out work to small units in the organised/unorganised sector which in turn outsource some simple operations to home-based workers. The company often mediates with these units/workers through contractors who get the production work done and deliver the output to the company.

*Examples:* Finishing and quality control (as in garments), assembling, sorting, packaging and labelling.

**Table 5: Participation of Women Workers in Subcontracting Work in Selected Organised Industries**

<b>Parent company</b>	<b>Vendor</b>	<b>Nature of work</b>
Maruti Udyog Ltd. Gurgaon Haryana	Jay Yuhshin Ltd. Mindra Rika Ltd. Gurgaon Haryana	Assembling light switches, combustion switches and other electric instrumentations.
Bhilai Steel Plant Steel Authority of India Ltd. Bhilai Madhya Pradesh	Bhilai Mahila Samaj	Production of plant accessories (gloves, aprons, Leather shoes and uniforms for plant workers and also for children of the schools set up by the company).
Bharat Heavy Electricals Ltd. Hardwar Uttar Pradesh	Women Welfare Association	Production of plant accessories.
BPL NOIDA Uttar Pradesh	Grace Technologies Ltd. Gurgaon	Mounting and soldering of printed circuit boards (PCBs).
PVS Electronics Ltd. NOIDA		Assembling of printed circuits boards, board testing and production of balloon transformers.
Hotline Ltd. NOIDA		Assembling of printed circuits boards for television sets and testing.
BPL Palaghat	Technocrats Ltd. Palaghat	Colour printing of brand names and other details of operations on the cabinets; microphone soldering; and wire stripping (removal of PVC) required in the circuit assembly work.
	Venus Electronics Ltd. Palaghat	Mounting of master boards of the television set soldered by automatic machines operated by male workers.

Maruti Udyog Ltd., Gurgaon	Motherson Sumi Systems Ltd. Gurgaon	Preparation of wiring harness for various models of automobiles produced by Mahindra and Mahindra Mumbai subcontracting companies
TELCO Pune Elin Electronics Delhi	Small-scale units. Parvanu Himachal Pradesh	Winding of microphone coils and assembling of components Solan for audio electronic systems; assembling of audio tape and recorder deck and drives; and mounting/soldering of printed circuit boards.
Ghaziabad Uttar Pradesh		
Johnson and Johnson Ltd. Mumbai Maharashtra. Hindustan Lever Ltd. Mumbai Maharashtra Charisma Cosmetics Ltd. Mumbai	Sangfroid Pharmaceuticals Mehboob Nagar Andhra Pradesh	Weeding out the defective pieces, packaging and pasting stickers on the containers in production of baby oil for Johnson and Johnson Ltd., Ponds Powder for Hindustan Lever, Ravlon makeup powder for Charisma Cosmetics Ltd., and Calfal tablets for a pharmaceutical company.
Reebok India New Delhi NokiaTelecommunication Ltd. New Delhi	Small units	Carrying out final quality control on the presentation carry bags (stitched by male tailors) by marking the production defects; cleaning and packing in plastic covers; and sometimes screen printing the trademark of the subcontracting company on the bags.

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Source: (1) Information obtained from companies.

(2) Information on Sangfroid Pharmaceuticals is compiled from Vijay, G. (1999), **Social Security of Labour in New Industrial Towns**, Economic and Political Weekly, Vol, XXXIV, No. 39, September 25, p L-10-18.



#### **IV. Small Unit-to-Home-based Worker Subcontracting**

Many medium and small scale industries in the organised sector and production units in the unorganised sector subcontract work to home-based women workers. Generally the manufacturers establish direct contacts with these workers and sometimes even act as contractors for bigger companies.

##### **7.5.2 Trends in Involvement of Women Workers in Subcontracting in the Organised Sector**

(1) The vendor system of subcontracting seems to be now employing women workers, particularly young, unmarried girls in many modern areas of engineering and technology, especially in electronics and electrical assembling.

(2) Regarding individual home-based workers, not much evidence of subcontracting work by the formal corporate world was found. Whether this is due to the limitation of the small size of the sample taken for this study or reflects the reality on the ground can only be said after an extended investigation by taking a much larger sample of Indian companies.

(3) Preliminary indications are that the participation of women in subcontracting work seems to have reduced during the past decade or so largely because of massive automation-based modernisation of industry. However, as industry is opting for greater outsourcing of production in certain areas, the home-based work sector would become an important player in emerging industrial structures. The industries which hold good promise in this regard are: food processing, electronics, pharmaceuticals and consumer products, particularly consumer non-durables.

##### **7.5.3 Trends in Involvement of Women Workers in Subcontracting in the Unorganised Sector**

###### **(a) Size of the Home-based Sector**

Subcontracting of work given out to home-based workers has been found to be widespread in the unorganised manufacturing sector and seems to have expanded phenomenally over the past decade. In almost 90 per cent of the households in the resettlement colonies and slum areas surveyed, at least one woman was reported to be doing some kind of home-based work. The reason for this lies partly in the expansion of the sector producing a whole variety of consumer items using local brand names. This parallel-economy involves the inferior goods sector and meets the needs of the poor and the lower middle class. The demand for such products is created by the desire to imitate those produced by the more established manufacturing sector. Small units with no brand name produce items for sale by themselves, or through contractors for a bigger company. These units are the largest employers of women home-based workers.

## (b) Prevalence of Home-based Work among Trades

Among the trades listed in the inventory of home-based work, only about 22 per cent were found to be quite prevalent whereas 27 per cent were not so prevalent. The rest 51 per cent of the trades were being carried out by very few workers (Table 6). In the resettlement colonies and slum areas of Delhi, the largest employer of home-based women workers was the garment industry, followed by traditional trades like agarbatti making, bindi making and envelope making. They together accounted for more than 80 per cent of home-based work. Manufacturing trades of technical nature (except those related to garment industry) accounted for only about 20 per cent of the workers.

Many technical trades practiced by home-based women workers refute the gender stereotyping of women's work. The work in bicycle parts assembly, lock making, plastic moulding, production of metal buttons, assembling of cartage of water regulators, assembling of electrical appliances, assembling of starters of fluorescent tubes shows that women are engaged in trades which generally seen to be beyond their stereo-typed occupations in garment knitting and decorating, food processing and electronic assembling.

**Table 6: Prevalence of Trades in Home-based Sector**

<u>High</u>	<u>Low</u>
Decoration of garments	Assembling of automobile switches
Finishing of garments	Assembling of ball point pens
Finishing of plastic goods	Assembling of nipples for greasing guns
Hosiery knitting	Assembling of starters of fluorescent tubes
Leather shoe making	Assembling of electrical appliances
Lock making	Assembling of electronic components
Preparation of spices and pickles	Assembling of audio cassettes
Shrimp processing	Finishing of garment dyeing
<u>Medium</u>	Finishing of metal-wire brushes
Assembling of electrical sockets, plugs and switches	Cutting flashes of rubber seals for water pump
Assembling of bicycle parts	Preparation of paper files
Cutting flashes of Hawaii chappal straps	Production of metal buttons
Envelope making	Production of mentles of petromax lamps
Packaging of the kitchenware	Production of plastic toy balls
Production of rubber bands	Production of spectacle frames
Repair of garment rejects	Assembling of brass cartage water regulators
Sorting of nuts and bolts	Production of blood testing slides
Sorting of waste paper for recycling	Fixing of tabs on advertising paper/cloth
Thread spinning for shoe laces	Stamping on wrist watches

### (c) Average Deployment Time

In the manufacturing trades (except garments), the work is extremely irregular; the average deployment time was less than four months in a year. Only in 25 per cent of the trades in the sample, women worked for 12 months. In 45 per cent of the trades, the availability of work was for six months or less and for 30 per cent of the trades it was for 9 months.

### (d) Basic Work Activities

An examination of the trades practices by home-based workers indicate that these trades represent four basic work activities. These are: (i) assembling; (ii) finishing; (iii) de-flashing; and (iv) packaging. Among these, finishing, de-flashing, and packaging are end-production activities and correspond to a final check by the workers on the quality of the goods being produced. Assembling, on the other hand, is an intermediate activity in most trades.

### (e) Earning Pattern

In the home-based sector, earnings of the women workers in all trades in the sample were found to be abysmally low, far below the minimum wage. The average monthly earning in technical trades was Rs. 450. The irregularity of work affected the effective average monthly earning (in terms of income averaged over complete year given by: *monthly earning X number of months the work was available divided by 12*). Its value was estimated at Rs. 250. This means that at present, the potential of home-based work in sustaining women workers is abysmally low and financial returns for their labour and skills are extremely marginal.

Only in 26 per cent of the trades listed in Annexure, the monthly earnings of women workers were more than Rs. 1000. It was between Rs. 750-1000 in another 26 per cent of the trades and between Rs. 500-750 in 29 per cent of occupations. In the remaining (19 per cent) the earnings were even less than Rs. 500.

The level of monthly earnings is largely determined by the labour intensity required in an activity and the volume of work available. It does not appear to be related to the level of skills involved in the work. Even in high-skill areas like assembling in electronic components and electrical appliances, the earnings are more or less at par with the activities requiring low skills.

The level of earnings in most technical trades was almost the same as those in the traditional occupations like *agarbatti* making, *bindi* making, leaf cup making and paper container making.

Among the technical traders in the sample, high monthly earnings (when the work is available) were found to be in lock making, stamping of watches, finishing of garments,

leather shoe making, assembling of audio cassettes, moulding and finishing of plastic goods, stationery envelope making and sorting of nuts and bolts.

**(f) Skill Content of Trades**

In the home-based sector, only 30 per cent of the trades were of high skill content, 20 per cent medium content and in the remaining 50 per cent of the trades, the work was largely manual requiring very rudimentary skills.

**(g) Provision of Skills and Credit**

Some rudimentary training in technical work (such as assembling of parts and components) was provided by the employer/contractor, a male member of the family (often husband) who may be working in a technical trade or a senior female worker (often mother/mother-in-law/ neighbour). None of the women workers in the sample reported to have attended a training programme sponsored by a government agency/non-government organisation.

None of the home-based workers in the technical trades in the sample had availed the credit facilities offered under many government welfare schemes. The small investments necessary for buying raw materials and working tools were made either from family sources or borrowing even from the contractors.

**(h) Acquisition of Machinery and Tools**

The women workers had to provide their own implements. They purchased the necessary tools and simple machines and also bore replacement and maintenance costs. In technical trades, they have to procure a range of hand tools (screw drivers, spanners, pliers, vices and hammers of various sizes). The workers also procured many low value raw materials required for production work. These include greases, oils, glues, binding wires, ropes, rubber bands and threads, etc. The price of these items was never compensated in their wages. In fact, if the price of these items rises, the workers bear financial losses.

**(i) Work Load and Occupational Hazards**

A majority of women in the sample had a heavy work load. More than forty per cent did at least six hours of piece work per day. The women workers function in unhygienic conditions with poor lighting and ventilation. They work sitting on the floor with no provision of working desks and stools. The women said that they often suffer from backache, eye-strain, breathing problems and headache because the piece work requires immense patience.

### **(j) Lack of Transparency**

The findings of this study further validate the prevalent system of work organisation and invisibility in home-based work. In technical trades, there prevails an extreme opaqueness in the subcontracting transactions involving home-based women workers. The work is often mediated through contractors-traders, who do not inform the workers about the actual source of the work. In large trades like garments, the chain of agents and sub-agents is almost hidden, the only person visible to the women is the subcontractor who brings them work.

The workers are not familiar with the complete production process, and as a result they are unable to appreciate the contribution they have made to the making of a product. The workers also did not have any idea about the market price of the final products for which they have contributed their labour and skills. As a result, the proportion of profits shared by them remains unknown to them.

### **(k) Child Labour**

In all technical trades surveyed, there was high prevalence of family children being used as helpers/production assistants except in bicycle parts assembling. The trades in which children were deployed less were: electronic components assembling, electrical appliances assembling and those related to plastic moulding..

## **7.6 Challenges and Strategies**

In the current economic scenario, subcontracting forms of production being adopted by Indian industry hold much potential for establishing fruitful linkages with the informal sector's least utilised labour force, the home-based women workers. This strategy is validated further because most export-oriented industries in the country now increasingly employ women workers. The increasing demand for home-based women in subcontracting zones also has positive implications for integrating these women with larger production processes.

The new economic policies are geared towards promoting development of Indian industry in a most liberal manner. But the workers, and the women workers in particular, are not working in a liberated atmosphere in any sense of the term. For the vast informal sector, there are no visible improvements. For home-based workers, the conditions of employment and earnings remain unstable, as is the availability of work. They continue to work under stringent and exploitative conditions without access to their basic rights. This is in spite of the fact that the informal and home-based market is a reality in the country's economy.



The validity of new economic policies can only be established if equal opportunities are created for all sectors of the economy and by safeguarding the interests of all partners. One significant requirement in this regard would be an effective labour legislation and welfare system. The future sanctity of this system would now be judged by its ability to include the currently unrecognised workers in its domain.

The potential of home-based workers cannot be used optimally without providing the modicum of professional organisation and legal protection. Such an empowered workforce will be able to contribute fully to the requirements of Indian industry. For Indian industry, the making of a workforce with high technical competence, work satisfaction and security would be of great advantage in its current strategy of outsourcing many of its production operations to smaller enterprises. In fact, the tendency of making high profits at the expense of a marginalised labour force is not in tune with the current corporate philosophy of liberating all bottlenecks on the way of all round rapid development.

In this context, government agencies, industry (and its associations) and NGOs specialising in labour issues can play a pivotal role towards devising a set of initiatives to promote the development of home-based workers as a truly productive labour force in the country.

## **7.7 Recommendations**

### **(A) Role of Industry: Strengthening Linkages with Home-based Work Sector through Subcontracting Arrangements**

#### **Recommendations**

#### **Action by:**

**(1) Formalise sub-contracting arrangements for home-based women workers by setting up prototypes of:**

Confederation of Indian Industry (CII) and other industrial bodies; public sector undertakings; large corporate houses, in association with Bharathiya Yuva Shakthi Trust (BYST) and similar organisations.

**I. Vendor Systems for women production groups in technically viable production operations in selected manufacturing sectors.**

**II. Mentor Systems for prospective women entrepreneurs (taken as a group in a trade) selected for carrying out sub-contacting work.**



**III. Women Production Co-operative Systems** within the production plants of the companies for taking up manufacturing of support materials for the plants (such as various accessories). **Confederation of Indian Industry (CII) and other industrial bodies;**

(1) Set up **Trade Guilds** of women home-based workers in selected trades to promote all around linkages with manufacturing sector

(2) Provide **attractive tax benefits** to industrial companies which provide sub-contracting work to home-based workers in accordance with the volume of work provided in a year. **Ministry of Finance**

(3) Give **preference in supply of goods** to companies involving home-based workers in their production operations. **Variuos government agencies and stores**

(4) Set up a **core technical support fund** to help self-employed women workers in selected manufacturing areas acquire latest tools and equipment and train them in their use (for example, new tools for modern packaging and labelling techniques, assembling of components, and testing, etc.). **CII and other industry associations with funds provided by Ministry of Social Welfare and Empowerment, Ministry of Labour, central and state level social welfare corporations and corporate houses**

**(B) Developing an Integrated Package of Skills, Credit Access and Business Opportunities for Women in the Informal Sector**

**Recommendations**

**Action by:**

(1) Set up an **Integrated Package of Inputs** for home-based women workers in selected locations consisting of the following three components: **Ministry of Labour, Ministry of Industry, DST, resource NGOs, and local technical institutions.**

**I. Technical training schools** (on the lines of afternoon mini-ITIs, but autonomous and self governing in structure with resource persons from vocational institutions, industry, NGOs and local master artisans and technicians) with the mandate of:

## Recommendations

## Action by

- Providing training opportunities, facilities for production, testing, calibration, measuring and servicing, specially with respect to new technical trades.
- Identifying technical trades for home-based work which require skills to meet specific emerging needs of the industries in a given area.
- Helping women producers in upgrading their production methods to make more value added products through S&T inputs and quality standards.
- Motivating young girls to take up vocations in technical trades.

II. **Formal single-window credit access system, developed** by integrating various channels of financial assistance presently available to poor women which can be exploited by women home-based workers and disseminating this information among them.

Rashtriya Mahila Kosh, various state level social welfare and development corporations, Ministry of Labour, various cooperatives banks and donor agencies.

III. **Network of Marketing Units** under regional **women employment promotional councils** with the mandate of:

NGOs, industry associations, Government procurement agencies

- Identifying markets for the skills of women work force in sub-contracting work of industry..
- Disseminating information on their products among buyers.
- Developing linkages of prospective user industries with groups of professionally trained women workers who can be hired to do piece rate work at factory premises and thus become a reliable and flexible work force for the local industries.

## Recommendations

### **(C) Functional and Organisational Capability Building of Home-based Workers through Linkages with Non-Government Organisations**

(1) Undertake functional capability building projects by:

- Developing consultancy services to help individual women workers and women vocational groups to upgrade the production facilities in terms of equipment, tools; and
- Organising programmes for providing new science and technology inputs in terms of new designs, production techniques and testing methods.

(2) Set up replicable prototype co-operatives of women home-based workers in selected trades with the provision in these ventures of a comprehensive package of necessary inputs and monitor their techno-economic viability in meeting the needs of industry and those of the women workers.

(3) Provide training to selected field based NGOs to enable them to provide to home-based workers critical information with respect to:

- Identifying new venues for work.
- Carrying out market analysis and creating channels of collective marketing.
- Enhancing organisation management and business skills.
- Lobbying for home-based workers' concerns at local and national levels.

(4) Setting up of a forum/association of NGOs at national level working for the socio-economic uplift of women labour force in the informal sector.

## Action by

Department of Science and Technology (DST), Ministry of Social Welfare and Empowerment, Ministry of Labour, central and state level social welfare corporations and field-based women NGOs.

Department of Science and Technology (DST), Ministry of Social Welfare and Empowerment, Ministry of Labour, central and state level social welfare corporations and field-based women NGOs.

Ministry of Social Welfare and Empowerment, Ministry of Labour, resource NGOs like SEWA, Working Women's Forum and BYST.

SEWA, WWF and other resource NGOs.

## Recommendations

## Action by

### **(C) Developing Linkages of Educational/ Vocational Institutions with Home-based Sector**

(1) Adopt a policy to facilitate **student-faculty groups** at engineering colleges, science colleges, polytechnics and Industrial Training Institutes (ITIs) to act as **mentors** for local women home-based workers groups so as to provide basic support system : information on access to tools and equipment, sources for loans and testing facilities, etc.

Technical institutions; and engineering bodies like All India Council for Technical Education (AICTE), Indian Society of Technical Education (ISTE), and the Institution of Engineers.

(2) Prepare an **inventory of master women artisans and technicians** in an area so that their expertise could be utilised in technical and entrepreneurial training programmes of the institutions.

Technical institutions, universities and vocational colleges, with support from Ministry of Labour, DST and other agencies.

(3) Develop **technologies specific to home-based work** (tools, machinery, processes) in specific manufacturing trades which would make production of goods easy at homes, less labour intensive and time consuming and thus help modernise the home-based sector.

Engineering institutions, National Laboratories, National Institute of Design and other R&D institutions with support from DST, CSIR and other agencies.

### **(E) Towards Providing Formal Status to Home-based Workers**

(1) Adopt and implement the **Home-based Workers Bill**

Ministry of Labour, SEWA and other resource NGOs.

(2) Create **special cell** in local employment exchanges for unemployed home-based workers according to their trade specialisation and disseminate their availability for work among local industrial units.

Ministry of Labour

(3) Introduce a **system for granting certificates for proficiency** to home-based workers.

Ministry of Labour, through proposed technical training schools.

(4) Introduce a mechanism for **registration of women home-based workers** (for example, issuing identity cards to them).

Ministry of Labour

## **(F) Expanding the Domain of Home-based Work in New Trades**

### **Recommendations**

### **Action by**

(1) In the context of modernisation of industry, constitute a **technical trade identifying group** to carry out extensive surveys for:

Ministry of Labour, DST, CII and other industry associations, International Labour Organisation (ILO), UNIFEM and resource NGOs.

(i) identifying the main technical tasks which home-based workers are presently contributing to in the unorganised sector; and which can be undertaken for organised industry;

(ii) identifying traditional trades in home-based work which are becoming over-occupied by women workers and thus providing little opportunities for new entrants in the sectors;

(iii) identifying trades which now becoming obsolete because of modernisation of industry and product markets under the liberalisation policies; and

(iv) identifying new trades which are being created for women's work as outcome of the new economic policies.

Also in view of the above, prepare a complete **inventory of prospective trades** for home-based work for the manufacturing sector in the country.

### **(G) Provisions of Formal Education**

(1) Make it mandatory for the national literacy mission groups to identify house-based women workers and motivate them to join the literacy classes.

National Literacy Mission.

(2) Make **literacy as an essential component** in the formulation of projects by NGOs areas of in skill impartation and income generation among women in the nformal sector.

DST, Ministry of Social Welfare Empowerment, Ministry of Labour and other project funding agencies.

**(H) Areas of Future Action: Inputs for Developing Long-term National Policy for Home-based Workers**

**Recommendations**

**Action by**

**(A) Research Inputs**

- (1) Carry out region-wise surveys/studies to:
- assess the magnitude of home-based work in the country in various traditional and modern sectors and its contribution to national economy; and the impact of home-based work on the socio-economic conditions of the workers working for others and on-account workers in various trades.
  - With respect to sub-contracting operations of industry,
    - (i) identify complete chain in sub-contracting arrangements in selected manufacturing trades and how the home-based women workers are placed in this chain;
    - (ii) assess value addition to manufacturing by home-based workers in specific trades (such as garments production, assembling of electrical and electronic goods);
    - (iii) identify specific benefits and the problems being faced by home-based women workers in carrying out sub-contracting work in various manufacturing sectors;
    - (iv) Examine the role of contractors/agents in sub-contracting work and identify measures for minimising their control.

Ministry of Labour, DST, International Labour Organisation (ILO), UNDP, UNIFEM and resource NGOs.

- (2) Carry out **technology assessment of selected industrial technologies from gender point of view** in order to assess their suitability of operation by women and identify modifications in these technologies to make them women-friendly in their operation.

Ministry of Labour, DST, International Labour Organisation (ILO), UNDP, UNIFEM and resource NGOs.



## **(B) Models for home-based workers' organisations**

### **Recommendations**

### **Action by**

- (1) Carry out studies on the major initiatives taken up by SEWA, WWF and BYST in developing organisational and entrepreneurial capabilities among home-based workers in order to elicit valuable inputs for designing the national policy and development programmes. DST, ILO, UNDP, UNIFEM and resource NGOs.
- (2) In order to promote home-based work in industrial sub-contracting, to begin with, develop models of women workers' co-operatives with the provision of latest technology skills, credit and linkages with parent industries in the following areas: CII and other local industry bodies, specialised institutions like Bicycle and Sewing Machine Development Centre, Ludhiana, and local institutions.
- Complete bicycle assembling (including cycles/tricycles of children).
  - Modern lock making technologies.
  - Assembling of electrical appliances.
  - Packaging and labelling technologies.
- (c) Policy making initiatives
- Set up a National Expert Committee on Home-Based Workers with the following mandate: Ministry of Labour, Ministry of Social Welfare and Empowerment, Ministry of Industry, CII and resource NGOs like SEWA and Working Women's Forum.
- Working out comprehensive guidelines for safeguarding the rights of women in terms of minimum wages, health and safety and other benefits.
  - Designing suitable mechanisms for creating skill upgradation opportunities, upgradation of production facilities, access to credit and formation of women workers' organisations in various trades.

## Recommendations

## Action by

- Identifying sources for setting up special welfare fund to support provision of provident fund, group and maternity insurance, crèches, medical services, for home-based workers (say through a tax on the materials or finished goods, as in the case of *beedi* sector).
- Devising training programmes for gender sensitization of decision makers, development planners and managers of industry and commerce.
- Devising a scheme of awards at state/district level for:
  - (i) home-based women enterprises/ women groups for their excellence in carrying out sub-contracting work for industry; and
  - (ii) industrial units which sub-contract production to home-based women groups and cooperatives at substantial level.

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Note: This paper is based on the study, ***A Preliminary Study on the Productive Linkages of Indian Industry with Home-based Women Workers through Subcontracting Systems in Manufacturing Sector***, sponsored by The United Nations Development Fund for Women, 2000.

Annexure to Productive Linkages of Indian Industry with Home-based and Other Women Workers through Subcontracting Systems in the Manufacturing Sector

**Inventory of Subcontracting Work carried out by Home-based Women Workers for Industries in Small-scale and Unorganised Sectors**

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**I. Automobile Industry**

**(1) Assembling of automobile switches**

*Location*

Delhi.

*Manufacturer(s)*

Automobile spare parts manufacturers and traders.

*Location of work*

Seelampur, Shahadra, Mandoli Road and Rohtas Nagar.

*Nature of work*

Women are engaged for assembling automobile electrical ON/OFF light switches, combustion switches, distributors, fuel gauges (float type) and temperature gauges (thermocouple-type).

*Gender specificity of work*

Largely women, sometimes helped by male family members.

*Organisation of work*

The components are provided by the manufacturers through contractors.

*Level of skills involved*

High; practical knowledge of automobile switches and instrumentations.

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**(2) Assembling of nipples for greasing guns**

*Location*

Delhi.

*Manufacturer(s)*

Automobile spare parts manufacturers/service stations.





*Nature of work*

Women do a simple operation in the assembling of grease nipple attached to a greasing gun used for greasing various parts of an automobile engine. The nipple is in the form of a small metal cup having a thin hollow tapered channel in its body. A small ball is inserted in this channel so that the nipple acts as a one-way flow controller; it allows grease to flow in the forward direction and stops it in the reversed direction.

*Gender specificity of work*

Largely women assisted by elderly family members and children.

*Organisation of work*

The components are supplied by the manufacturers.

*Level of skills involved*

Low.

---

## **II. Bicycle Industry**

*Location*

Ludhiana  
Punjab.

**(1) Assembling of bicycle seats**

*Manufacturer(s)*

**Makkar Industries**  
Ludhiana  
Punjab.

**Lucky Industries**  
Ludhiana  
Punjab.

*Location of work*

Jaula Nagar

*Nature of work*

- Women carry out assembling of bicycle seats: cushion clips are inserted in the seat frames and when the seat is assembled, seat covers are fixed.
- Average number of household women workers engaged by the unit is eight. Annual turnover of subcontracting work given to the women workers is Rs.75,000.

*Gender specificity of work*

Only women, sometimes assisted by elderly family members and children

*Organisation of work*

Work is directly obtained from the manufacturer, who supplies the required parts.

***Level of skills involved***

Medium; the seat springs are to be selected by sensing uniformity of their strength.

---

**(2) Assembling of bicycle pedals**

***Manufacturer(s)***

**Murphy Industries**

Ludhiana

Punjab.

***Location of work***

Jaula Nagar.

***Nature of work***

- Women carry out assembling of bicycle pedals from the parts provided by the unit.
- Number of household women workers engaged by the unit is about 25. Annual turnover of subcontracting work given to the women workers is Rs. 10 lakh.

***Gender specificity of work***

Only women undertake the work sometimes assisted by elderly family members and children.

***Organisation of work***

Work is directly obtained from the manufacturer.

***Level of skills involved***

Medium.

---

**(3) Assembling of bicycle brakes**

***Manufacturer(s)***

**Bhola Industries**

Ludhiana

Punjab.

**Rookie Industries**

Ludhiana

Punjab.

***Location of work***

Jaula Nagar and Bhagwa Chowk.

*Nature of work*

- Women carry out assembling of cycle brakes. The rubber parts are fixed in the brake frame by putting nuts and bolts and the frame is attached to the brake lever.
- For Bhola Industries, average number of household women workers engaged is 18. Annual turnover of subcontracting work given to the women workers is Rs. 1 lakh.
- For Rookie Industries, average number of household women workers engaged is 10. Annual turnover of subcontracting work given to the women workers is Rs. 75,000.

*Gender specificity of work*

Only women undertake the work, sometimes assisted by elderly family members and children.

*Organisation of work*

Work directly obtained from the manufacturer.

*Level of skills involved*

Low.

---

**(4) Fixing cotter pins in bicycle sprockets**

*Manufacturer(s)*

**Vishwakarma Bicycle Company**

Ludhiana

Punjab.

*Location of work*

Gill Road.

*Nature of work*

- Women are engaged by the unit for inserting cotter pin in the spindle of sprockets of bicycles. Cotter pin is a split pin which is put through the cotter (or wedge) in the spindle so that it becomes secure tightly and stable.
- Average number of household women workers engaged by the unit is 12. Annual turnover of subcontracting work given to the women workers is about Rs. 1.5 lakhs.

*Gender specificity of work*

Only women undertake the work, sometimes assisted by elderly family members and children.

*Organisation of work*

Work is directly obtained from the manufacturer.

*Level of skills involved*

Medium

## **(5) Polishing, sorting and packaging of nuts and bolts**

### ***Manufacturer(s)***

**Krishna Cycle Industries**  
Ludhiana  
Punjab.

### ***Location of work***

Jaula Nagar.

### ***Nature of work***

- Women do matching of nuts and bolts of various sizes and shapes used in assembling of bicycles. The matched pins are then packed in small sacks.
- Average number of household women workers engaged by the unit is 20. Annual turnover of subcontracting work given to the women workers is Rs. 1 lakh.

### ***Gender specificity of work***

Only women undertake the work sometimes assisted by elderly family members and children.

### ***Organisation of work***

Work is directly obtained from the manufacturer.

### ***Level of skills involved***

Low.

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## **(6) Making packing boxes for bicycle parts**

### ***Manufacturer(s)***

**Sahib Trading Company**  
Ludhiana,  
Punjab.

### ***Location of work***

Miller Ganj.

### ***Nature of work***

- Women are engaged in production of packing boxes of different sizes used by cycle industry for packing various bicycle parts and nuts and bolts.
- Flat cardboard sheets of box layouts with details of the manufacturers screen printed on them are provided to the workers. They bend these layouts on the marked edges and then staple these edges.
- Average number of household women workers engaged by the unit is 50. Annual turnover of subcontracting work given to the women workers is Rs. 2 lakhs.

*Gender specificity of work*

Only women undertake the work, sometimes with help from elderly family members.

*Organisation of work*

Work directly obtained from the manufacturer.

*Level of skills involved*

Low.

---

### **III. Electrical Industry**

**(1) Assembling of electrical sockets, plugs and switches**

*Location*

Mumbai.

*Manufacturer(s)*

**Bajaj Electricals Ltd.**

**Philips India Ltd.**

**Ankur Industries**

Mumbai.

*Location of work*

Jogeshwari (East).

*Nature of work*

Women assemble various types of switches, electrical connectors and circuit breakers. The components are provided by the manufacturers.

*Gender specificity of work*

Mostly women, assisted by children.

*Organisation of work*

Work is obtained through contractors.

*Level of skills involved*

Medium.

---

**(2) Assembling of electrical switches**

*Location*

Delhi.

***Manufacturer(s)***

Many famous and local brands.

***Location of work***

Karawal Nagar, near Seelampur (East Delhi).

***Nature of work***

The manufacturers provides moulded parts of electric switches, plugs and sockets and necessary copper screws to the women. The women assemble these items and insert necessary screws at the connecting points inside these items.

***Gender specificity of work***

Mostly women, assisted by children.

***Organisation of work***

Work obtained through contractors.

***Level of skills involved***

Low

---

**(3) Assembling of mixies and fans**

***Location***

Delhi.

***Manufacturer(s)***

Local electrical appliance manufacturers.

***Location of work***

Gandhinagar and Shahdara.

***Nature of work***

The manufacturers supply to women assemblers parts of electrical appliances like mixies and fans. Women assemble these items and also check their performance. The defective items are taken to the factory where they are repaired by technicians.

***Gender specificity of work***

Both men and women do the assembling work.

***Organisation form of work***

Work obtained through contractors.

***Level of skills involved***

High; practical knowledge of small electric motors and their speed control is necessary.



#### **(4) Assembling of starters of fluorescent tubes**

***Location***

Delhi.

***Manufacturer(s)***

Local units.

***Location of work***

Gandhinagar and Shahdara.

***Nature of work***

Starter is an electrical device used for boosting starting voltage across a fluorescent tube. It consists of a bio-metallic switch placed in a case made of aluminum or plastic. A small capacitor is connected across the switch. Women assemble starters by placing the bio-metallic switch inside the case and connecting it between the two terminals. The capacitor connections are then soldered on the terminals.

***Gender specificity of work***

Mostly women do the work.

***Organisation of work***

Work directly obtained from the manufacturers.

***Level of skills involved***

Medium.

---

#### **(5) Assembling of electric irons**

***Location***

Delhi.

***Manufacturer(s)***

Local electrical appliances manufacturers.

***Location of work***

Nandnagari.

***Nature of work***

Women workers assemble heating elements of electric irons. They insert the thin metallic element in between the two insulating layers of mica and bring out the connecting wires of the element.

***Gender specificity of work***

Mostly women.

***Organisation of work***

Work directly obtained from the manufacturer.

***Level of skills involved***

Medium.

---

**(6) Assembling of immersion rod water heaters**

***Location***

Delhi.

***Manufacturer(s)***

Local electrical appliances manufacturers.

***Location of work***

Nandnagari, Delhi.

***Nature of work***

Electroplated immersion rods are provided by the manufacturers. Women connect the wire connections and fix the terminals at the end.

***Gender specificity of work***

Mostly women.

***Organisation of work***

Work directly obtained from the manufacturers.

***Level of skills involved***

Medium.

---

**IV. Electronics Industry**

**(1) Assembling of gang capacitors**

***Location***

Delhi.

***Manufacturer(s)***

Manufacturers of transistor sets and audio tape recorders in Tri Nagar and Moti Nagar.

***Location of work***

Jahangirpuri, Delhi.

***Nature of work***

- Women are engaged in assembly of gang capacitors used as tuners in transistors and two-in-one tape recorders. The gang is assembled using thin aluminum and paper foils. Each aluminum foil is inserted inside the paper foil then placed in a rod (axis of the capacitors) mounted vertically on a small vice. The value of the capacitors is in hundreds of microfarads.
- Women work on floor using small wooden desk on which the vice is fixed. The capacitors are tested in the factory.

***Gender specificity of work***

Women, sometimes assisted by family children.

***Organisation of work***

Work directly obtained from the manufacturers.

***Level of skills involved***

High.

---

**(2) Assembling of inductor coils**

***Location***

Delhi.

***Manufacturer(s)***

Manufacturers of transistor sets and audio tape recorders.

***Location of work***

Jahangirpuri, Delhi.

***Nature of work***

Women assemble discrete inductors of various values which are used in electronic circuits in electronic industries. Copper wire of required gauge and length for a particular value of inductance are cut from the spool. The piece is wound around the core in the form of a coil. Two terminals are brought out for connections.

***Gender specificity of work***

Women, sometimes assisted by family children.

***Organisation of work***

Work directly obtained from the manufacturers.

***Level of skills involved***

High.

---

**(3) Assembling of resistors**

***Location***

Delhi.

***Manufacturer(s)***

Manufacturers of transistor sets and audio tape recorders.

***Location of work***

Jahangirpuri, Delhi.

***Nature of work***

Women produce resistors as discrete components used in electronic circuits.

***Gender specificity of work***

Women, sometimes assisted by family children.

***Organisation of work***

Work directly obtained from the manufacturers.

***Level of skills involved***

High.

---

**(4) Production of heat sinks**

***Location***

Delhi.

***Manufacturer(s)***

Manufacturers of transistor sets and audio tape recorders.

***Location of work***

Shahdara.

***Nature of work***

Heat sink is an important safety device in an electric circuit as it protects active electronic components from overheating. Women produce various sizes of heat sinks by

cutting copper metal sheets using a simple die tool. Two connection wires are then soldered on the sink.

***Gender specificity of work***

Women, sometimes assisted by family children.

***Organisation of work***

Work directly obtained from the manufacturers.

***Level of skills involved***

High.

---

**(5) Assembling of audio cassettes**

***Location***

Mumbai.

***Manufacturer(s)***

Tips Industries Private Ltd.

Malad (East)

Mumbai.

***Location of work***

Malad and nearby areas.

***Nature of work***

Women carry out assembling of audio cassettes. The audio tape spool is placed on a rotating spindle. The tape is transferred to a smaller spindle according to the required length of tape in the cassette. The small spool is then cut and installed between the cassette covers and the two ends are joined with the help of adhesive. The cassette is closed by tightening the screws in the grooves.

***Gender specificity of work***

Women, sometimes assisted by men.

***Organisation of work***

Work directly obtained from the manufacturer.

***Level of skills involved***

High.

---

**V. Food Processing**

**(1) Shrimp Processing**

*Location*

Mumbai

*Manufacturer(s)*

Many shrimp processing units.

*Location of work*

Many areas.

*Nature of work*

- Women are employed for shelling of shrimps. They are paid for the piece rate for each tub of fish.
- The shrimps are then delivered to the freezing unit for further processing, grading and packing. The women are also engaged as graders at freezing units.

*Gender specificity of work*

Both men and women are involved in shrimp processing.

*Organisation of work*

A small number of suppliers control the supply of raw materials for the export market. The processing is subcontracted to contractors.

*Level of skills involved*

High.

---

**(2) Preparation of spices and pickles**

*Location*

Mumbai.

*Manufacturer(s)*

Many small scale units.

*Location of work*

Jogeshwari (East)

*Nature of work*

Households produce pickle and masalas as a unit. The work involves pre-processing of materials such as peeling and pounding, processing and mixing and packing.

*Gender specificity of work*

Women have access to two-thirds of the functions in spice production. Pre-processing is done by both men and women. Machine processing and mixing is done mostly by men. Packing of spices is mainly done by women.



### *Organisation of work*

- Production of these items is reserved by government policy for 'small scale sector'.
- Subcontracting to household units remains the main production arrangement even as the market for the products has become larger and more geared to exports.
- Subcontracting of work to home-based workers is done extensively through contractors, individual senior workers or owners of small shops with retail outlets combining production and sales.

### *Level of skills involved*

Medium; simple domestic tools are used to do the preparatory work of peeling and pounding.

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## **VI Footwear Industry**

### **(1) Leather shoe making**

#### *Location*

Agra  
Uttar Pradesh.

#### *Manufacturer(s)*

Various shoe companies and small workshops

#### *Location of work*

Hing ki Mandi, Chippitola, Loha Mandi and Nai ki Mandi.

#### *Nature of work*

- Household units which have the lasts (used for shaping the uppers) produce complete shoes on piece rate basis. Others prepare only the uppers and supply them to the workshops.
- In a few large, mechanised units which also do subcontracting work for big brands, women are employed at low monthly wage rates.

#### *Gender specificity of work*

The shoes are made mostly by men. Women do cutting of leather, preparing necessary material and putting upper inside the lasts. Sometimes they are engaged for packing shoes in boxes.

#### *Organisation of work*

- More than 500 shoe-making workshops in the city depend predominantly on subcontracting work (sometimes, even full shoes are produced by the subcontractors).
- The households also take their produce to Hing ki Mandi, the famous wholesale shoe market of Agra and sell the shoes to the traders often at very low price

***Level of skills***

High.

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**(2) Thread spinning for production of shoe laces**

***Location***

Agr:

Uttar Pradesh.

***Manufacturer(s)***

Various shoe lace making companies.

***Location of work***

Hing ki Mandi, Chippitola, Loha Mandi and Nai ki Mandi.

***Nature of work***

In Agra, the shoe laces are woven on special power looms in factories specialising in the trade. The women are engaged for spinning threads of different colours on the bobbins. These bobbins are then supplied back to the factories and attached to the looms. Many factories also employ women for nearby areas.

***Gender specificity of work***

Only women do the spinning work.

***Organisation of work***

Work is provided by manufacturers.

***Level of skills***

Medium.

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**(3) Cutting flashes of Hawai chappal straps**

***Location***

Delhi.

***Manufacturer(s)***

Local Hawai-rubber chappal manufacturers.

***Location of work***

Anand Parvat and Shahdara.

***Nature of work***

In factories, rubber straps of chappals are produced by moulding. Since the production method is crude, thin rubber remains along the edges of the straps. Women are engaged for cutting those flashes with the help of scissors. The work is quite tedious and time consuming.

***Gender specificity of work***

Women, sometimes assisted by family children.

***Organisation of work***

Work directly obtained from the manufacturers.

***Level of skills involved***

Low.

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## **VII. Garment Industry**

### **(1) Hosiery knitting**

***Location***

Ludhiana  
Punjab.

***Manufacturer(s)***

Cotton garment knitting units.

***Location of work***

Various localities in the city.

***Nature of work***

Manufacturers and fabricators sub-contract production of various cotton garments to household knitters. The job work includes knitting on small flat frame machines, putting buttons, elastics and labels on the garments.

***Gender specificity of work***

Women knitters; in many cases men also do the knitting work.

***Organisation of work***

Work is distributed among the workers through contractors and sub-agents.

***Level of skills involved***

High.

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### **(2) Decoration of garments**

**Location**

Delhi

**Manufacturer(s)**

Garment exporters and fabricators, particularly in Okhla Industrial Area (including the famous Fab India), Mayapuri and Indarlok.

**Location of work**

Dakshinpuri, Khanpur, Govindpuri, Devli, Anand Parbat and Gandhi Nagar

**Nature of work**

- The manufacturers and fabricators sub-contract fine hand working on stitched garments to home-based workers.
- In cutwork, women cut out bits of cloth from embroidered patterns, and also cut out edges of netting after it had been appliquéd on a dress. In embroidery, *either* large sections of embroidery work is done on a dress/or small patterns are stitched. The third embellishment such as glass beads and mirrors are attached to the dress.
- In croche, blouses are croched/laced to form sleeves or borders on dresses. Small patterns are also crocheted, which are then stitched on to other garments. In *tracing*, women trace patterns on to dresses so that they could be passed on to other women for embroidery. In *button stitching*, various types of hooks and buttons are stitched on. The spot onto which they are attached would be already marked on the dress by the production units.

**Gender specificity of work**

Only women, assisted by young girls who get trained in the process of work.

**Organisation of work**

- The contractor/middleman arranges for the supply/delivery of raw materials of the required quantity at the door step of the home-based worker and also for the collection of the finished products after the assigned task is completed.
- Payments is based on piece rate and made at the doorstep of the worker at mutually, albeit informally, agreed periodic intervals, often fortnightly, but in a few cases weekly, and, rarely, monthly.
- In jobs which require machine stitching, women have to buy sewing machines of their own.

**Level of skills involved**

High.

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**(3) Finishing of garments****Location**

Delhi

***Manufacturer(s)***

Garment manufacturers and fabricators

***Location of work***

Dakshinpuri, Khanpur, Govindpuri, Devli, Anand Parbat and Gandhi Nagar.

***Nature of work***

Finishing involves cutting off remnants (extra cloth, thread, etc.) left on the garment during the process of design making done elsewhere. In such cases, the person gets paid at the rate separately fixed for the embroidery work in addition to the amount payable for the finishing work.

***Gender specificity of work***

Only women, assisted by young girls who get trained in the process of work.

***Organisation of work***

Work is provided by contractors.

***Level of skills involved***

Low; the finishing work does not involve any special skill that needs to be learnt.

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**(4) Finishing of garments**

***Location***

Mumbai.

***Manufacturer(s)***

Stamp Collection Private Ltd.

**Sathyam Industries Private Ltd.**

Subhash Road

Mumbai.

***Location of work***

Jogeshwari (East).

***Nature of work***

Manufacturers supply to women workers bulk of sewed shirts from their factories for finishing and packaging. Women cut extra threads and mark any production defects in sewing or buttoning and any spots on the material.

***Gender specificity of work***

Only women, assisted by young girls who get trained in the process of work.

***Organisation of work***

Work is provided by the manufacturers.

***Level of skills involved***

Low.

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**(5) Repair of garment rejects**

***Location***

Delhi.

***Manufacturer(s)***

Garment traders.

***Location of work***

Gandhi Nagar.

***Nature of work***

The defective socks (the rejects) of big brands are supplied to women. They locate and repair the defects such as small holes in the socks by stitching and supply them back to the contractors. These socks are then sold at a low price in the market.

***Gender specificity of work***

Women workers, assisted by young girls.

***Organisation of work***

Work supplied and collected by the contractor/middleman. Payments are based on piece rate.

***Level of skills involved***

Low.

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**(6) Dyeing of garments**

***Location***

Delhi.

***Manufacturer(s)***

Dry-cleaning units.

***Location of work***

Gandhi Nagar.

***Nature of work***



Women carry out dyeing of garments which are supplied by local dry-cleaning shops. The dye solutions are made in big containers in which the garments are dipped overnight. Then they are dried, ironed and supplied back to the unit.

***Gender specificity of work***

Women workers, assisted by young girls.

***Organisation of work***

Work is supplied and collected by the contractor/middleman. Payments are based on piece rate.

***Level of skills involved***

Medium; practical knowledge about dyes and dyeing solutions for different types of garments necessary.

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## **VIII Kitchenware Industry**

***Location***

Delhi.

**(1) Packaging of kitchenware**

***Manufacturer(s)***

Small scale kitchenware units.

***Location of work***

Gandhinagar, Shahdara and Anand Parbat.

***Nature of work***

Manufacturers provide bulk of spoons and boxes. The women clean these steel spoons, warp them in thin paper and pack in dozens in the boxes.

***Gender specificity of work***

Women, often assisted by children.

***Organisation of work***

Work directly obtained from the manufacturer.

***Level of skills involved***

Low.

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## **IX. Lock Making Industry**

***Location***

Aligarh  
Uttar Pradesh.

***Manufacturer(s)***

Local firms and traders.

***Location of work***

Home-based units of metal artisans scattered all over Aligarh.

***Type of work***

- The home-based units manufacture mostly single lever locks using their own equipment and tools. They have little expertise to make multi-lever devices.
- Women's participation includes assembling of locks, making of lock keys by cutting and grinding metal rods and making small lock parts by hand. In some units, they even do hot metal casting to make lock body and parts and even work on lathe machines and electric grinders.
- The techniques of production are traditional metal work and the quality of the products is generally poor. The owners of home-based units do not procure raw materials of higher grade owing to prohibitive prices.

***Gender specificity of work***

Both male and female family members or relatives. To meet the additional demand of labour, children from the neighbourhood are employed.

***Organisation of work***

- The industry comprises 70 per cent of proprietorships and partnership firms, 25 per cent of private limited companies and 5 per cent are the miscellaneous types of organisations. Most of the proprietorship and partnership firms are home-based units managed by entrepreneurs who are by and large illiterates.
- The middlemen provide raw materials and capital which is normally adjusted against the value of products supplied by artisans. The work is paid on piece rate basis and the margins are low.

***Level of skills involved***

High; women have developed competent skills in metal grinding and cutting, lock key making, and even metal casting, operation of lathe machine (locally known as *Khurat*) and grinding machine and lock assembling.

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## **X. Mechanical and Metal Industry**

### **(1) Polishing and sorting of nuts and bolts**

***Location***

Amritsar  
Punjab.

***Gender specificity of work***

Women, assisted by young girls and children.

***Organisation of work***

Work directly obtained from the manufacturer

***Level of skills involved***

High.

---

**(3) Production of metal buttons**

***Location***

Delhi.

***Manufacturer(s)***

Local button suppliers.

***Location of work***

Nandnagari, Delhi.

***Nature of work***

Women make metallic buttons of various sizes and designs used in jeans, jackets and other garments. These buttons are carved out of brass sheets with the help of die and punch system. A small piece is cut out with the help of the die and punched with force with the help of a lever attached to the punch.

***Gender specificity of work***

Both men and women.

***Organisation of work***

Work directly obtained from the traders.

***Level of skills involved***

High.

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**(4) Production of mintles for petromax lamps**

***Location***

Mumbai.

***Prabath Mintles Ltd.***

Jogeshwari (East)

Mumbai.

**Manufacturer(s)**  
Deshmesh Screw Industries  
Sultanwind Road  
Amritsar  
Punjab.

**Location of work**  
Basant Nagar.

**Nature of work**

- Various types of screws and nuts are supplied to the women workers. They do the sorting according to the different sizes and put nuts on the corresponding screws.
- The nuts and bolts are sometimes polished by the sawdust polishing method. To do this a wooden drum is used in which nuts and bolts are put along with the appropriate amount of sawdust. The drum is rotated manually at high speed so that the sawdust polishes the nuts and bolts.
- Average number of household women workers engaged by the unit is four. Annual turnover of subcontracting work given to the women workers is Rs. 80,000

**Gender specificity of work**

Women, assisted by elderly family members and children.

**Organisation of work**

Work directly obtained from the manufacturer.

**Level of skills involved**

Low.

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**(2) Assembling of brass cartage water regulators**

**Location**

Delhi.

**Manufacturer(s)**

Local manufacturers of bathroom fittings.

**Location of work**

Shahdara.

**Nature of work**

The manufacturers provide the components of brass cartage regulator namely, spindle valve, lock ring, lock colour and PVC washers. The women assemble the regulators (called *Mohara* in the trade) using these components and test their working before packing them in boxes.

***Location of work***

Jogeshwari (East).

***Nature of work***

Mantle is a hood used as the lighting element in petromax lamps. It is in the form of a network of wire made of a reflective material (mica) which becomes incandescent when exposed to flame. Women do the knitting of mantles for the unit.

***Gender specificity of work***

Women, assisted by young girls and children.

***Organisation of work***

Work directly obtained from the manufacturer.

***Level of skills involved***

High.

---

**(5) Finishing of metal-wire brushes**

***Location***

Delhi.

***Manufacturer(s)***

Local units.

***Location of work***

Nandnagari

***Type of work***

In the factory, metal-wire brushes of different wire grades and sizes are produced by fixing metallic wires in the flat wooden body of the brushes. These wires get tangled while fixing. The women are engaged for straighten these wires, which is done using pliers.

***Gender specificity of work***

Largely women with occasional help from male family members.

***Organisation of work***

Work directly obtained from the manufacturer.

***Level of skills involved***

Low.

## (6) Cutting flashes of rubber seals of water pumps

### *Location*

Delhi.

### *Manufacturer(s)*

Local units.

### *Location*

Nandnagari, Delhi.

### *Nature of work*

Rubber seals are used in water pumps for sealing the compressor part. These seals are produced by hot rubber moulding. Since the moulding is not accurate, there are thin flashes of rubber along the inside and outside borders of the seals. The home-based women are engaged for cutting these flashes with the help of scissors.

### *Gender specificity of work*

Women, assisted by grown-up children.

### *Organisation of work*

Work directly obtained from the manufacturers.

### *Level of skills involved*

Low

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## **XI. Medical Accessories**

### (1) Production of blood testing slides

#### *Location*

Delhi

#### *Manufacturer(s)*

Local medical appliances suppliers and chemist shops.

#### *Location of work*

Nandnagari.

#### *Type of work*



The women prepare glass slides used for blood testing. The slides are provided by the manufacturers. These are thoroughly cleaned, wrapped in white thin paper and packed in boxes.

***Gender specificity of work***

Largely women.

***Organisation of work***

Work directly obtained from the manufacturer.

***Level of skills involved***

Low.

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**XII. Plastic Industry**

**(1) Production of spectacle frames**

***Location***

Mumbai.

***Manufacturer(s)***

Local traders.

***Location of work***

Jogeshwari (East).

***Nature of work***

Women carry out plastic moulding for producing parts of spectacle frames (front and two side arms). Finishing is done on the moulded parts and spectacle frames are assembled by fixing connecting pins at the joints. Completed frames are packed in transparent packets.

***Gender specificity of work***

Women, assisted by male family members.

***Organisation of work***

Work directly obtained from the manufacturer.

***Level of skills involved***

High.

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**(2) Production of plastic toy balls**

***Location***

Mumbai.

***Manufacturer(s)***

Local traders.

***Location of work***

Jogeshwari (East).

***Nature of work***

Women produce various types of coloured toy balls by simple moulding methods using plastic scrap provided by the manufacturers.

***Gender specificity of work***

Women, assisted by male members.

***Organisation of work***

Work directly obtained from the manufacturer.

***Level of skills involved***

High.

---

**(3) Cutting of plastic bangles**

***Location***

Mumbai.

***Manufacturer(s)***

**Shilpa Plastic Private Ltd.**

**V P Industries Ltd.**

Jogeshwari, (East)

Mumbai.

***Location of work***

Jogeshwari (East).

***Nature of work***

Women are provided with long coils of plastic bangles. They cut individual bangles, join the two ends and pack them using transparent paper.

***Gender specificity of work***

Women, assisted by young girls and children.

***Organisation of work***

Work directly obtained from the manufacturer.

*Level of skills involved*

Low

(4) Finishing of plastic goods

*Location*

De'hi.

*Manufacturer(s)*

Local traders.

*Location of work*

Shahdara and Pahari Dhiraj.

*Nature of work*

The manufacturers produce a variety of plastic products by moulding. In this process, extra plastic in the form of flashes remains on the outer edges of the products. The women remove these flashes, clean the products and pack them in waste paper.

*Gender specificity of work*

Women, assisted by young girls and children.

*Organisation of work*

Work directly obtained from the manufacturer.

*Level of skills involved*

Low.

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**XIII. Stationery and Publishing Industries**

(1) Assembling of ball point pens

*Location*

Mumbai.

*Manufacturer(s)*

**Mentax Hybrid Pen Private Ltd.**

Jogeshwari, (East)

Mumbai.

*Location of work*

Jogeshwari (East).

***Nature of work***

Women assemble ball points pens of various designs and pack them in plastic covers. Pen refills are also packed separately in packets. The materials are provided by the manufacturers.

***Gender specificity of work***

Women, assisted by young girls and children.

***Organisation of work***

Work directly obtained from the manufacturer.

***Level of skills involved***

Medium.

---

**(2) Preparation of paper files**

***Location***

Mumbai.

***Manufacturer(s)***

**Mangal Products Private Ltd.,**  
Jogeshwari (East)  
Mumbai.

***Location of work***

Jogeshwari (East).

***Nature of work***

Women are engaged for fixing paper clips in files of different sizes. The clip is placed inside the file and two small cotter pins are pressed into the clip by hammering.

***Gender specificity of work***

Women, assisted by grown-up children.

***Organisation of work***

Work directly obtained from the manufacturer.

***Level of skills involved***

Low.

**(3) Envelope making**

***Location***

Delhi

***Manufacturer(s)***

Local stationery manufacturers.

***Location of work***

Many areas.

***Nature of work***

Manufacturers provide cut-sheets of envelopes of different sizes. The women fold the edges and paste them to make envelopes.

***Gender specificity of work***

Women assisted by young girls.

***Organisation of work***

Work directly obtained from the manufacturer.

***Level of skills involved***

Low.

---

**(4) Production of rubber bands**

***Location***

Delhi.

***Manufacturer(s)***

Local stationery manufacturers.

***Location of work***

Many areas.

***Nature of work***

The manufacturers provide coils of rubber tubes of various sizes and colours. Women cut these tubes with the help of scissors to make rubber bands of various sizes. These bands are then packed in transparent paper bags.

***Gender specificity of work***

Women, assisted by young girls.

***Organisation of work***

Work directly obtained from the manufacturer.

***Level of skills involved***

Low

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**(5) Sorting of paper waste for recycling**

***Location***

Delhi

***Manufacturer(s)***

Local scrap dealers.

***Location of work***

Ganesh Nagar, Shahdara and walled city areas.

***Nature of work***

The dealers collect huge amount of waste paper in the form of strips of different colours from printing presses. This is supplied to home-based women who separate these strips according to their colour and packed in different bags. The material is collected by the dealers and who in turn supply it to paper mills for recycling.

***Gender specificity of work***

Largely women, assisted by young children.

***Organisation of work***

Work obtained from the dealers.

***Level of skills involved***

Low

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**(6) Fixing of tabs on advertising paper-cloth**

***Location***

Delhi.

***Manufacturer(s)***

Local advertisers and banner makers.

***Location of work***

Govindpuri.

***Nature of work***



Home-based workers are engaged for fixing of tabs on paper/cloth containing an advertisement. The work is done on piece-rate basis.

***Gender specificity of work***

Women, assisted by young girls and children

***Organisation of work***

Work directly obtained from the manufacturer.

***Level of skills involved***

Low.

---

**(7) Packaging of paper napkins**

***Location***

Delhi.

***Manufacturer(s)***

Local units.

***Location of work***

Anand Parbat.

***Nature of work***

The manufacturers provide papers napkins in bulk. The women fold these napkins and pack them in boxes.

***Gender specificity of work***

Women, assisted by young girls and children.

***Organisation form of work***

Work directly obtained from the manufacturer.

***Level of skills involved***

Low.

---

**XIV. Toy Industry**

**(1) Assembling of toys**

***Location***

Delhi.

***Manufacturer(s)***

Local toy manufacturers.

***Location of work***

Pahari Dhiraj and Shahdara.

***Nature of work***

- The manufacturers provide to women workers bulk components of various toys including the mechanical spring-based movements. The women assemble the toys and after testing their performance, pack them in boxes.
- Some workers also assemble the packing boxes for different toys by folding printed flat card board sheets and joining the edges by stapling.

***Gender specificity of work***

Women, assisted by grown-up children.

***Organisation of work***

Work directly obtained from the manufacturers.

***Level of skills involved***

High.

---

**(2) Assembling of toy whistles**

***Location***

Delhi.

***Manufacturer(s)***

Local toy manufacturers.

***Location of work***

Nandnagari, Delhi.

***Nature of work***

Plastic toy whistles are produced in the factory in the form of long strips by moulding. Women are engaged for separating the toy whistles by cutting the strips.

***Gender specificity of work***

Women, assisted by grown-up children.

***Organisation of work***

Work directly obtained from the manufacturer.

***Level of skills involved***

Low.

---

## **XV. Watch Industry**

Stamping on wrist watches

### **Location**

Mumbai.

### **Manufacturer(s)**

Local manufacturers of wrist watches.

### **Location of work**

Jogeshwari-(East).

### **Nature of work**

- The manufacturers provide the chassis of wrist watches to the women workers. They stamp brand names, product number and other details at the back of the chassis using metallic dies.

### **Gender specificity of work**

Mostly women, often assisted by men.

### **Organisation of work**

Work is obtained directly from manufacturers.

### **Level of skills involved**

Low.

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Sources: (1) Field investigation.

(2) Information on following trades is supplemented from secondary sources:

(i) Food processing:

BALD, Isa (1987), *Industrial Subcontracting: The Effects of the Putting out system on the Working Women in India*, in Singh and Kelles-Viitanen (1987).

(ii) Garment industry, Delhi:

RAI, Rukmini and Husain, Sahba (1987), *Invisible Hands in Home-based Production in the Garment Export Industry in Delhi*, in Singh and Kelles-Viitanen (1987).

SANKARAN, T.S., and Rao, V.K. (1995), *The Urban Informal Sector in India: A Study of Govindpuri (Delhi)*, Jaishankar Memorial Centre, New Delhi and Friedrich Ebert Stiftung (India Office).

(iii) Leather industry, Agra:

GOSH, Arun (1997), *Poverty, Surplus Labour and Development Strategies*, Economic and Political Weekly, Vol XXXII, No. 8, February 22-23, 1997, p 403-406 (a review of KERRIGA, Peter, *Economic of Collaboration: Indian Shoe-makers between Market and Hierarchy*, Sage Publications, New Delhi, 1996).

Local toy manufacturers.

***Location of work***

Pahari Dhiraj and Shahdara.

***Nature of work***

- The manufacturers provide to women workers bulk components of various toys including the mechanical spring-based movement. The women assemble the toys and after testing their performance, pack them in boxes.
- Some workers also assemble the packing boxes for different toys by folding printed flat card board sheets and joining the edges by stapling.

***Gender specificity of work***

Women, assisted by grown-up children.

***Organisation of work***

Work directly obtained from the manufacturers.

***Level of skills involved***

High.

---

**(2) Assembling of toy whistles**

**Location**

Delhi.

***Manufacturer(s)***

Local toy manufacturers.

***Location of work***

Nandnagari, Delhi.

***Nature of work***

Plastic toy whistles are produced in the factory in the form of long strips by moulding. Women are engaged for separating the toy whistles by cutting the strips.

***Gender specificity of work***

Women, assisted by grown-up children.

***Organisation of work***

Work directly obtained from the manufacturer.

***Level of skills involved***

Low.

---

Home-based workers are engaged for fixing of tabs on paper/cloth containing an advertisement. The work is done on piece-rate basis

***Gender specificity of work***

Women, assisted by young girls and children.

***Organisation of work***

Work directly obtained from the manufacturer.

***Level of skills involved***

Low.

---

**(7) Packaging of paper napkins**

***Location***

Delhi.

***Manufacturer(s)***

Local units.

***Location of work***

Anand Parbat.

***Nature of work***

The manufacturers provide papers napkins in bulk. The women fold these napkins and pack them in boxes.

***Gender specificity of work***

Women, assisted by young girls and children.

***Organisation form of work***

Work directly obtained from the manufacturer

***Level of skills involved***

Low.

---

**XIV. Toy Industry**

**(1) Assembling of toys**

***Location***

Delhi.

***Manufacturer(s)***

***Organisation of work***

Work directly obtained from the manufacturer

***Level of skills involved***

Low

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**(5) Sorting of paper waste for recycling**

***Location***

Delhi.

***Manufacturer(s)***

Local scrap dealers.

***Location of work***

Ganesh Nagar, Shahdara and walled city areas.

***Nature of work***

The dealers collect huge amount of waste paper in the form of strips of different colours from printing presses. This is supplied to home-based women who separate these strips according to their colour and packed in different bags. The material is collected by the dealers and who in turn supply it to paper mills for recycling.

***Gender specificity of work***

Largely women, assisted by young children.

***Organisation of work***

Work obtained from the dealers.

***Level of skills involved***

Low

---

**(6) Fixing of tabs on advertising paper-cloth**

***Location***

Delhi.

***Manufacturer(s)***

Local advertisers and banner makers

***Location of work***

Govindpuri.

***Nature of work***



***Location***

Delhi.

***Manufacturer(s)***

Local stationery manufacturers.

***Location of work***

*Many areas.*

***Nature of work***

Manufacturers provide cut-sheets of envelopes of different sizes. The women fold the edges and paste them to make envelopes.

***Gender specificity of work***

Women assisted by young girls.

***Organisation of work***

Work directly obtained from the manufacturer.

***Level of skills involved***

Low.

---

**(4) Production of rubber bands**

***Location***

Delhi.

***Manufacturer(s)***

Local stationery manufacturers.

***Location of work***

*Many areas.*

***Nature of work***

The manufacturers provide coils of rubber tubes of various sizes and colours. Women cut these tubes with the help of scissors to make rubber bands of various sizes. These bands are then packed in transparent paper bags.

***Gender specificity of work***

Women, assisted by young girls.

*Nature of work*

Women assemble ball points pens of various designs and pack them in plastic covers. Pen refills are also packed separately in packets. The materials are provided by the manufacturers.

*Gender specificity of work*

Women, assisted by young girls and children.

*Organisation of work*

Work directly obtained from the manufacturer.

*Level of skills involved*

Medium.

---

**(2) Preparation of paper files**

*Location*

Mumbai.

*Manufacturer(s)*

**Mangal Products Private Ltd.,**  
Jogeshwari (East)  
Mumbai.

*Location of work*

Jogeshwari (East).

*Nature of work*

Women are engaged for fixing paper clips in files of different sizes. The clip is placed inside the file and two small cotter pins are pressed into the clip by hammering.

*Gender specificity of work*

Women, assisted by grown-up children.

*Organisation of work*

Work directly obtained from the manufacturer.

*Level of skills involved*

Low.

---

**(3) Envelope making**

*Level of skills involved*

Low.

**(4) Finishing of plastic goods**

*Location*

Delhi.

*Manufacturer(s)*

Local traders.

*Location of work*

Shahdara and Pahari Dhiraj.

*Nature of work*

The manufacturers produce a variety of plastic products by moulding. In this process, extra plastic in the form of flashes remains on the outer edges of the products. The women remove these flashes, clean the products and pack them in waste paper.

*Gender specificity of work*

Women, assisted by young girls and children.

*Organisation of work*

Work directly obtained from the manufacturer.

*Level of skills involved*

Low.

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## **III. Stationery and Publishing Industries**

**(1) Assembling of ball point pens**

*Location*

Mumbai.

*Manufacturer(s)*

Centax Hybrid Pen Private Ltd.

Geshwari, (East)

Mumbai.

*Location of work*

Geshwari (East).

Mumbai.

***Manufacturer(s)***

Local traders.

***Location of work***

Jogeshwari (East).

***Nature of work***

Women produce various types of coloured toy balls by simple moulding methods using plastic scrap provided by the manufacturers.

***Gender specificity of work***

Women, assisted by male members.

***Organisation of work***

Work directly obtained from the manufacturer.

***Level of skills involved***

High.

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**(3) Cutting of plastic bangles**

***Location***

Mumbai.

***Manufacturer(s)***

**Shilpa Plastic Private Ltd.**

**V P Industries Ltd.**

Jogeshwari, (East)

Mumbai.

***Location of work***

Jogeshwari (East).

***Nature of work***

Women are provided with long coils of plastic bangles. They cut individual bangles, join the two ends and pack them using transparent paper

***Gender specificity of work***

Women, assisted by young girls and children.

***Organisation of work***

Work directly obtained from the manufacturer.

The women prepare glass slides used for blood testing. The slides are provided by the manufacturers. These are thoroughly cleaned, wrapped in white thin paper and packed in boxes.

***Gender specificity of work***

Largely women.

***Organisation of work***

Work directly obtained from the manufacturer.

***Level of skills involved***

Low.

---

**XII. Plastic Industry**

**(1) Production of spectacle frames**

***Location***

Mumbai.

***Manufacturer(s)***

Local traders.

***Location of work***

Jogeshwari (East).

***Nature of work***

Women carry out plastic moulding for producing parts of spectacle frames (front and two side arms). Finishing is done on the moulded parts and spectacle frames are assembled by fixing connecting pins at the joints. Completed frames are packed in transparent packets.

***Gender specificity of work***

Women, assisted by male family members.

***Organisation of work***

Work directly obtained from the manufacturer.

***Level of skills involved***

High.

---

**(2) Production of plastic toy balls**

***Location***

## **(6) Cutting flashes of rubber seals of water pumps**

### ***Location***

Delhi.

### ***Manufacturer(s)***

Local units.

### ***Location***

Nandnagari, Delhi.

### ***Nature of work***

Rubber seals are used in water pumps for sealing the compressor part. These seals are produced by hot rubber moulding. Since the moulding is not accurate, there are thin flashes of rubber along the inside and outside borders of the seals. The home-based women are engaged for cutting these flashes with the help of scissors.

### ***Gender specificity of work***

Women, assisted by grown-up children.

### ***Organisation of work***

Work directly obtained from the manufacturers.

### ***Level of skills involved***

Low.

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## **XI. Medical Accessories**

### **(1) Production of blood testing slides**

#### ***Location***

Delhi.

#### ***Manufacturer(s)***

Local medical appliances suppliers and chemist shops.

#### ***Location of work***

Nandnagari.

#### ***Type of work***



***Location of work***

Jogeshwari (East).

***Nature of work***

Mantle is a hood used as the lighting element in petromax lamps. It is in the form of a network of wire made of a reflective material (mica) which becomes incandescent when exposed to flame. Women do the knitting of mantles for the unit.

***Gender specificity of work***

Women, assisted by young girls and children.

***Organisation of work***

Work directly obtained from the manufacturer.

***Level of skills involved***

High.

---

**(5) Finishing of metal-wire brushes**

***Location***

Delhi.

***Manufacturer(s)***

Local units.

***Location of work***

Nandnagari.

***Type of work***

In the factory, metal-wire brushes of different wire grades and sizes are produced by fixing metallic wires in the flat wooden body of the brushes. These wires get tangled while fixing. The women are engaged for straighten these wires, which is done using pliers.

***Gender specificity of work***

Largely women with occasional help from male family members.

***Organisation of work***

Work directly obtained from the manufacturer.

***Level of skills involved***

Low

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***Manufacturer(s)***  
**Deshmesh Screw Industries**  
Sultanwind Road  
Amritsar  
Punjab.

***Location of work***  
Basant Nagar.

***Nature of work***

- Various types of screws and nuts are supplied to the women workers. They do the sorting according to the different sizes and put nuts on the corresponding screws.
- The nuts and bolts are sometimes polished by the sawdust polishing method. To do this a wooden drum is used in which nuts and bolts are put along with the appropriate amount of sawdust. The drum is rotated manually at high speed so that the sawdust polishes the nuts and bolts.
- Average number of household women workers engaged by the unit is four. Annual turnover of subcontracting work given to the women workers is Rs. 80,000

***Gender specificity of work***

Women, assisted by elderly family members and children.

***Organisation of work***

Work directly obtained from the manufacturer.

***Level of skills involved***

Low.

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**(2) Assembling of brass cartage water regulators**

***Location***  
Delhi.

***Manufacturer(s)***  
Local manufacturers of bathroom fittings.

***Location of work***  
Shahdara.

***Nature of work***

The manufacturers provide the components of brass cartage regulator namely, spindle valve, lock ring, lock colour and PVC washers. The women assemble the regulators (called *Mohara* in the trade) using these components and test their working before packing them in boxes.

***Gender specificity of work***

Women, assisted by young girls and children.

***Organisation of work***

Work directly obtained from the manufacturer.

***Level of skills involved***

High.

---

**(3) Production of metal buttons**

***Location***

Delhi.

***Manufacturer(s)***

Local button suppliers.

***Location of work***

Nandnagari, Delhi.

***Nature of work***

Women make metallic buttons of various sizes and designs used in jeans, jackets and other garments. These buttons are carved out of brass sheets with the help of die and punch system. A small piece is cut out with the help of the die and punched with force with the help of a lever attached to the punch.

***Gender specificity of work***

Both men and women.

***Organisation of work***

Work directly obtained from the traders.

***Level of skills involved***

High.

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**(4) Production of mintles for petromax lamps**

***Location***

Mumbai

**Prabath Mintles Ltd.**

Jogeshwari (East)

Mumbai.

Aligarh  
Uttar Pradesh.

***Manufacturer(s)***

Local firms and traders.

***Location of work***

Home-based units of metal artisans scattered all over Aligarh.

***Type of work***

- The home-based units manufacture mostly single lever locks using their own equipment and tools. They have little expertise to make multi-lever devices.
- Women's participation includes assembling of locks, making of lock keys by cutting and grinding metal rods and making small lock parts by hand. In some units, they even do hot metal casting to make lock body and parts and even work on lathe machines and electric grinders.
- The techniques of production are traditional metal work and the quality of the products is generally poor. The owners of home-based units do not procure raw materials of higher grade owing to prohibitive prices.

***Gender specificity of work***

Both male and female family members or relatives. To meet the additional demand of labour, children from the neighbourhood are employed.

***Organisation of work***

- The industry comprises 70 per cent of proprietorships and partnership firms, 25 per cent of private limited companies and 5 per cent are the miscellaneous types of organisations. Most of the proprietorship and partnership firms are home-based units managed by entrepreneurs who are by and large illiterates.
- The middlemen provide raw materials and capital which is normally adjusted against the value of products supplied by artisans. The work is paid on piece rate basis and the margins are low.

***Level of skills involved***

High; women have developed competent skills in metal grinding and cutting, lock key making, and even metal casting, operation of lathe machine (locally known as *Kharat*) and grinding machine and lock assembling.

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## **X. Mechanical and Metal Industry**

### **(1) Polishing and sorting of nuts and bolts**

***Location***

Amritsar  
Punjab.

Women carry out dyeing of garments which are supplied by local dry-cleaning shops. The dye solutions are made in big containers in which the garments are dipped overnight. Then they are dried, ironed and supplied back to the unit.

***Gender specificity of work***

Women workers, assisted by young girls.

***Organisation of work***

Work is supplied and collected by the contractor/middleman. Payments are based on piece rate.

***Level of skills involved***

Medium; practical knowledge about dyes and dyeing solutions for different types of garments necessary.

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## **VIII Kitchenware Industry**

***Location***

Delhi.

**(1) Packaging of kitchenware**

***Manufacturer(s)***

Small scale kitchenware units.

***Location of work***

Gandhinagar, Shahdara and Anand Parbat.

***Nature of work***

Manufacturers provide bulk of spoons and boxes. The women clean these steel spoons, warp them in thin paper and pack in dozens in the boxes.

***Gender specificity of work***

Women, often assisted by children.

***Organisation of work***

Work directly obtained from the manufacturer.

***Level of skills involved***

Low.

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## **IX. Lock Making Industry**

***Location***

Work is provided by the manufacturers.

***Level of skills involved***

Low.

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**(5) Repair of garment rejects**

***Location***

Delhi.

***Manufacturer(s)***

Garment traders.

***Location of work***

Gandhi Nagar.

***Nature of work***

The defective socks (the rejects) of big brands are supplied to women. They locate and repair the defects such as small holes in the socks by stitching and supply them back to the contractors. These socks are then sold at a low price in the market.

***Gender specificity of work***

Women workers, assisted by young girls.

***Organisation of work***

Work supplied and collected by the contractor/middleman. Payments are based on piece rate.

***Level of skills involved***

Low.

---

**(6) Dyeing of garments**

***Location***

Delhi.

***Manufacturer(s)***

Dry-cleaning units.

***Location of work***

Gandhi Nagar.

***Nature of work***



***Manufacturer(s)***

Garment manufacturers and fabricators.

***Location of work***

Dakshinpuri, Khanpur, Govindpuri, Devli, Anand Parbat and Gandhi Nagar.

***Nature of work***

Finishing involves cutting off remnants (extra cloth, threads, etc.) left on the garment during the process of design making done elsewhere. In such cases, the person gets paid at the rate separately fixed for the embroidery work in addition to the amount payable for the finishing work.

***Gender specificity of work***

Only women, assisted by young girls who get trained in the process of work.

***Organisation of work***

Work is provided by contractors.

***Level of skills involved***

Low; the finishing work does not involve any special skill that needs to be learnt.

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**(4) Finishing of garments**

***Location***

Mumbai.

***Manufacturer(s)***

Stamp Collection Private Ltd.

Sathyam Industries Private Ltd.

Subhash Road

Mumbai.

***Location of work***

Jogeshwari (East).

***Nature of work***

Manufacturers supply to women workers bulk of sewed shirts from their factories for finishing and packaging. Women cut extra threads and mark any production defects in sewing or buttoning and any spots on the material.

***Gender specificity of work***

Only women, assisted by young girls who get trained in the process of work.

***Organisation of work***

***Location***

Delhi

***Manufacturer(s)***

Garment exporters and fabricators, particularly in Okhla Industrial Area (including the famous Fab India), Mayapuri and Indarlok.

***Location of work***

Dakshinpuri, Khanpur, Govindpuri, Devli, Anand Parbat and Gandhi Nagar.

***Nature of work***

- The manufacturers and fabricators sub-contract fine hand working on stitched garments to home-based workers.
- In cutwork, women cut out bits of cloth from embroidered patterns, and also cut out edges of netting after it had been appliquéd on a dress. In embroidery, *either* large sections of embroidery work is done on a dress/or small patterns are stitched. The third embellishment such as glass beads and mirrors are attached to the dress.
- In croche, blouses are croched/laced to form sleeves or borders on dresses. Small patterns are also crocheted, which are then stitched on to other garments. In *tracing*, women trace patterns on to dresses so that they could be passed on to other women for embroidery. In *button stitching*, various types of hooks and buttons are stitched on. The spot onto which they are attached would be already marked on the dress by the production units.

***Gender specificity of work***

Only women, assisted by young girls who get trained in the process of work.

***Organisation of work***

- The contractor/middleman arranges for the supply/delivery of raw materials of the required quantity at the door step of the home-based worker and also for the collection of the finished products after the assigned task is completed.
- Payments is based on piece rate and made at the doorstep of the worker at mutually, albeit informally, agreed periodic intervals, often fortnightly, but in a few cases weekly, and, rarely, monthly.
- In jobs which require machine stitching, women have to buy sewing machines of their own.

***Level of skills involved***

High.

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**(3) Finishing of garments**

***Location***

Delhi

In factories, rubber straps of chappals are produced by moulding. Since the production method is crude, thin rubber remains along the edges of the straps. Women are engaged for cutting those flashes with the help of scissors. The work is quite tedious and time consuming.

***Gender specificity of work***

Women, sometimes assisted by family children.

***Organisation of work***

Work directly obtained from the manufacturers.

***Level of skills involved***

Low.

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## **VII. Garment Industry**

### **(1) Hosiery knitting**

***Location***

Ludhiana.

Punjab.

***Manufacturer(s)***

Cotton garment knitting units.

***Location of work***

Various localities in the city.

***Nature of work***

Manufacturers and fabricators sub-contract production of various cotton garments to household knitters. The job work includes knitting on small flat frame machines, putting buttons, elastics and labels on the garments.

***Gender specificity of work***

Women knitters; in many cases men also do the knitting work.

***Organisation of work***

Work is distributed among the workers through contractors and sub-agents.

***Level of skills involved***

High.

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### **(2) Decoration of garments**

*Level of skills*

High.

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**(2) Thread spinning for production of shoe laces**

*Location*

Agra  
Uttar Pradesh.

*Manufacturer(s)*

Various shoe lace making companies.

*Location of work*

Hing ki Mandi, Chippitola, Loha Mandi and Nai ki Mandi.

*Nature of work*

In Agra, the shoe laces are woven on special power looms in factories specialising in the trade. The women are engaged for spinning threads of different colours on the bobbins. These bobbins are then supplied back to the factories and attached to the looms. Many factories also employ women for nearby areas.

*Gender specificity of work*

Only women do the spinning work.

**Organisation of work**

Work is provided by manufacturers.

*Level of skills*

Medium.

---

**(3) Cutting flashes of Hawai chappal straps**

*Location*

Delhi.

*Manufacturer(s)*

Local Hawai-rubber chappal manufacturers.

*Location of work*

Anand Parvat and Shahdara.

*Nature of work*

### *Organisation of work*

- Production of these items is reserved by government policy for 'small scale sector'.
- Subcontracting to household units remains the main production arrangement even as the market for the products has become larger and more geared to exports.
- Subcontracting of work to home-based workers is done extensively through contractors, individual senior workers or owners of small shops with retail outlets combining production and sales.

### *Level of skills involved*

Medium; simple domestic tools are used to do the preparatory work of peeling and pounding.

---

## **VI Footwear Industry**

### **(1) Leather shoe making**

#### *Location*

Agra  
Uttar Pradesh.

#### *Manufacturer(s)*

Various shoe companies and small workshops.

#### *Location of work*

Hing ki Mandi, Chippitola, Loha Mandi and Nai ki Mandi.

#### *Nature of work*

- Household units which have the lasts (used for shaping the uppers) produce complete shoes on piece rate basis. Others prepare only the uppers and supply them to the workshops.
- In a few large, mechanised units which also do subcontracting work for big brands, women are employed at low monthly wage rates.

#### *Gender specificity of work*

The shoes are made mostly by men. Women do cutting of leather, preparing necessary material and putting upper inside the lasts. Sometimes they are engaged for packing shoes in boxes.

#### *Organisation of work*

- More than 500 shoe-making workshops in the city depend predominantly on subcontracting work (sometimes, even full shoes are produced by the subcontractors).
- The households also take their produce to Hing ki Mandi, the famous wholesale shoe market of Agra and sell the shoes to the traders often at very low price.

**Location**

Mumbai.

**Manufacturer(s)**

Many shrimp processing units.

**Location of work**

Many areas.

**Nature of work**

- Women are employed for shelling of shrimps. They are paid for the piece rate for each tub of fish.
- The shrimps are then delivered to the freezing unit for further processing, grading and packing. The women are also engaged as graders at freezing units.

**Gender specificity of work**

Both men and women are involved in shrimp processing.

**Organisation of work**

A small number of suppliers control the supply of raw materials for the export market. The processing is subcontracted to contractors.

**Level of skills involved**

High.

---

**(2) Preparation of spices and pickles****Location**

Mumbai.

**Manufacturer(s)**

Many small scale units.

**Location of work**

Jogeshwari (East).

**Nature of work**

Households produce pickle and masalas as a unit. The work involves pre-processing of materials such as peeling and pounding, processing and mixing and packing.

**Gender specificity of work**

Women have access to two-thirds of the functions in spice production. Pre-processing is done by both men and women. Machine processing and mixing is done mostly by men. Packing of spices is mainly done by women.



cutting copper metal sheets using a simple die tool. Two connection wires are then soldered on the sink.

***Gender specificity of work***

Women, sometimes assisted by family children.

***Organisation of work***

Work directly obtained from the manufacturers.

***Level of skills involved***

High.

---

**(5) Assembling of audio cassettes**

***Location***

Mumbai.

***Manufacturer(s)***

**Tips Industries Private Ltd.**

Malad (East)

Mumbai.

***Location of work***

Malad and nearby areas.

***Nature of work***

Women carry out assembling of audio cassettes. The audio tape spool is placed on a rotating spindle. The tape is transferred to a smaller spindle according to the required length of tape in the cassette. The small spool is then cut and installed between the cassette covers and the two ends are joined with the help of adhesive. The cassette is closed by tightening the screws in the grooves.

***Gender specificity of work***

Women, sometimes assisted by men.

***Organisation of work***

Work directly obtained from the manufacturer.

***Level of skills involved***

High.

---

**V. Food Processing**

**(1) Shrimp Processing**

***Organisation of work***

Work directly obtained from the manufacturers.

***Level of skills involved***

High.

---

**(3) Assembling of resistors**

***Location***

Delhi.

***Manufacturer(s)***

Manufacturers of transistor sets and audio tape recorders.

***Location of work***

Jahangirpuri, Delhi.

***Nature of work***

Women produce resistors as discrete components used in electronic circuits.

***Gender specificity of work***

Women, sometimes assisted by family children.

***Organisation of work***

Work directly obtained from the manufacturers.

***Level of skills involved***

High.

---

**(4) Production of heat sinks**

***Location***

Delhi.

***Manufacturer(s)***

Manufacturers of transistor sets and audio tape recorders.

***Location of work***

Shahdara.

***Nature of work***

Heat sink is an important safety device in an electric circuit as it protects active electronic components from overheating. Women produce various sizes of heat sinks by

***Manufacturer(s)***

Manufacturers of transistor sets and audio tape recorders in Tri Nagar and Moti Nagar.

***Location of work***

Jahangirpuri, Delhi.

***Nature of work***

- Women are engaged in assembly of gang capacitors used as tuners in transistors and two-in-one tape recorders. The gang is assembled using thin aluminum and paper foils. Each aluminum foil is inserted inside the paper foil then placed in a rod (axis of the capacitors) mounted vertically on a small vice. The value of the capacitors is in hundreds of microfarads.
- Women work on floor using small wooden desk on which the vice is fixed. The capacitors are tested in the factory.

***Gender specificity of work***

Women, sometimes assisted by family children.

***Organisation of work***

Work directly obtained from the manufacturers.

***Level of skills involved***

High.

---

**(2) Assembling of inductor coils**

***Location***

Delhi.

***Manufacturer(s)***

Manufacturers of transistor sets and audio tape recorders.

***Location of work***

Jahangirpuri, Delhi.

***Nature of work***

Women assemble discrete inductors of various values which are used in electronic circuits in electronic industries. Copper wire of required gauge and length for a particular value of inductance are cut from the spool. The piece is wound around the core in the form of a coil. Two terminals are brought out for connections.

***Gender specificity of work***

Women, sometimes assisted by family children.

Mostly women.

***Organisation of work***

Work directly obtained from the manufacturer.

***Level of skills involved***

Medium.

---

**(6) Assembling of immersion rod water heaters**

***Location***

Delhi.

***Manufacturer(s)***

Local electrical appliances manufacturers.

***Location of work***

Nandnagari, Delhi.

***Nature of work***

Electroplated immersion rods are provided by the manufacturers. Women connect the wire connections and fix the terminals at the end.

***Gender specificity of work***

Mostly women.

***Organisation of work***

Work directly obtained from the manufacturers.

***Level of skills involved***

Medium.

---

## **IV. Electronics Industry**

**(1) Assembling of gang capacitors**

***Location***

Delhi.

#### **(4) Assembling of starters of fluorescent tubes**

*Location*

Delhi.

*Manufacturer(s)*

Local units.

*Location of work*

Gandhinagar and Shahdara.

*Nature of work*

Starter is an electrical device used for boosting starting voltage across a fluorescent tube. It consists of a bio-metallic switch placed in a case made of aluminum or plastic. A small capacitor is connected across the switch. Women assemble starters by placing the bio-metallic switch inside the case and connecting it between the two terminals. The capacitor connections are then soldered on the terminals.

*Gender specificity of work*

Mostly women do the work.

*Organisation of work*

Work directly obtained from the manufacturers.

*Level of skills involved*

Medium.

---

#### **(5) Assembling of electric irons**

*Location*

Delhi.

*Manufacturer(s)*

Local electrical appliances manufacturers.

*Location of work*

Nandnagari.

*Nature of work*

Women workers assemble heating elements of electric irons. They insert the thin metallic element in between the two insulating layers of mica and bring out the connecting wires of the element.

*Gender specificity of work*

***Manufacturer(s)***

Many famous and local brands.

***Location of work***

Karawal Nagar, near Seelampur (East Delhi)

***Nature of work***

The manufacturers provide moulded parts of electric switches, plugs and sockets and necessary copper screws to the women. The women assemble these items and insert necessary screws at the connecting points inside these items.

***Gender specificity of work***

Mostly women, assisted by children.

***Organisation of work***

Work obtained through contractors.

***Level of skills involved***

Low.

---

**(3) Assembling of mixies and fans**

***Location***

Delhi.

***Manufacturer(s)***

Local electrical appliance manufacturers.

***Location of work***

Gandhinagar and Shahdara.

***Nature of work***

The manufacturers supply to women assemble parts of electrical appliances like mixies and fans. Women assemble these items and also check their performance. The defective items are taken to the factory where they are repaired by technicians.

***Gender specificity of work***

Both men and women do the assembling work.

***Organisation form of work***

Work obtained through contractors.

***Level of skills involved***

High; practical knowledge of small electric motors and their speed control is necessary.

---



***Gender specificity of work***

Only women undertake the work, sometimes with help from elderly family members.

***Organisation of work***

Work directly obtained from the manufacturer.

***Level of skills involved***

Low.

---

**III. Electrical Industry**

**(1) Assembling of electrical sockets, plugs and switches**

***Location***

Mumbai.

***Manufacturer(s)***

**Bajaj Electricals Ltd.**

**Philips India Ltd.**

**Ankur Industries**

Mumbai.

***Location of work***

Jogeshwari (East).

***Nature of work***

Women assemble various types of switches, electrical connectors and circuit breakers. The components are provided by the manufacturers.

***Gender specificity of work***

Mostly women, assisted by children.

***Organisation of work***

Work is obtained through contractors

***Level of skills involved***

Medium.

---

**(2) Assembling of electrical switches**

***Location***

Delhi

## **(5) Polishing, sorting and packaging of nuts and bolts**

### ***Manufacturer(s)***

**Krishna Cycle Industries**  
Ludhiana  
Punjab.

### ***Location of work***

Jaula Nagar.

### ***Nature of work***

- Women do matching of nuts and bolts of various sizes and shapes used in assembling of bicycles. The matched pins are then packed in small sacks.
- Average number of household women workers engaged by the unit is 20. Annual turnover of subcontracting work given to the women workers is Rs. 1 lakh.

### ***Gender specificity of work***

Only women undertake the work sometimes assisted by elderly family members and children.

### ***Organisation of work***

Work is directly obtained from the manufacturer.

### ***Level of skills involved***

Low.

---

## **(6) Making packing boxes for bicycle parts**

### ***Manufacturer(s)***

**Sahib Trading Company**  
Ludhiana,  
Punjab.

### ***Location of work***

Miller Ganj.

### ***Nature of work***

- Women are engaged in production of packing boxes of different sizes used by cycle industry for packing various bicycle parts and nuts and bolts.
- Flat cardboard sheets of box layouts with details of the manufacturers screen printed on them are provided to the workers. They bend these layouts on the marked edges and then staple these edges.
- Average number of household women workers engaged by the unit is 50. Annual turnover of subcontracting work given to the women workers is Rs. 2 lakhs

*Nature of work*

- Women carry out assembling of cycle brakes. The rubber parts are fixed in the brake frame by putting nuts and bolts and the frame is attached to the brake lever.
- For Bhola Industries, average number of household women workers engaged is 18. Annual turnover of subcontracting work given to the women workers is Rs. 1 lakh.
- For Rookie Industries, average number of household women workers engaged is 10. Annual turnover of subcontracting work given to the women workers is Rs. 75,000.

*Gender specificity of work*

Only women undertake the work, sometimes assisted by elderly family members and children.

*Organisation of work*

Work directly obtained from the manufacturer.

*Level of skills involved*

Low.

---

**(4) Fixing cotter pins in bicycle sprockets**

*Manufacturer(s)*

**Vishwakarma Bicycle Company**

Ludhiana

Punjab.

*Location of work*

Gill Road.

*Nature of work*

- Women are engaged by the unit for inserting cotter pin in the spindle of sprockets of bicycles. Cotter pin is a split pin which is put through the cotter (or wedge) in the spindle so that it becomes secure tightly and stable.
- Average number of household women workers engaged by the unit is 12. Annual turnover of subcontracting work given to the women workers is about Rs. 1.5 lakhs.

*Gender specificity of work*

Only women undertake the work, sometimes assisted by elderly family members and children.

*Organisation of work*

Work is directly obtained from the manufacturer.

*Level of skills involved*

Medium

Work is directly obtained from the manufacturer, who supplies the required parts.

***Level of skills involved***

Medium; the seat springs are to be selected by sensing uniformity of their strength.

---

**(2) Assembling of bicycle pedals**

***Manufacturer(s)***

**Murphy Industries**

Ludhiana

Punjab.

***Location of work***

Jaula Nagar.

***Nature of work***

- Women carry out assembling of bicycle pedals from the parts provided by the unit.
- Number of household women workers engaged by the unit is about 25. Annual turnover of subcontracting work given to the women workers is Rs. 10 lakh.

***Gender specificity of work***

Only women undertake the work sometimes assisted by elderly family members and children.

***Organisation of work***

Work is directly obtained from the manufacturer.

***Level of skills involved***

Medium.

---

**(3) Assembling of bicycle brakes**

***Manufacturer(s)***

**Bhola Industries**

Ludhiana

Punjab.

**Rookie Industries**

Ludhiana

Punjab

***Location of work***

Jaula Nagar and Bhagwa Chowk.

### *Nature of work*

Women do a simple operation in the assembling of grease nipple attached to a greasing gun used for greasing various parts of an automobile engine. The nipple is in the form of a small metal cup having a thin hollow tapered channel in its body. A small ball is inserted in this channel so that the nipple acts as a one-way flow controller; it allows grease to flow in the forward direction and stops it in the reversed direction.

### *Gender specificity of work*

Largely women assisted by elderly family members and children.

### *Organisation of work*

The components are supplied by the manufacturers.

### *Level of skills involved*

Low.

---

## **II. Bicycle Industry**

### *Location*

Ludhiana  
Punjab.

### **(1) Assembling of bicycle seats**

### *Manufacturer(s)*

**Makkar Industries**

Ludhiana  
Punjab.

**Lucky Industries**

Ludhiana  
Punjab.

### *Location of work*

Jaula Nagar.

### *Nature of work*

- Women carry out assembling of bicycle seats: cushion clips are inserted in the seat frames and when the seat is assembled, seat covers are fixed.
- Average number of household women workers engaged by the unit is eight. Annual turnover of subcontracting work given to the women workers is Rs. 75,000.

### *Gender specificity of work*

Only women, sometimes assisted by elderly family members and children.

### *Organisation of work*

# Globalisation and Women's Employment in the Textiles and Garments Industry in India

By Ashok Raj and Rakesh Kapoor

## 1. Introduction: The Textiles and Garments Sector in India

### 1.1 The Size and Importance of the Sector

The textiles and garments industry is one of the most significant sectors of the Indian economy from the point of employment generation as well as export earnings, and its importance has increased in the last one and a half decades with the process of globalisation. **Tables 1 and 2** indicate the employment generated by this sector and its share in exports from India. It is estimated that at present it provides direct employment to above 35 million people and, after agriculture, is the second largest job-provider. Table 2 shows that the number of people employed in the textiles sector, excluding handlooms, in 1995 was 24.9m. Besides, about 5 million people are estimated to be employed in the garments manufacturing sector. India's current value of exports of textiles and garments is \$13 billion, of which about 40 per cent is the export of readymade garments. Cloth and garment exports together constitute over 30 per cent of India's exports. The contribution of this sector to the gross export earnings is about 35 per cent but it adds only about one to 1.5 per cent to the gross import bill.

**Table 1: Textiles and Indian Industry**

(Percentage of textiles in total export, total factory employment, etc)

	Export	Factory Employment		Industrial Employment.	
	All Textile	Excluding	All Textile	Excluding Mills	
	Factories	Mills	Products	and Handlooms	
1971/1973-74	23.0	20.6	6.8	28.6	16.1
1981	13.9	17.4	6.8	32.7	20.0
1991	21.3	15.8	8.3	38.5	20.4
1995	32.2	15.8	9.5	44.3	22.7

Notes: 1) The years are: 1993-94, 1980-81, 1990-91 and 1994-95 where ASI data are used; and 1971, 1981, 1991 where census data are used. There was no ASI for 1971-72; 1970-71 ASI is incomplete.

2) 'Factory' means registered factory. 'Textile' refers to 2-digit groups 23+24+26 (excludes jute and jute products). 'Industrial employment' refers to census divisions 2+3, 'main workers'.



- 3) 1991 and 1995 textile employment needs explanation. Textile employment for 1991 Census is not yet available. Nor is there any census for 1995. For 1995, Textiles commissioner's data for employment in mills, powerlooms, handlooms and hosiery are used. These data are not reliable for powerlooms, and are grossly inflated for handlooms. The last-but- one column, therefor, is likely to exaggerate the percentage for the year 1991 and 1995.

Source: Roy (1998b).

**Table 2: Employment and Productivity in Textiles**

	Employment (m)			Real Output per Worker (Rs 000)		Wage-Share in Value Added	
	Textile Factories	Textiles (Excluding Handloom)	Textiles (Excluding Handloom)	Textile Factories	Textile Factories (Excluding Mills)	Textile Factories	Textile Factories (Excluding Mills)
1971/ 1973-74	1.198	4.877	3.663	27.3	31.0	53.2	47.1
1981	1.354	7.010	5.563	40.1	52.5	59.1	45.7
1991	1.289	11.500	7.000	75.4	90.4	45.5	35.8
1995	1.434	15.000	8.500	98.0	104.6	34.7	26.0

Source: Roy (1998b). See notes with Table 1 above for explanations on data used.

This paper is in four parts. In Part one we discuss the size and importance of this sector in the Indian economy, its sub-constituents and women's employment in the sector. Part two discusses the nature, wages and conditions of employment in its different sub-sectors, particularly with reference to women. Part three deals with the changes taking place in this sector in the last two decades, with particular reference to the forces of liberalisation and globalisation. The impact of these changes on employment and women's employment in particular are discussed. The last Part puts forward suggestions and recommendations that can lead to a vibrant growth of the sector and to greater employment opportunities as well as better conditions of employment for the workers, especially women, employed in this sector.

## 1.2 Women's Employment

The textiles and garments sector is very significant from the point of view of women's employment. Women are employed in large numbers in the unorganised textile sector, in hosiery, handlooms, textile handicrafts like embroidery, patchwork and block printing, and in the manufacture of readymade garments. As shown below in Table 3, this sector employed 22.73 lakh women or 2.73 per cent of all women employed in the country (in all sectors) in the early 1990s.

**Table 3: Employment of Women in Textiles and Garments Industry**

Employment sector	Number (lakhs)	Percentage of total number of employed women
Textiles and garments	10.75	1.28
Cotton textiles in handlooms (other than khadi)	7.41	0.88
Cotton textiles in mills	1.45	0.17
Cotton textiles in powerlooms	1.38	0.19
Embroidery, etc	1.74	0.21
Total	22.73	2.73

Source: Based on Gopalan (1995).

It appears that of the total figure of 22.73 lakhs, only 1.38 lakhs or 6.1 per cent of the women workers were in the organised sector, as per Table 4 that indicates the number of women workers (and women workers as a percentage of total workers) employed in factories in the Textiles and Garments sector. The table indicates that there were 137,800 women workers in textiles and garments manufacturing factories in 1993, constituting 12.5 per cent of all workers in factories in this sector. The table also shows that the highest percentage of women is in garment manufacturing, although the number of women employed in the manufacture of cotton textiles is larger. During the eighties and early nineties, however, the number of women in the manufacture of cotton textiles declined, although there was a small increase in their percentage. On the other hand, between 1981 and 1993, the number of women workers involved in the manufacture of garments and other textile products went up by 2.6 times, and the percentage of women workers also increased from 24.5 to 38.8 per cent. For subsequent years, although data on women workers is not available, the trends in the manufacture and export of garments indicate that large increases in women's employment have occurred.

**Table 4: Average Daily Employment in Textiles and Garments Factories**

Sl. No.	Industry	Year Workers	Male Workers	Female Workers	Total Workers	Percentage*
01	Manufacture of Cotton Textiles	1981	830,200	79,400	909,600	8.7
		1991	603,600	66,100	669,700	9.9
		1993	592,200	69,600	661,800	10.5
02	Manufacture of Wool, Silk and Synthetic Fibre Textiles	1981	130,1000	5,600	136,600	4.1
		1991	138,300	5,400	143,700	3.7
		1993	139,600	5,800	145,400	4
03	Manufacture of Jute, Hemp and Mesta Textiles	1981	235,900	6,100	241,900	2.5
		1991	138,600	2,800	141,400	1.9
		1993	138,400	2,700	141,100	1.9
04	Manufacture of Textile Products (including wearing apparel other than footwear)	1981	70,400	22,800	93,300	24.5
		1991	88,800	55,300	144,100	38.4
		1993	94,200	59,700	153,900	38.8

\* Female workers as percentage of total workers

Source: Adapted from Labour Bureau, 1998

Also, over the years while the number of workers employed in mills has come down, the employment in the unorganised sector, and the small scale but organised sector, especially powerlooms and hosiery, has increased substantially, in keeping with the immense growth in the latter (see below). For instance, in the textile industry in Coimbatore, women constituted only 15 per cent of the mill workforce in 1981 and very few worked on the looms, whereas in the informal sectors, women constituted 33 per cent of those working on powerlooms (Baud, 1983). In Bombay in 1983 women constituted over 25 per cent of the textile labour, but by the late 1980s there were virtually no women workers (Hensman, 1988).

### 1.3 Sub-Sectors

The textiles and garments sector actually consists of four sub-sectors, namely, mills, powerlooms, hosiery and handlooms. The dynamics within and between these sub-sectors

are important to understand the impact of globalisation on women's employment in the textiles and garments sector.

The informal sector has emerged as the leader in textiles production and export in the last two decades, as is evident from Table 5, which indicates the shares of the different sub-sectors. The recent expansion in demand has been met largely by unorganised producers, that is, both powerlooms' and knitting factories. Knitting, in fact, has seen very significant export growth recently. Box 1 briefly traces the evolution of the hosiery industry. Powerlooms are the exclusive suppliers of manmade (manmade cloth as against cotton), and the rising share of manmade in recent times has further helped them (Roy, 1998b). Powerlooms and hosiery units have gained primarily at the cost of the mills, many of which have been sick for many years. Out of the 1,850 textile mills in the country, only 284 are composite mills of the kind that generate the bulk of value in today's textile industry world over. Most of the mills are small-scale units that do not have the technology or the scale of operation required to compete in the global market (EPW, 2000).

**Table 5: Sector-Shares in Production and Exports**

(percentage of value)

	Share in Production			Share in Export		
	Mill	Powerloom	Handloom	Mill	Powerloom	Handloom
1985-86	17.8	69.7	12.4	52.4	40.4	7.2
1990-91	9.9	80.4	9.7	28.6	69.0	2.4
1995-96	6.1	80.4	13.5	18.5	80.3	1.3

Note: Hosiery has been included here under the category of powerlooms. It is assumed that powerlooms have 100 per cent market-share in manmade exports. The cloth used in garment export is assumed to arise from the three sectors in the same proportion as their share in fabric exports.

Source: Adapted from Roy (1998b)

### **Box 1 : Evolution of Ludhiana's Hosiery Industry**

In the cotton hosiery industry of India the appearance of the middlemen in trading capital changed the relations of production qualitatively. The erstwhile petty commodity production, based on family labour, was gradually transformed into commodity production, where the family workers were reduced to wage-workers, selling their labour-power. This paved the way for the emergence of an early form of capitalist domestic industry, which had features similar to the putting out system. As the instruments of labour namely hand-needles were simple and could easily be acquired from the market, the control of the middlemen over domestic workers was possible only through control over raw material, which was a scarce commodity.

Ludhiana's hosiery industry had thus transformed itself from a state of 'natural economy' to capitalist domestic industry during the course of half-a-century, starting with the second quarter of the nineteenth century. The role of the middlemen as merchant-manufacturers, was crucial in this period of transition. They were the primary link between the domestic products and the market.

#### **From the Home to the Workshop**

The next phase reflects a transition from the elementary form of capitalist domestic industry to the small workshop type 'manufactures', along with the continuation of the putting-out system. The introduction of frame-knitting was instrumental in this shift.

In the hosiery industry, the concentration of capital cannot be gauged from the level of investment in 'plant and machinery' and in 'buildings'. More fruitful indicators would be the level of employment (direct or through fabricators) and the extent of export undertaken annually. This is borne out by the fact that the investment on plant and machinery as well as land and buildings constituted only 21.03 per cent of the total investment. A major part of the instruments of labour were owned by the workers themselves, and 45 per cent of the total production was sublet to the fabricators. Therefore, the size of the assets in the hosiery industry does not necessarily correspond to the level of profits. In most cases, they conceal more than they reveal. It is the control, however, which is crucial and not the level of concentration of the means of production.

Source : Based on Singh (1990)

Powerlooms are estimated to have employed 4m people in 1991 and 8m in 1998. In 1991, this amounted to a staggering 20 per cent of all wage labour in industry and 33-35 per cent of wage labour in informal sector industry. Maharashtra, Gujarat and Tamil Nadu account for 80

per cent of the powerlooms and the majority of even these are located in 5-6 towns and urban clusters. This is in sharp contrast with handlooms. In the last few decades, as mills have become increasingly incapable of competing, capital has moved out of mills into powerlooms. Earlier, to utilise low wages or bypass capacity restrictions, some mills sub-contracted with powerlooms for cloth that was sold on mill brand. This situation, however, has undergone a change in the last two decades with the growing importance of the export market and consumer preference shifting to readymade garments. This situation has made it unnecessary for powerlooms to cooperate with mills or fake their brands (Roy, 1998b).

## 2. Wages and Conditions Of Work

### 2.1 Women Workers: Wages

An over dependence on low wages and raw material costs has been a major source of competitive advantage for the Indian textiles industry (Chandra, 1999). Low wages are an important factor of comparative advantage in the apparel industry because the weight of wages in value added is high. Table 6 compares hourly wage rate of sewing machine operators in some main exporting countries in 1991 and 1997. India's wage rates are the lowest. India's wage rates in dollar value have risen less between 1991 and 1997 because of depreciation of the rupee after economic reforms (Uchikawa, 1999).

**Table 6: Hourly Wage Rates of Sewing Machine Operators (US \$)**

Country	October 1991		October 1997	
India	0.07-0.16	Minimum	0.09-0.24	Minimum
China	0.19-0.28	Average	0.48	Average
Hong Kong	0.12	Average	3.67	Average
Mexico	0.63	Minimum	0.48	Minimum

*Note: Date of wage per day and hours worked is available in India. For Hong Kong and Mexico, only data on wage per month is available and wage per hour was calculated on the assumption that labour hours per month are 180. Since wages in each country are expressed in its currency, they were converted to US dollar, based on the exchange rates of October 1991 and October 1997.*

Source: Uchikawa, 1999 (based on ILO, Statistics on Occupational Wages and Hours of Work and On Food Prices, 1992 and 1998; IMF, *International Finance Statistics*, December 1992 and December 1998).



According to another report, however, wage levels in the textiles and garments industry in China are almost half of those in India (Chandra, 1999).

Besides the fact that wage rates in the textiles and garments industries in India are low, women workers are paid wages that are substantially lower than the wages paid to male workers, as indicated in the Tables 7, 8 and 9 below. Not only this, in many parts of the textiles and garments industry, women are often restricted to the unskilled or semi-skilled and lesser paid jobs and are considered as a "reserve army in the labour market", as shown in the case of the cotton hosiery industry in Box 2 below.

### **Box 2 : Women in the Cotton, Hosiery Industry**

Out of the total number of 5,637 workers engaged in the fifteen export units, 5,158 (91.5 per cent) were males and only 479 (8.50 per cent) were females. The female workers were restricted to only four processes, namely winding on hand-winding wheels (charkha), embroidery checking and packing, and manual button-stitching, which were akin to the traditional skills of womenfolk. The nature of the processes involving female labour show that women workers were not only indispensable but also relatively cheaper to engage for those jobs.

The replacement of hand-wheels by power winders had displaced a large chunk of the female workforce. A single worker using a power-operated winder is capable of winding four to five times more yarn than a woman worker, winding on a hand-wheel. By replacing hand-operated wheels with power-winders, the employer not only benefits economically, but also saves space and time on supervision.

Women workers had to be engaged for stitching certain types of button which could not be stitched by machine. In button-stitching, machines were exclusively operated by male workers and in manual stitching only female workers were engaged. Each machine operative displaced nearly six manual women workers in this small process, yet the number of women workers totalled forty-seven (78.34 per cent) as compared to the male workers, numbering thirteen (21.66 per cent) only. The workers engaged in button-stitching constituted only 1 per cent of the total workforce.

The above discussion on women workers employed in hosiery export reveals that the latter are engaged in those processes where machine or male workers are less efficacious. They are a highly exploited mass because, for similar kinds of work, male workers get four to five times more wages than the female workers. The major concentration of women workers is in areas where traditional skills of women are involved, such as, winding and embroidery. Their work is simply considered an extension of their household chores. They are not regarded as equal competitors in the 'free' labour market; instead, the female workforce is considered a reserve army in the labour market. *[emphasis added]*

Source: Singh (1990)

Tables 7, 8 and 9 indicate the minimum and maximum wage rates of men and women workers in the textiles and garments sector. Tables 7 and 8 show the significant differences between the wage rates of men and women workers. Table 9 shows the differences by skill level within women workers.

**Table 7**  
**Average Minimum and Maximum Daily Wage Rates of Workers in**  
**Textiles and Garments**  
**Manufacturing Industries by Sex per the Fifth Occupational Survey 1993-97**

Industry	Overall		Men		Women	
	Min	Max	Min	Max	Min	Max
Textiles	69.26	76.74	69.56	77.12	64.00	69.91
Cotton Textiles	68.18	76.04	68.94	76.26	67.04	73.20
Jute Textiles	82.41	87.19	82.55	87.38	77.16	79.82
Synthetic Textiles	53.60	63.62	54.03	64.21	37.76	40.46
Woollen Textiles	59.77	72.29	60.09	72.87	49.96	54.68
Silk Textiles	45.73	74.90	49.25	83.68	35.65	49.75
Textile Garments	45.36	58.53	57.15	75.58	35.60	44.43

Source: Adapted from Labour Bureau (1998)

**Table 8**  
**Average Daily Earnings of Workers by Sex in Textiles and Garments Manufacturing**  
**Industries**  
**as per the Fifth Occupational Wage Survey 1993-97**

Industry	Men	Women	Percentage by which earnings of women were higher (+) or lower (-) than those of men
Textile Garment Industries	60.60	37.83	(-)37.57
Textiles	78.14	70.27	(-)10.07
Cotton Textiles	78.12	73.24	(-)06.25
Jute Textiles	89.73	85.99	(-)04.17
Synthetic Textiles	52.38	40.86	(-)34.50
Woollen Textiles	69.31	54.24	(-)14.53
Silk Textiles	63.98	39.56	(-)61.73

Source: Adapted from Labour Bureau (1998)

Table 9

**Minimum and Maximum Average Daily Earnings of Piece-rated Women Workers and Wage Rates of Time-Rated Women Workers in Readymade Garments Industry by Skill Level**

Skills	Piece-Rated Workers		Time-Rated Workers	
	Minimum	Maximum	Minimum	Maximum
Highly skilled / skilled	27.43	43.02	40.12	49.64
Semi-skilled	26.53	37.64	25.47	28.94
Un-skilled	17-70	21.00	22.17	25.03

Source: Adapted from Labour Bureau (1998)

**2.2 Women Workers: Conditions of Work**

Within the textiles and garments manufacturing industries, women are most often employed in certain traditional tasks, often manual, where machines or male workers are less efficacious. These tasks include embroidery, button-stitching, winding on charkhas (hand-winding wheels), packing, spinning, etc. Besides this women are also employed in tasks like sewing along with male workers.

Very often the tasks done by women are part of sub-contracted work received through contractors and performed within their homes. Even when they are employed in factories, they are often not paid minimum wages, or are paid much less than male workers, and kept as temporary workers so that the employers do not have to bear the burden of giving them employment benefits like PF, medical facilities or facilities such as crèches for children. (For instance, in 1992, of the 2113 factories manufacturing textile products and garments that submitted returns under the Factories Act, only 67 factories provided crèches (Labour Bureau, 1998).) They are often made to work for long hours without payment of overtime, are denied weekly off days and are also harassed in other ways. Boxes 3 and 4 below bring out the exploitation of women workers and the drudgery and difficult conditions of work in the textiles and garments manufacturing sector.

The irony is that women workers are often preferred by employers because they are less aggressive, more disciplined and easier to supervise than male workers.

### Box 3: The Story of a Woman Garment Worker

These are excerpts from the story of Sushila, a 29 year-old woman worker in the garment manufacturing industry in Delhi. Married and separated from her unemployed husband at a young age, her story is a reflection of the exploitation and struggle that many women workers undergo, especially in the last two decades of tough competition in the textiles and garments industry.

Finally, I got a job in a garment factory in Kirti Nagar. I was earning 820 a month. This was in 1990. But the older workers harassed me. This is standard practice because older workers see a new worker as a threat. This is what the *maliks* do. They take in some new workers and throw out the older ones. So it is normal for these workers to harass someone new, for they fear that they will lose their jobs. There is no security for work. Most of are only casual workers in these factories. My mother had worked in a factory for nine years and yet was not permanent, had no ESI (Employees State Insurance) or Provident Fund.

I left the job since I could not take the harassment. Then I went to work in another garment factory in Naraina for Rs 1000 a month. I was also given ESI facilities. After having worked there for some time, the factory closed down. [After some time] my mother finally got a permanent job. However, the workers started getting agitated about the non-payment of minimum wages, even though they were made to sign in the register to the effect. When a union was finally formed, the factory *malik* dismissed them all.

I am working with a company that has survived these last years. So many companies had grown earlier on. The company that I am working in now was just a small factory when I started work. Now the *malik* is a *karorpati* (owner of crores). But all around garment factories are closing down. Earlier, a lot of work was available for people working at home. Although the earnings were meagre, work was available. Now there is no work in the home-based sector in Inderpuri. Since our colony is just next to the Naraina industrial area, small work on garments was given out to homes. But over the last four years this kind of work has completely vanished.

Conditions of work have always been hard, but now the pressure has become acute. I stand all day and work. My younger sister would find it difficult to do this. Compulsory overtime is a regular feature. Every day one has to work from 9 a.m. to 8 p.m., often till 10 p.m. One cannot refuse, otherwise one will lose one's job. I have not had a weekly off for months. It is hard, particularly on women. There should be some restrictions on this. Women should be allowed to go home at the latest by six in the evening.

Ten years ago, women were paid less wages than men in the garment industry. This has changed over the years. Now we get equal wages. In our factory women get

equal wages, but no *maliks* wants our number to exceed 30. Because then, I have heard, they will have to provide creches.

*Maliks* often prefer women workers because do not ask for anything. We have never been able to say no to any work, however discriminatory. Even now, after I have worked for so many years, I can not refuse the management's demand to the extra work. I can never ask for leave. No one can take ordinary leave, though compensation is given in our factory. We have to lie and give some extraordinary reasons for even half-a-day's leave. For women there are additional problems. I have seen managers who hold back increments unless the girls please them in other ways.

Source: Sushila (1997) (narrated to Indrani Mazumdar)

### 3. The Impact of Globalisation

#### 3.1 Impact on Industry

The Indian apparel industry has developed as a main export industry since the 1980s, and has performed reasonably well, as may be seen from **Table 10**. Although the expansion of the domestic market too has contributed to its growth, the Indian export apparel industry has developed an export-oriented structure. In 1997, Delhi and Mumbai accounted for 35.5 per cent and 24.47 per cent of apparel exports respectively. It is important for exporters to change products in tune with fashion trends. Flexible production process is more important than investment in production equipment. The Indian textile industry is at an advantage here as it has thousands of varieties of fabric are indigenously available to suit changes in consumer preference and fashion. Except some big firms, exporters have made large-scale investment in capacity and their capital scale is small. Most exporters concentrate on export and do not supply to the domestic market. A sample study conducted by the trade development authority in 1985 contained profiles of 194 leading manufacturers and exporters. Export of these firms taken together accounted for 51.84 per cent of India's exports of apparel during 1983-84. Among the 194 firms, 124 were totally export-oriented units. This is in sharp contrast with the industrial structure of the cotton textile and man-made fibre textile industries. As India's exporters have specialised in spring and summer wear, their production concentrates on specific periods. Many exporters are sub-contracting as this is the most appropriate way to produce seasonal apparel for export within a short period and keep production costs of the parent firm low (Uchikawa, 1999).

According to Tirthankar Roy (1998b) the post-reform textile industry, which has seen an increased consumption of high level goods, has been characterised by six basic features: (1) cotton as the leading sectors in exports, textile production, and overall income growth; (2) stable preference for cotton in home consumption, fed by new goods, fed in turn, by new

competence of domestic producers acquired in the course of exporting; (3) **informal sector as the leader in textile export and production**; (4) improved capability in formal, and seemingly, the informal sector via access to world market for inputs and machinery; (5) uneven adaptation due to the presence in both formal and informal sectors of firms that are too rigid or too constrained to adapt. As a result, segments of excess capacity and excess demand coexist in all major sectors of the industry touched by reforms; and (6) trends in global costs making India a potential major producer in manmades.

**Table 10: Apparel Trade by Main Exporting Countries**

(US \$ million)

Country	1980	1985	1990	1995
China	1,625 (4.0)	2,450 (5.0)	9,669 (9.1)	24,049 (15.2)
Hong Kong	4,976 (12.3)	6,718 (13.7)	15,406 (14.5)	21,297 (13.5)
Italy	4,584 (11.3)	5,310 (10.8)	11,839 (11.1)	14,036 (8.9)
Germany	2,882 (7.1)	2,865 (5.8)	7,045 (6.6)	7,384 (4.7)
US	1,263 (3.1)	761 (1.5)	2,565 (2.4)	6,651 (4.2)
Turkey	131 (0.3)	1,208 (2.5)	3,331 (3.1)	6,119 (3.9)
France	2,294 (5.7)	1,935 (3.9)	4,671 (4.4)	5,621 (3.6)
South Korea	2,949 (7.3)	4,450 (9.0)	7,879 (7.4)	4,957 (3.1)
UK	1,878 (4.6)	1,516 (3.1)	3,042 (2.9)	4,649 (2.9)
Thailand	267 (0.7)	573 (1.2)	2,817 (2.6)	4,620 (2.9)
India	590 (1.5)	914 (1.9)	2,530 (2.4)	4,110 (2.6)
Portugal	631 (1.6)	1,014 (2.1)	3,491 (3.3)	3,649 (2.3)
Indonesia	98 (0.2)	339 (0.7)	1,346 (1.3)	3,367 (2.1)
Taiwan	2,430 (6.0)	3,499 (7.1)	3,987 (3.7)	2,767 (1.8)
World	40,590	49,200	10,6450	15,7880

Note: Figures in parentheses indicate percentages.

Figures of Hong Kong include re-export.

Source: Uchikawa, 1999 (based on GATT, *International Trade*, various issues).



The township of Tiruppur near Coimbatore in Tamil Nadu is a good example to illustrate the general point that **although the earlier textile and macro policies had weakened market forces and reduced efficiency, the 1985 textile policy and the 1991-92 economic reforms allowed a greater play of market forces and allowed some extent of globalisation.** The result was phenomenal export-driven growth of yarn, cloth and apparel industries until 1995, even though the crucial task of modernising each of the textile industry's three broad sectors – mills, powerlooms and handlooms – remained un-addressed (see below). In this process, the most successful producer in recent times, and those who have proven their international competitiveness most emphatically, are the small scale decentralised, informal sector units such as the powerlooms (Roy, 1998a). **Box 4** below outlines the success story of Tiruppur. While this report brings out the central role of cheap labour in the phenomenal success of Tiruppur, and the increasing employment of women and children, it also reveals that few benefits have accrued to workers in terms of better wages or working conditions.

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#### **Box 4: Tiruppur - Labouring to Export**

The growth of Tiruppur, a town in Tamil Nadu with a population of 2.35 lakhs in 1991, as a centre of garment exports has been phenomenal. From direct exports worth Rs 18.06 crores in 1985, the volume of direct exports reached 1,197 crores in 1993. Including indirect exports through centres like Bombay and Delhi, Tiruppur reportedly exports cotton knitwear worth Rs 2,200 crores or nearly 85 per cent of the total cotton knitwear exported from India. The industry in Tiruppur provides direct employment to over a lakh workers of different skill levels. Including those employed indirectly, the figure in 1994 was between 2.5 to 3 lakhs.

In the early 1960s, production was organised mostly under one roof and there was hardly any subcontracting. By the end of the decade of the 1960 the owners, through their association, the South Indian Hosiery Manufacturers Association (SIHMA), were able to bring in a piece-rate system of payment of wages. The expansion of subcontracting and the inflow of capital from agriculture helped the industry to grow rapidly. The availability of work on subcontracting basis encouraged many people who had only capital to become entrepreneurs. The pace of employment of women and children quickened after the industry started exporting its goods. Krishnaswami (1989) has argued that the employers attempted to attain control over the labour process and to maximise the surplus value extraction. Since expenses on machinery, raw materials etc, could not be reduced much, the employers tried to reduce the expenses on labour by way of subcontracting, employing women and children, and splitting up of units which would help to avoid legal regulations etc.

It has been reported that "it is above all the labour force that holds the key to Tiruppur's success. In the industry's eagerness to hold down costs, scant respect

has been shown to labour laws or even to elementary human concerns like health. (Business India, 1984). The report also notes the absurdly low wages paid to women and children as compared to males, which is justified by the employers on the classic argument of the men attending to a skilled job and the women to the unskilled ones. Two further points made by the report are that:

- i) Labour-saving modernisation has been accompanied by an increased demand for labour and has thus minimised trade union resistance to modernisation.**
- ii) Children, especially males, pick up relevant skills and in a matter of three or four years are ready for higher responsibilities. This completely obviates the need for special technical training facilities.**

Another study (Cawthorne, 1995) notes that workers have tended to acquire a range of different skills in different workshops accentuated by the demand for labour. Because of the concentration of units in a cluster "an island of labour shortage (amidst labour surplus) is created." A very large number of small one-man firms have been set up by workers who have become highly skilled in the course of working in a number of different jobs.

However due to segmentation of the work by gender and age both women and children earn much less compared to men because they are concentrated in jobs considered less skilled. For all categories of workers across gender and age, hours worked were frequently on average, 12 hours a day, six days a week, and after even longer when a particular order had to be completed. Based on her study and comparing the level of wages to that of the regulated mill sector, Cawthorne concludes that:

"... the situation in Tiruppur is about the classic sweating of labour – long working hours, the intensification of work through the use of piece rate payments and the use of children who are paid a (relative) pittance (although one owner mentioned a kind of productivity trade off in employing children). Both long working hours and the work practices which allow the intensification of the amount of work performed in a given time, means that the labour force is compensating in labour time for the need to improve productivity the only other route to which is higher productivity machines" (Cawthorne, 1995).

Source: Based on Swaminathan and Jeyaranjan (1994)

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Despite gains made in the nineties, however, the great challenge for Indian industry in the future, particularly with the further liberalisation of the trade regime under WTO and removal of bilateral quotas from January 1, 2005, is going to be maintaining and increasing its share of the global market, and even defending domestic market shares from cheap global competition. A large majority of the Indian textile products are in the low cost, low value added segment, which cannot generate enough economic surplus for continuous investment in technology, practices and research<sup>3</sup>. This segment is most susceptible to competition from other low cost countries (Chandra, 1999).

### **3.2 Labour in the Context of Liberalisation and Globalisation**

The dominant trend in the textiles and garments industry in the last two decades has been the decline of the organised mill sub-sector and the rise of the 'unorganised' powerlooms, hosiery and garment manufacturing units (see Tables 1 and 2 above). A number of factors that have gone into the making of this situation are discussed below. Other trends related to labour in the textiles and garments industries are also discussed below, before looking at the implications for women workers. These trends have to be well recognised in order to chart the right course for the future, both for the industry as well as the workers, especially women, employed in it.

The textile and macro-economic policies had together weakened market forces and reduced efficiency<sup>4</sup>. For instance, government policy has tended to discriminate against the mill sector, through higher excise duties and other ways, and favour handlooms, on the ground that the latter generate employment. **A combination of labour militancy and corporate law has prevented technological up-gradation and redeployment of assets locked up in sick textiles enterprises.** According to a recent report, 342 mills that employed three and a quarter lakh people stood closed as on March 31, 2000. The problem is that the industry cannot effectively modernise without flexibility as regards deployment of labour and location of production and, at times, without closure of certain plants (EPW, 2000: 3903). Often the workers have not even received their legal and rightful dues - let alone any additional assistance for rehabilitation.

In Gujarat, for instance, where the textile scenario is the worst in the country, there are 87 sick units (75 per cent), 62 are registered with the Bureau of Industrial and Financial Reconstruction (BIFR), 66 units had closed down as on December 31, 1997 and 34 out of these 66 units are under liquidation. Over a lakh workers (1,04,500) have lost their jobs due to these closed units and over 72,000 workers have not been paid their statutory dues amounting to Rs 228 crores. The huge assets of the mills, primarily 26 lakh sq m of prime industrial land, continue to be locked. This instance clearly shows that **the legal and institutional framework to deal with the problem of industrial sickness in India is completely inadequate to protect the interests of the workers, which was the avowed objective of these laws** (Mehta and Harode, 1998).

There has also been a decline of handlooms, despite various kinds of reservations, although this fact is not acknowledged by official statistics because the issue is politically sensitive, and because a great deal of powerloom cloth is claimed as manually processed in order to

evade excise. Along with the decline of mills and branded cloth there has been a rise of the garment-manufacturing with both branded and unbranded garments manufactured primarily in the small-scale and unorganised sector. Again, as seen from Table 2, above, consistent with the heavy entry of labour-intensive producers in more recent times, share of textiles in value added has fallen marginally. These trends confirm that **labour-intensive and small-scale producers have been the main beneficiaries of reforms** (Roy, 1998b).

Besides other factors, the role of labour has also been crucial in the remarkable rise of powerlooms. **Labour in powerlooms and in mills which have restructured successfully presents a more adaptive profile as compared to unions in bankrupt government mills.** There is seemingly tendency for co-operation, modernisation, and rising average size within small powerlooms. Although known to be 'unorganised', in fact, some kind of organisation among powerlooms is essential to become exporters, since exports imply steady contractual obligations, and because sustaining exports implies constant improvement in quality. The organisations that can achieve this, whether inter-firm co-operative type or simply firms of bigger size and enhanced capability, are taking shape (Roy, 1998b).

Although the ready-made garment sector is supposed to be a labour intensive sector, **the Annual Survey of Industries (ASI) data show that the capital-labour ratio has gone up over the years.** This may have happened partly because of the under-reporting of number of workers. Due to their labour intensive nature, **the large units find it more profitable to go for subcontracting, which necessarily lessens the labour cost.** Quite a number of these units are outside the purview of the factory sector as these subcontracting units often work in the households (Chatterjee and Mohan, 1993). Also, it has been argued that as a result of the excessively protective labour legislation, organised private sector strongly prefers maximum use of capital in place of labour (Visaria and Minhas, 1991). An additional factor in under-reporting the number of workers is that seasonal labourers come down to the cities during slack agricultural period and return to their villages for sowing, harvesting and festival seasons. There are some overlaps between the agricultural and industrial cycles. The exporter's busy period is just beginning after harvest is over in October and November (Kumar 1988:77-78).

Yet another interesting trend, which, however, may be restricted only to certain parts of the country, is a gradually increasing employment of women workers in textile mills. This is discussed below in **Box 5.**

#### **Box 5: Feminisation of Mills?**

A study sponsored by the union textile ministry and conducted by SITRA (South India Textile Research Association), Coimbatore has thrown up some interesting features regarding women's employment in mills. First, the number of mills predominantly employing women is on the rise since the onset of the liberalisation process in the nineties. Second, most of the 'women intensive' mills (where women constitute 50-89 per cent of the work force) located in Tamil Nadu are small (less than 12,000

spindles) and were started after 1990. Between 1992-97, there was a drop of 0.7 per cent in the male workforce. One sixth of the women workers were illiterate and the mean years of schooling were eight. The per capita income of women worker families ranged from Rs 230-Rs 3500 a month. Among the reasons given by managements for employing women workers were increasing awareness of their skills, shortage of male workers, better discipline, passive union activity, easy supervision and better industrial relations. For the women, economic necessity was the main motivating factor.

Source: Krishnamurthy, 2000

### **3.3 Implications for Women Workers**

**Viewed together, the above-mentioned trends imply that the opportunities for employment of women workers are on the increase. The increased opportunities will primarily be in the unorganised and small-scale sectors, especially in garment manufacturing, and a large percentage of the new employment generated will be through sub-contractual, home-based work. In addition, there will also be increased opportunities for women in hosiery units, powerlooms and small textile mills (although some of these trends may vary from region to region). However, the skill levels of women workers may not rise much unless special efforts are made to impart them new skills. Women will increasingly be preferred for their disciplined work and less aggressive posture but employers will expect a more 'co-operative' attitude from them and will discourage the formation of unions.**

The opportunities for women workers will depend primarily on the overall performance and growth of the textile and garments industry, which, in turn, will be largely influenced by the share of the Indian textiles and garments industry in the global export market.

### **4. Suggestions and Recommendations**

In the changing global and national context of the textiles and garments industry, which has been elaborated above, policies and laws for the industry should be designed in such a way as to enable the Indian industry to achieve a large share of the global market, without compromising on the basic rights, minimum wages, working conditions and social security measures for workers – both men and women – employed in the sector.

Productivity increases in the sector are going to be extremely important in view of the massive competition among different countries for the global market. In this context the competition from China, which has launched a national strategy to capture 45 to 50 per cent of the world apparel market by 2005-06, is extremely important (Goswami, 2001). Thus, economies of scale, geographical concentration of the industry in certain regions, flexibility in terms of production, good and consistent quality of products and responsiveness to fashion trends in the global market are going to be very important factors.



In view of these factors, labour policies in the textiles and garments industry should be designed so as to enable, on the one hand sufficient flexibility and high productivity in the deployment of labour and, on the other, provide labour a share in the profits and benefits accruing from higher growth. These benefits will be in the form of:

- Higher wages (or at least minimum wages as per the law)
- Better working conditions
- Greater social security measures
- Enhanced skills and earning capabilities of the workers

There are two major kinds of steps that are required for achieving these twin objectives. One set of measures relates to the textile, infrastructure and fiscal policies that can facilitate a healthy and faster growth of the sector. Another set of measures need to be taken to ensure that the workers, particularly the women and other workers in the unorganised sector, get the higher wages and benefits that they rightfully deserve.

For instance, **Special Export Promotion Zones (SEZs)** manufacturing textiles and garments can be an excellent means of simultaneously addressing and taking care of many of the above crucial issues at the same location. Such zones can provide good infrastructure and marketing and export channels to the industry, good working conditions to labour and can ensure adequate monitoring of the wages and working conditions.

#### **4.1 Steps for Healthy Growth of the Industry**

A survey carried out by the PHD Chamber of Commerce and Industry (PHDCCI) in 1998 showed that although domestic garment exporters have a significant potential for growth in the coming years, there is a need to provide a competitive edge to the garment industry in terms of quality of products and cost effectiveness. The survey indicated that SSI sub-contractors have largely contributed to the growth of export competitiveness of their principals through a variety of factors, including lower price rates payable, elimination of labour problems, lower or no investments on machines and equipment needed for manufacturing and large capacities with a number of manufacturing associates. One of the major constraints faced by the units surveyed related to the absence of any information source. There are no established institutions to provide trade and production facilitation information, particularly to the small units engaged in fabrications (Business Line, 1998).

The table below suggests a set of measures that can tackle these and other major problems that should be addressed for healthy growth of the textiles and garments industry.



Sl. No.	Action Required	Action to be Taken by
1.	Provision of better <b>infrastructure</b> for (especially infrastructure oriented to export, and urban infrastructure in major locations of the industry)	Central and State governments and various Ministries such as Power, Water, Surface transport, Urban development, Communications, etc.
2.	Rationalise <b>excise and customs duties</b> . In particular, reduce the recent hike in excise on garments, and reduce customs and excise duties on inputs for manmade/synthetic cloth	Ministry of Finance
3.	Provide to the industry <b>funds for technological up-gradation</b> at low rates of interest. Industry should modernise and invest in R and D with view to global markets in the future and competition from other low cost countries	Ministries of Finance, Textiles and Science and Technology, Textiles and Garments industry associations
4.	Indian exporters must <b>expand their portfolio</b> to garments made from polyester-blended and viscose blended fabric. At present, 80 per cent of our garment export is made of cotton fabrics, targeted only at the two months of summer in the US, Canada, Europe	Associations of textiles and garments manufacturers and exporters and Ministries of Finance, Textiles and Commerce
5.	Create <b>backward linkages</b> in the textile industry, especially the readymade garments sectors	Industry associations and Ministry of Textiles
6.	<b>Credit facilities: Encourage steps to organise the unorganised industry</b> , build closer ties between government and decentralised industry by rewarding such steps. Encourage industry associations to share infrastructure and modernisation expenses with the government, and identify with their help dynamic and promising firms that can use cheap credit profitably	Textiles and garments manufacturers, Industry associations, Ministry of Textiles, Ministry of Finance and the Banking sector
7.	<b>Special Export Promotion Zones (SEZs)</b> manufacturing textiles and garments to address and take care of many of the above crucial issues at the same location. Such zones will provide good infrastructure and marketing and export channels to the industry, good working conditions to labour and will ensure adequate monitoring of the wages and working conditions.	Ministries of Textiles, Commerce and Finance and Textiles/Garments Industry associations

#### 4.2 Steps to Benefit Women and Unorganised Sector Workers

The second set of steps, for the benefit of women and other workers in textiles and garments manufacturing have to be based on the recognition that the majority of workers in this sector are involved in contractual and unorganised work. Thus policies, laws and welfare provisions should be designed taking into account the conditions of such workers. Also, while there may be new market opportunities in the industry, sometimes these may adversely affect employment of existing workers. Thus special measures are needed to ensure that the new opportunities reach and benefit the women workers in the unorganised sector.

Sl. No	Action Required	Action to be Taken by
1.	<b>Better monitoring of the wages, working conditions and social security benefits</b> available to workers in the sector. This may be best done through the setting up of <b>tripartite boards</b> (consisting of representatives of employers, government and workers) in each state. In addition, these boards should suggest ways and means of extending benefits to unorganised workers and ensure that the measures agreed upon are implemented	Ministries of Textiles and Labour, State governments, Industry associations, Trade Unions and NGOs
2.	<b>Entrepreneurship development programmes for women workers</b> to facilitate workers – whether individually or through cooperatives – to move from wage work to running their own small-scale units. For example, the Trade Related Entrepreneurship Assistance and Development (TREAD) project was launched by the Ministry of Industry with support of the UN system and other agencies, to empower one lakh poor women, in urban and rural areas, by helping them cross the barrier from exploitative piece-rate work to self-employment, through running micro and small enterprises (Mehta, 1996)	Ministries of Industry, Textiles, Women and NGOs
3.	Creating a fund to (a) provide temporarily unemployed workers with subsistence till they are able to find employment; (b) provide them with training and help with finding suitable employment; (c) support the formation of producers groups and co-operatives that will create new employment. <b>This fund may be created through contributions from employers (in the form of a cess), the government and possibly from trade unions</b>	Ministries of Textiles and Labour and Industry associations
4.	<b>Co-operatives and corporations/boards should be strengthened.</b> They should be made more efficient and incentive schemes linking salaries, increments and performance should be introduced.	Ministries of textiles and Labour
5.	<b>The National Renewal Fund (NRF) should be extended to the unorganised sector,</b> and should be used in its right spirit as a fund meant to guarantee jobs through retraining and relocation rather than a fund meant for workers' 'welfare' or for settling the severance claims of workers	Ministries of Finance, Industry and Labour
6.	At another level, a <b>workable exit policy</b> should be designed and urgently implemented so that the huge assets locked up in sick units can be released and the workers of these units are paid their dues. A substantial portion of the resources released can be expected to be channelised in more productive and efficient sub-sectors of the textiles and garments industry.	Ministries of Finance, Industry, Textiles, Labour, Law and Urban development, Industry associations and Trade Unions

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<sup>1</sup> Powerlooms are weaving factories, which get yarn from and get the cloth processed outside. They range from units with 6-8 second-hand looms operated mainly with hired labour but not covered by the Factory Act, to units with 40 or more high-speed, partly or fully automatic, even shutterless looms and many technical and organisational features of a modern textile factory (Roy, 1998a). Nevertheless, a typical powerloom is likely to be registered as a shed rather than as a factory. The 1985 Textile Policy decided to legalise all powerlooms, by having them compulsorily registered. The Textile (Development and Regulation) Order of 1993 went a step ahead by doing away with licensing restrictions (Roy, 1998b).

<sup>2</sup> According to Roy (1998a), cotton cloth output in handlooms could be about 10-15 per cent of what is actually reported. Citing field reports from Andhra Pradesh and Tamil Nadu, he states that the number of active handlooms (excluding non-commercial looms in North-eastern states) may be only 4 lakh as against the figure of 3.9 m reported in the official census of 1988. Similarly, Goswami (2001) argues that much of the cloth supposedly reserved for handlooms is produced clandestinely by powerlooms and then branded as handlooms, in order to evade excise duty.

<sup>3</sup> While Indian firms invest little on R and D efforts (the average value is 0.2 per cent of sales), in China a market for innovation has emerged. Also, the Chinese government has been anxious to enter new application areas in textiles and has set up a commercial R and D organisation for this, especially in industrial textiles (Chandra, 1999).

<sup>4</sup> According to EPW (2000: 3903), "the import duty structure for textiles is sufficient to illustrate how perverse official policy has been. There are 12 combinations of basic duty. There are four types of additional duties and two types of special additional duties. The surcharge is levied in two different ways. In addition, there are three different types of import licensing regimes and duty-free import under advance licensing. All this, of course, flows from policy designed to protect and promote the textile sector." Similarly, according to Goswami (2001), "The Indian textile industry is the prime example of how to create utmost confusion in indirect taxes. Every sub-sector seems to enjoy some special reservation or the other – which have occurred in a completely disjointed manner depending upon industry pressures and the political whims of the extant textile and finance minister."



## Globalisation and Women's Employment in the Livestock Sector

Rupinder Kaur

### INTRODUCTION:

Nearly three-fourths of India's population live in rural areas. Large majority of them depend on agriculture for their livelihood. Incidence of poverty is higher among rural population. Around one-third of them are living in abject poverty. Even greater part of them, who are above the poverty line are not living comfortably. Increasing pressure of population on land is resulting in decreasing per capita availability of land and landlessness. Gap between per worker productivity in agriculture and non-agricultural occupations is increasing. This has created a gulf between per capita incomes from agriculture and non-agricultural occupations. Low farm incomes on sub-marginal holdings combined with employment growth rates in the economy which have fallen increasingly below population growth rates place a large sub-set of the rural population in a situation where they have limited options. Many of them work on their own holdings for an implicit return to work effort which is less than the going wage rate for farm labour (*Bhalla, 1993*). Lack of employment opportunities in rural areas is resulting in excessive migration of rural youth to urban areas swelling the ranks of informal service sector and increasing the population living in slums.

Sectoral shift in labour force envisaged during early planning period is not taking place or at best is very slow. In fact, like many other less developed countries, population and labour force growth experienced in India during last half a century is much higher than experienced by developed countries during their early years of modernization. Moreover, available technology in the world is such which is capable of producing much higher levels of output per person compared to the 19<sup>th</sup> century techniques. Thus, expansion of output in modern sector is taking place without simultaneous increase in labour employment.

In mid-sixties, introduction of HYV seed technology along with other complementary in-puts, increased crop out-put, especially of wheat and rice in irrigated areas, substantially. This out-put growth was also accompanied by increase in labour productivity and employment. Rise in labour absorption till mid-seventies was quite impressive (*Bhalla, 1993: 455*) surpassing the labour force growth during that period. However, employment growth in crop production has declined considerably since then. Various estimates based on different data sources put it between almost zero per cent to little less than one per cent till mid-eighties (*ibid. 455, 468*). Absence of technological breakthrough in dry crops, no significant increase in area under irrigation, falling investment in agriculture, limited scope for expansion of area under cultivation and further mechanization of crop operations are the facts pointing towards lack of possibility or any scope of growth in productive employment in crop production. The ray of hope in this scenario is increasing production and employment in the livestock sector of agriculture.



Actually remarkable changes are taking place in the agricultural sector of the developing countries. An IFPRI (International Food Policy Research Institute) report (*Delgado, et. al., 1999*) described it as 'Livestock Revolution'. Unlike the Green Revolution, which was supply driven, the Livestock Revolution is driven by demand. Population growth, urbanization, and income growth in these countries are creating a massive demand for animal products. Increased demand is resulting from changes in the diets of billions of people and could provide income growth opportunities for many rural poor.

Livestock rearing is an important economic activity in rural India. It is closely linked with crop production. Crop residuals, green fodder, cereals etc. are the main sources of animal feed. Animals are used as a source of draught power in crop production and dung is an important source of fuel and manure in India. It is generally considered as an occupation subsidiary to crop production, but during last around three decades its significance in terms of output and employment has increased considerably.

India's livestock population is largest in the world. Nearly 57 per cent of world's buffaloes and 16 per cent of cattle population is in India (*Govt. of India, 1999-2000: 138*). Compared to land, distribution of animals is much less unequal among the villagers. Around 73 per cent of rural households own livestock. Actually, landless, marginal (<1 ha) and small (1-1.99 ha) farmers in India account for three-quarters of animal raising households and more than 56 per cent of bovine and 62 per cent of sheep are owned by them (*World Bank, 1999*). It is an important source of employment and income for the rural poor. As a result of agricultural mechanization, demand for draught animals is declining, especially in agriculturally developed states. Emergence of lease market in tractors and other mechanical equipment used in agricultural operations has made it possible even for marginal and small farmers to cultivate without draught animals. This has changed the composition of cattle population in favour of females. The development is desirable as it has reduced the constraint of feed and fodder resources for milk production, especially in case of marginal and small farmers.

## OUTPUT

Livestock contributed 78.1 million tones of milk, 31.5 billion eggs, 46.4 million Kgs. of wool, 4.49 million tones of meat and 5.65 million tones of fish during 1999-2000. Its contribution to agriculture GDP has increased from 17 per cent to 29 per cent over the years (*Govt. of India, 2000-2001: 158*). In fact, livestock output growth picked up from 1970s. During 60s output growth was little over 1 per cent per annum. Average for 70s was 4.6 and for 80s around 5 per cent per annum (*George, 1996: 288*). Milk group contributes roughly two-thirds of total livestock output (*kolli and Kulshreshtha, 1997: 78*). Another around 10 per cent comes from dung (*ibid.*) in the form of dung fuel and manure which again mainly a dairy animal by-product. Thus dairy sector contributes about three-fourth in the total livestock output.

In fact, dairy farming in India engages a large proportion of the poorer sections of the society including landless, marginal and small farmers. At household level it is one such activity where woman's role is predominant. In addition to providing nutritive food, it is an important source of employment and income for the rural households. So any policy intervention in the areas of poverty, employment, food production and women's empowerment can not ignore this sector. In this context, effort here is mainly to analyse the potential of dairy sector.

There has been a substantial increase in milk production in India. From around 20 million tones in 1960-61 it has reached the figure of 78 million tones in 1999-2000 (*Govt. of India, 2000-2001: 158*). In fact, India has become world's largest milk producer. Milk is now India's number one farm commodity in terms of its contribution to the national economy. In 1994, the value of its output based on producer price was higher than even rice.

Growth of milk production has been faster in areas covered under Operation Flood. NCAER (National council of applied economic research) conducted two large-scale sample surveys, in 1988 and 1996, to evaluate the impact of 'Operation Flood' on rural dairy sector. The 1996 study observes that as a result of OF (Operation Flood), between the two surveys, RMH (Rural Milch Households) increased from 7.2 million to 11.7 million and member households increased from 4.5 million to 8.3 million. They grew at the annual rate of 7.2 per cent and 9.1 per cent respectively. (*Shukla and Brahmkar, 1999: ix*). Between 1988 and 1996 the total milk production in OF areas increased from 41.5 million litres per day to 66.9 million; increasing at the rate of 7.1 per cent per annum. During this period, dairy farmer's per capita consumption of milk increased from 290ml to 339ml per day at the aggregate level. (*Ibid: x, xi*). However, the study also noted that average milk consumption among females is about 69 per cent of that among male members of RMAHs (Rural Milch Animal Households).

Large majority (around 88 per cent) of households which own milch bovine sell milk. The survey reveals that of the total milk produced in OF areas, 53 per cent is traded. (*Ibid: v*). At aggregate level, dairying constitutes about 27 per cent towards total household's income, while milk sale accounts for about 19 per cent of the total income. Landless households depend greatly on dairying, its contribution to their total income is over 50 per cent. Another estimate is that income from livestock production accounts for 15-40 % of total farm household incomes (*World Bank, 1999: XV*).

## **EMPLOYMENT**

Estimates about employment generation by the livestock sector vary widely. As per 1991 Census data there are around 6 million main workers engaged in livestock (including forestry, fishing, hunting, plantations, orchards and other allied activities) forming around 2 per cent of the total and nearly 22 per cent of them are women (*I. A. M. R. 1997: 207*). NSS estimates

for 1993-94 are 7.66 million workers in principal status and nearly 15 million total (including subsidiary) workers in livestock forming around 4.6 per cent of the total workforce. Approximately 83 per cent of them are in dairying. According to Economic Survey 1999-2000, the sector provides regular employment to 9.8 million in principal status and 8.6 million in subsidiary status which together constitute 5 per cent of the total work force. Based on the National Sample Survey (NSS) data, the average annual growth rate for employment in the livestock sector during the period 1972-73 to 1987-88 works out to 4.15 per cent as against 1.1 per cent for the agriculture sector as a whole (*Bansil, 1996*). By using the labour coefficient (sectoral GDP at constant prices produced per worker in that sector)<sup>2</sup>, the estimated employment for livestock sector and related industries works out to be about 14.27 million in principal status and 8.06 million in subsidiary status in the year 1991-92 (*ibid.*).

Another study conducted by World Bank (1999: XVI) records that the sector employs 8 per cent of country's labour force, including many small and marginal farmers, women and landless agricultural workers. Milk production alone involves more than 30 million small producers. However, Aneja and Puri (1997: 9) consider that there are around 70 million dairy farmers in India.

NCAER 1988 study, based on large-scale sample survey of 15800 households drawn from over 1300 villages throughout the country, estimated that average labour requirement per milch animal per day is around 4 (adult male) hours (*NCAER, 1990: 256*)<sup>3</sup>. As per 1992 livestock population Census there are around 271 million cattle and buffaloes in India (*World Bank 1999: 87*) and out of these more than 100 million are adult female milch animals. Given that labour spent per milch animal is around 4 hours of adult male labour per day, these animals are probably generating more than 400 million work hours (standardised into adult male) per day or 50 million men years (person years will be more because each adult female is equated to only 0.75 adult male) per annum<sup>4</sup>. Treating all types of labour equally (share of child labour is just 2 per cent), average time spent per animal per day comes out to be 4.5 hours (*NCAER, 1990: 231*) and total work generated more than 56 million person years per annum<sup>5</sup>. This is much higher than reflected in the labour statistics. The planning Commission has also estimated that the animal husbandry sector, with the existing stock, could generate employment equivalent to 86 million person years, inclusive of employment in processing and marketing of milk and milk products. Another estimate, excluding employment in processing and marketing, puts the figure for 1990-95 at 61.50 million for animal husbandry and fishery sectors (*Bansil, 1996: 118*).

Lower number of workers engaged in animal husbandry shown by Census, NSS and other statistics may be due to two reasons. Firstly, many of the small and marginal farmers may be reporting themselves as cultivators, because of certain cultural reasons<sup>6</sup>, despite the fact that due to declining land per capita and increasing role of dairy animals, they may be

spending more time on animal care than crop production. Secondly, it may also be due to under-estimation of livestock work in general and women's role in particular. Since large part of the dairy work is performed within the household and part played by women is also considerable but they perform these duties along with other household chores and invariably they are designated as non-workers.

#### **LABOUR ARRANGEMENTS:**

The dairy enterprise in rural India is labour intensive. It is mainly managed by family labour. NCAER study (*Shukla and Brahmanekar, 1999*) recorded that family labour accounts for about 94 per cent of the total labour employed and nearly 88 per cent of labour input in terms of time spent in the dairy sector. Labour, with its share of 20.8 per cent at the aggregate level is the second important component in the total cost of milk out-put. Base line study (*NCAER, 1990*) estimated that around 70 per cent work in animal husbandry is performed by men, 28 per cent by women and 2 per cent by children. The follow-up study brings out that women's share in this activity has increased in 1996 (*Shukla and Brahmanekar, 1999*). It shows that 60 per cent work is done by men, 35 per cent by women and remaining 5 per cent by children. The large majority of the households (around 70 per cent of the milk producers) are either landless or small/marginal farmers who only own one or two animals (*Shukla and Brahmanekar, 1999*).

Probably, even these surveys, not focused particularly to net women labour, suffer from certain weaknesses related to under-estimation of female labour. Gender bias of these studies is reflected in treating one hour of adult female labour equivalent to 0.75 hours of adult male labour. One wonders, how men in general are more efficient in taking care of animals, milking, cleaning cattle shed etc. A survey conducted in year 2000 of 200 households engaged in dairy from four villages in Punjab, particularly focusing on women's work, bring out that women's share in dairy work is around 64 per cent of the family labour and nearly 54 per cent of the total labour (including hired labour)<sup>7</sup>. Compared to this, figure calculated for Punjab from 1988 NCAER study is just around 21 per cent<sup>8</sup>. Another focused study based on the sample survey of 400 households in 1988-89, spread over six villages from three regions of Punjab at different levels of development, found that out of the total family labour spent on animal care women's share varied between 62 per cent to 70 per cent in these regions (*Kaur, 1994*). NSS data also brings out that women's share is around 46 per cent among the principal workers and 70 per cent of total (including subsidiary) workers engaged in livestock. An observation made by two past presidents of Indian Dairy Association that dairying is crucial in providing employment and supplementary income to the bulk of the rural families and women contribute over 70 per cent of labour in cattle rearing seems more true (*Aneja and Puri, 1997: 9*) than most of the statistics generated by official and non-official surveys not specifically concerned with women employment. NDDB's



estimate is even higher; that women are responsible for 85 per cent of India's dairy activity (Rao, 2000: 3).

There are certain other reasons, which incite us to think that women must be playing a major role in dairy farming in India. First of all, due to declining role of animal grazing, large part of dairy work is performed within the household. Secondly, dairy is low productivity family labour based occupation with limited or no contact with outside world, and nearly half of the output is consumed within the household. Thirdly, limited employment opportunities in other occupations and cultural constraints also discourage women working outside. Moreover, the nature of work is such that various tasks have to be performed intermittently which suits well to the women responsible for household work.

#### **LABOUR INPUT: OPERATIONWISE**

A study (Mitra, 1987) based on field survey from Andhra Pradesh observed that landless and small farmer women carried out large part of the work whereas the tasks performed by women from medium farmer households were largely milking and cleaning. For women of larger farmer households, the majority had no involvement in dairy work.

In contrast to this a study based on field data from Gujrat (Rao, 2000: 65-66) noted that by tradition, work related to dairying is considered as the sole responsibility of females. Women members hesitate to assign this work to males and majority of them felt that men should not attend to this work. Nearly 93 % of the respondents reported that women are most suitable for milking animals as their hands are tender. Similar opinion is expressed for activities like feeding and preparing dung cakes. Number of women taking animals for tending and bringing fodder from fields is declining while those taking milk to society showed a substantial increase. Our recent survey (see endnote vi) brings out that women play major role in dairy operations mainly carried out within the household. Table-1 shows that female family labour play predominant role in milking, feeding, bathing and provisioning of water to the animals, cattle shed cleaning and most importantly in processing of milk. Nearly 58 per cent of the total labour in dairy is consumed by these operations, including cleaning (see last row of the Table). The most important operation, in terms of time expend (around 30 per cent of the total in dairy), is fodder collection and men play dominant role in this. Family female's 30 per cent share in this operation is mainly due to landless women's engagement in a time consuming work of collection of grass for dairy animals. Otherwise mostly in landowning families females generally do not perform this task of bringing fodder from the fields (due to inside-outside dichotomy).

Proportion of females in hired labour input is quite low, just 16 per cent. This lower proportion is due to certain labour hiring practices in Punjab. Female labour is hired mainly for cleaning

cow shed, disposing of garbage and to make cow dung cakes. Their proportion in this operation is around 79 per cent (Table-1) Cattle shed cleaning and making cow dung cakes is traditionally considered as women's job. However, a significant proportion of male hired labour (21 per cent) in this operation is due to two reasons. Firstly, migrant (male) labourers hired by large dairy farmers for dairy work on regular basis also perform this operation in some cases. Secondly, in landless scheduled castes families engaged in wage labour, normally only women perform this job, but wherever the family is from sweeper (*bhangi* in Punjabi) caste (deemed lowest among the scheduled castes) both men and women perform this task. Overall, two-thirds of this work (cleaning, making dung cakes) is performed by family labour out of which family females' share is 96 per cent (Table-1). So, the task, generally considered as degrading work, is being performed mainly by the family females together with hired females from scheduled castes, hired males from the lowest castes and migrant labourers.

### **SOURCES OF UNDERESTIMATION**

In home based productive activities and family enterprises in India, women's contribution is quite substantial. However, it largely remain unrecognized in labour force statistics due to various socio-cultural factors. Information regarding women's work is withheld where family's social status is at stake. Biases also crop up when the respondent and the person about whom information is collected are not the same. Having pre-conceived notions based on inaccurate stereotype social attitudes, interviewers also generally assume that women are not economically active. In respect of women's contribution to some female specific tasks in agriculture, they are generally perceived as non-workers. On the other hand, men in their prime working years are almost always counted as economically active.

The perception about men as 'bread winners' and women as 'house keepers' prevent women being fully recognized and integrated into the development process. Ironmonger (1996) argues that there is a need for major change in our view of reality, what needs to be measured, and our thinking about the way in which families and households participate in economic activity. UNDP (1995) also advocated very strongly the need of engendering statistics. The absence of correct information regarding workforce is a major constraint in the analysis of contribution of different segments of the population.

Recognition of women as workers is only one aspect of women empowerment. Control over products and income is another. Despite women's extensive role in dairying, their control over proceeds, access to credit and other resources, access to training and technical assistance (main sources of knowledge of modern dairying) is limited. Their representation in cooperatives and other bodies is also quite low though some conscious efforts have been



made to improve it by the co-operative movement. Share of women in the membership of village level dairy co-operative societies (DCS) has increased to 18 per cent (*Bhatt, 1997: 49*). However, women constitute just less than three per cent of total board members. Major factors that hamper success of women's participation in cooperatives, in Bhatt's view, are:

- Resistance to women as cooperative members; women are yet to be recognized farmers in their own right;
- Low literacy; and
- Resistance from the upper socio-economic section of village community towards poor.

## PROSPECTS

The available data suggest that the share of consumer expenditure on milk and other animal products is increasing in both urban and rural areas, while that on cereals is decreasing. Among higher income groups, it exceeds that on cereals. Main factors which affect the demand for animal products are changes in per capita income, relative prices of animal products, income elasticity of these products, changes in dietary habits and population growth.

An IFPRI study (*Bhalla et al. 1999*) observed that expenditure elasticities for livestock products are quite high, especially for rural areas, averaging 1.53 and 0.94 for milk and milk products and 1.01 and 0.71 for eggs and meat group, respectively in rural and urban areas. Further, projected population figure for 2020 is around 1.3 billion, nearly 30 million higher than present population. Adjusting these elasticities to rising per capita incomes and assuming little change in real food prices in next two decades, sustained growth of per capita income at the rate of 3.7 per cent per annum, some changes in tastes as more Indians become wealthier, better connected to markets, and have greater access to and information about alternative foods, *Bhalla et al. (1999)* projected that by 2020 demand for milk and milk products will increase to 289 million tones and for meat and eggs to 20 million tones. This means fourfold increase in meat and eggs and fivefold increase in milk and milk products from early 1990s. These projections also imply significant increases in daily per capita consumption, from 0.016 to 0.041 kilogram for meat and eggs and 0.162 to 0.597 kilogram for milk and milk products. In a worst scenario of 2 per cent growth in per capita income, projected demand in 2020 is expected to be 159 million tones of milk and milk products and 12.6 million tones of meat and eggs.

A World Bank (1999) study, assuming that the economy consistently grows at 5.5 percent per year, and population growth, price and income elasticities of the past ten years remain stable, indicate that demand for milk will increase by 10 times to about 497 million tones by 2020. Demand for eggs and poultry meat will increase by seven-fold to 7.21 million tones and 1.35 million tones respectively, while demand for mutton will increase by a factor of 8, reaching 2.5 million tones and beef by a factor of 6 to 3.7 million tones. If output growth rates between 1980-92 are maintained, poultry beef and mutton demand will be adequately met by domestic supplies. If the dairy output growth rate is maintained, a domestic milk deficit of almost 200 million tones is expected.

A third scenario predicts comparatively much slower growth in consumption and production of livestock output. Another IFPRI study (*Delgado, et. al., 1999*) projects that consumption of food products of animal origin will grow at a substantially lower annual rate over the 1993-2020 period than it did in 1982-94 period. The study contemplates that three factors are important in producing these lower growth rates to 2020. First, recent rapid growth in consumption means that the base for projecting growth beyond 1993 is larger than in 1983. Thus a given absolute annual increment accounts for an increasingly smaller percentage increment. Second, slowdowns in the rate of overall income and urbanization growth will occur for the same reason. Third, consumers begin to get satiated as the importance of meat in their diets increases.

In this scenario, projected consumption of meat and milk products in India will be 8 million and 160 million tones respectively. The study predicts that meat production will be just sufficient to meet the demand but milk production of 172 million tones, will be little ahead of demand. However, consumption demand for milk here include only human consumption and does not include milk used as feed. The study estimates that as against 29 per cent in developed countries, only 10 per cent of the projected milk production will be used as feed in developing countries. Given that, the total milk production in India will be little lower than the total demand.

In above referred studies, due to the problem of aggregation, initial figures for 1993 for eggs and meat do not tally with each other and difference in 2020 figures are also partly due to this. However, aggregation of milk and milk products is relatively simpler. Projections regarding milk and milk products demand in 2020 vary between 160 million to 497 million tones. So the projected demand for milk and milk products in 2020 is expected to vary between three times to ten times of the production in 1993. In case of low demand scenario production is projected to be just sufficient to meet the demand. Deficiency of 200 million tones is predicted under high demand projection. Thus, in case of dairy, demand probably may not be a constraint. Increasing domestic production is going to be a major policy challenge.

## GLOBALISATION AND POLICY IMPLICATIONS:

Prospects of export of milk and milk products seem bright. Among the four major players in the international market - the European Union, New Zealand, Australia and United States - only New Zealand does not offer any subsidy to milk producers. Since India also does not provide any subsidy to its milk producers, with the withdrawal of subsidies under WTO agreements India will become price competitive. India's proximity to major dairy markets (Middle-East, South-East Asia, North Africa) is another advantage. Countries like Malaysia, Philippines and South Korea are importing more than 95per cent of their milk consumption (*Aneja, 1997: 34*). Even Thailand imports around four-fifths of its milk requirements. Given the low overhead cost and inexpensive family labour India's dairy sector is quite competitive. Presence of world's third largest technical manpower is another advantage.

Improving quality of products and evolving a suitable basket of products for exports is necessary condition to increase India's role in the international market. Raw milk handling needs to be upgraded in terms of physico-chemical and microbiological attributes of milk collected. Infrastructural bottlenecks like transport, milk-chilling equipment at village level etc. are also serious problems requiring attention. The major part of India's present product basket is liquid milk, ghee, butter and *Khoa* whereas world demand is largely confined to processed cheese and milk powder. Composition of demand is likely to change in the domestic market towards cheese with the growing number and prosperity of urban middle classes and increasing influence of western products through information revolution. Improvement in technology through collaborations with world's leading dairy companies or direct investment by MNCs in this field is one way to solve twin problems of quality and product diversification.

To take advantage of the opportunities provided by the globalisation and to remain competitive in the market, serious efforts are required to strengthen the dairy sector. Improvements in the quality of dairy animals should be on top of our agenda. Declining common property resources and degradation of grazing fields, main source of fodder for poor dairy farmers, is a major threat to the survival of these dairy producers. Emphasis on research and development of certain fodder crops with higher yields and also the varieties suitable for dry areas to maintain the continuous fodder supply throughout the year is needed. Land being the major constraint in rural India, efforts should be made to maximize milk production per unit of land used for fodder crops. Such a policy will also maximize employment because dairying provides almost 5-times more employment of human labour per unit of the cultivated area in comparison to the crop production (*Malhotra, 1997: 114*). In fact, any effective programme for poverty alleviation should include dairy sector as its base to bring about maximum growth with minimum capital outlay. While emphasising production increase, focus of the strategy

should be small dairy farmers rather than commercial dairies. In a scenario of increasing demand for livestock products they should be helped to retain (through credit, training and technological improvements) their market share. These poor dairy farmers require a package of inputs and services to strengthen and develop dairy as an efficient and viable occupation.

Livestock could play a strategic role in promoting rural growth and reducing income as well as gender inequalities. Lack of gender perspective in the social analysis of livestock economy is a major drawback. Studies have been conducted to analyse the size and composition of livestock in the class and caste perspective. Little attention is being paid to gender division of labour within the household and distribution of benefits to different members of the households. Its importance increases in the context of feminization of poverty. In the absence of access to organized financial market, livestock and its products are of great help to the poor women in providing some income security and ready cash. In fact, sale of animals at the time of crisis is an important source of fulfilling emergency needs because there are no inhibitions to sell animals as compared to land.

The under-estimation of women's contribution in dairy and other productive activities, is a major stumbling block in the way of strive towards more equal distribution of resources. It is of utmost importance to have an accurate idea of their role in the economy. Non-recognition of women as workers has many ramifications. Development strategies have given very little attention to women in comparison to their active involvement in the sector. They have been under-recognised while formulating policies with regard to provision of inputs (including credit), dissemination of information related to modern dairy practices and inclusion in the training and extension programmes.

Efforts are being made, in this direction, by enrolling women as members of village level dairy co-operatives. Number of all-women DCS is increasing. Along with the enrolment as co-operative members, their participation in decision making and control over resources has also increased. A study (Rao, 2000) evaluating the performance of women managed dairy co-operatives vis-à-vis men managed in *Kheda* district (Gujrat), revealed that vast majority of women benefited from this experience. DCS membership has helped them utilizing dairy income for a variety of purposes of their choice. Economic independence has substantially improved their status in the house and in the society. It also enhanced their self-confidence and exposed them to number of developmental activities thus helping in widening their horizon. Replication of such experiments in other areas can help in empowering women.

## **SUMMARY:**

Following points emerge from the above analysis:

- In the context of declining employment growth in crop production, fast growth in labour force, very slow sectoral shift and rising absolute number of workers dependent on agriculture, growing output and employment opportunities in livestock sector as a result of massive demand for its products is of great importance.
- Distribution of animals is much less unequal among the rural households and it is an important source of income and employment of large majority of landless and small/marginal farmers.
- 'Operation Flood', based on assured market for the product through co-operative structure resulted in high growth of milk production and India has become world's largest milk producer. Share of livestock in the agriculture GDP is increasing.
- It is estimated that the livestock sector engages large number of workers and dairy, which is the major part of livestock in India, probably generates 50 to 60 million person years of work constituting something like 15-20 per cent of the total labour input in the Indian economy. Large part of the dairy work is performed by women. However, dairy work in general and women's contribution in particular is highly underestimated in labour statistics.
- In order to make the small producers viable in a more competitive environment, role of the state is of utmost importance in improving the quality of their animals, provision of credit and other infrastructural facilities like electricity, roads, extension services, clean water, cooling system at the village level (to improve the quality of raw milk collected) and by extending network of markets.
- Given the great potential of livestock sector in reducing poverty and enhancing women empowerment, efforts should be made to maintain and strengthen the hold of landless and small farmers with an emphasis on recognition of women's contribution. Engendering policies with regard to membership of co-operative societies (including board members), provision of inputs (including credit), dissemination of information related to modern dairy practices and their inclusion in the training and extension programmes will help women enhancing their control over product and income.



<sup>1</sup> The author is very grateful to Mrs. Ratna M. Sudarshan and Dr. Navsharan Singh for their constant encouragement and valuable suggestions on the first draft of the paper.

<sup>2</sup> The GDP of livestock sector (1980-81 prices) for the years 1987-88 and 1991-92 were Rs. 5680 and Rs. 6539 crores respectively.

<sup>3</sup> In fact method of calculation of labour in the study under-estimate the female labour (except the labour spent on grazing supervision) by equating one hour of adult female labour to 0.75 hour of adult male labour.

<sup>4</sup> Assuming 8 hours workday and working all the 365 days in a year.

<sup>5</sup> As per 1991 Census there are around 286 million main and another 31 million marginal workers in India. However, Census data are known for its under-estimation of female workforce.

<sup>6</sup> Traditionally they associate themselves with cultivation and in fact agriculture means cultivation to them. Moreover, dairy as an occupation is associated with certain castes (e.g., *Gujar, Ahir, Goala, Gadaria* etc. in Northern India) perceived as lower than other peasant castes.

<sup>7</sup> An NCAER study under preparation.

<sup>8</sup> In Census data, underestimation of dairy labour in general and female share in particular is much more serious in case of Punjab. The state having 8.4 million milch cattle and average time spent per animal as per NCAER (1988) study is little less than 3 hours (lower than Indian average due to widespread practice of stall feeding) must be generating around 3 million person years of employment. However, 1991 Census data tells us that only around 50,000 total workers are engaged in the care of livestock (including forestry, fishing, hunting, plantations etc.) and number of women workers is less than 3000; just one in every four villages.



**Table-1 Operation-wise Percentage Distribution of labour Input on the basis of Labour Status, Gender and Landholding-size-class in All villages.**

Labour	Grazing	Fodder Collec- tion	Fodder Cutting	Milking	Feeding	Bath &	Cleaning cattle shed dung cakes	Processing of Milk	Sale of	Miscell- aneous	Total Work
1. Family Female as % of Family Total	12.00	29.61	32.86	84.68	78.03	79.66	96.07	99.13	33.67	2.53	63.73
2. Hired Female as % of Hired Total	0.00	0.00	0.00	0.00	0.00	0.00	78.77	0.00	5.77	0.00	15.78
3. Female as % of Total Labour	10.71	20.86	23.69	79.81	64.10	66.17	90.30	96.95	30.00	2.53	53.46
4. Hired Labour as % of Total Labour	10.71	29.54	27.91	5.76	17.85	16.93	33.35	2.20	13.14	0.00	21.42
5. Share of each operation in Total Labour input in Dairy	0.21	29.74	5.99	8.24	14.83	15.68	12.69	6.27	6.06	0.30	100.00

## EMPLOYMENT OF WOMEN IN NURSING PROFESSION

By B.V.L.N. RAO

### 10.1 INTRODUCTION

Nursing has always been a predominantly female occupation. A number of traits required of a nurse for serving the sick and suffering such as dedication, love, tender care and patience, combine to make the occupation eminently suited to the temperament of women. Nurses not only support the medical facilities in the public and private sector hospitals and small nursing homes acting as an interface between the doctors and the patients, but also provide care to and attend the sick on an individual basis when required. Indian nurses today occupy a key position in the health care system within India and serve in hospitals and health systems in countries in the Gulf and even in advanced countries like the United States, United Kingdom, Australia and Singapore. There are, however, wide gaps between what is desirable and what obtains in reality, in regard to the development and utilization of nursing manpower. For one thing, notwithstanding the substantial development in the field of nursing education, there are persistent shortages of qualified nursing personnel within the country for the hospitals, nursing homes and for proper delivery of the public health services, if one goes by nationally accepted standards. For instance, there is about only one nurse per doctor against a desirable standard of three, or one for a population of almost 4,000 against a norm of one nurse for 500 people recommended in as early as 1946<sup>1</sup>. This shortage has been pointed out in Plan after Plan and it has been the conclusion of every committee or commission constituted on health manpower. One would assume that such a shortage of manpower would ensure that nursing personnel enjoyed the best of terms in employment. Unfortunately, this is not so as a result of the downgrading of standards and the consequent suppression of potential and desirable additional opportunities for nursing personnel, possibly due to lack of adequate resources. One may not find acute unemployment among nurses as there is work if one accepts low quality employment to start with and can wait long enough for a more secure and better-paid employment within or outside the country. Conditions of work of the employed nurses are tough even at the best of times. The nature of work requires round the clock vigilant attendance, even though on a shift basis, and the responsibilities involved are high. It is the same irrespective of whether the place of work is a large hospital, a small clinic or a private home. The situation is made more difficult by the exploitative work conditions prevailing in the economy. This paper is an attempt to look at the existing level of employment and working environment among nursing personnel and the prospects of higher levels of employment, quantitatively and qualitatively.

## 10.2 HOW MANY?

According to the National Classification of Occupations, 1968 (which is still in use in India), occupational families 084 and 085 cover the nursing personnel, the former being general nurses and the latter midwives and health visitors. The 1991 Census enumerated a total of 2.75 lakh 'Main Workers' as nurses of whom 2.44 lakhs or 89 per cent were female nurses. Similarly, 60 thousand were classified as midwives and health visitors, of whom over 24 thousand (40 percent) were surprisingly men. About 64 per cent of the general nurses and 42 per cent of the midwives and health visitors were in the urban areas. Roughly the same percentages applied to women. Some of the States with a large number of nursing personnel (general nurses as well as midwives and health visitors taken together) were Maharashtra (50 thousand), Tamilnadu (31 thousand), West Bengal and Kerala (28 thousand each), Andhra Pradesh (26 thousand) and Karnataka (20 thousand).

Nursing education broadly consists of two streams – a three-year diploma course in general nursing and midwifery and a four-year degree course (B.Sc. Nursing), both open for those who have completed senior secondary (10+2) level schooling. The diploma-holders can acquire a professional degree through a further post-certificate B.Sc. course of two years duration. From B.Sc. one could go further to M.Sc., M.Phil. and Ph.D. in nursing. There is also an eighteen months' diploma course for those completing secondary (matriculation) level schooling to become Auxiliary Nurse Midwife. There are about 700 training institutions for general nursing and midwifery and 450 for training auxiliary nurse midwives. The annual output of all these recognized diploma/degree courses is of the order of 14,000 in general nursing and midwifery and 5,000 in auxiliary nurse midwifery. Men constitute less than 2 per cent of this output. Details for the year 1998 are given in APPENDIX I. APPENDIX II gives the time series of output from 1961 to 1998.

As in many other occupations, it is not necessary that all those working as nurses are actually trained for the profession. A number of persons perhaps function as nurses on the basis of on-the-job experience without acquiring formal qualifications with individual patients and in some of the smaller nursing homes though, according to the Indian Nursing Council Act, 1947, hospitals and nursing homes even in the private sector are supposed to engage only nurses registered with the respective State Nursing Councils or other prescribed registering bodies. Statistics available from the Indian Nursing Council indicate that there were about 6.71 lakh registered nurses (including mid-wives) in the country at the end of 1998. This number could in fact be more as the data received by the Indian Nursing Council from the respective State Councils and other registering bodies are not always up-to-date.

**Table 1: Number of Registered Nursing Personnel**

Year (31 Dec.)	Number of Registered Nursing Personnel		
	Nurses & Midwives	Health Visitors	Auxiliary Nurses/Midwives
(1)	(2)	(3)	(4)
1991	3,40,208	17,302	1,50,658
1992	3,85,410	17,910	1,65,143
1993	4,49,351	22,144	2,03,451
1994	5,12,495	24,411	2,29,304
1995	5,62,966	26,046	2,78,172
1996	5,65,696	26,578	2,83,195
1997	6,07,396	24,824	3,01,691
1998	6,71,341	32,249	3,35,485

Source: Indian Nursing Council

State-wise data for 1997 (APPENDIX I) show that Maharashtra had the highest number (about a lakh) of registered nurses, followed by Madhya Pradesh (85 thousand), Tamilnadu (80 thousand) and Gujarat (68 thousand). Surprisingly, Kerala, whose nurses had moved to all places in the country, had registered only 25 thousand nurses till 1997.

As an indicator of availability of nurses, however, the number of registered nurses would be misleading, as it represents the cumulative number of registrations done since 1947 and includes registered nurses who are no longer living, those who have migrated to other countries and those who left the profession. There is no 'live register' of registered nurses currently active or looking for work in the profession. The Institute of Applied Manpower has made some estimates of the active 'stock' of nursing manpower on the basis of cumulated output from nursing training institutions for various years making adjustments for attrition of the stock for various reasons. The net stock in 1999, as per these estimates, was 2,60,000 general nurses, 222,500 auxiliary nurse/midwives and 22,900 health visitors (Table 2).

**TABLE 2: STOCK OF NURSING PERSONNEL**

Year (1 Jan.)	General Nurses	Auxiliary Nurse Midwives	Health Visitors
(1)	(2)	(3)	(4)
1951	17,830	-	530
1961	34,390	4,430	2,180
1971	72,300	39,860	6,190
1981	1,17,750	90,040	11,610
1991	1,84,780	1,82,350	21,000
1995	2,21,900	2,09,500	22,400
1996	2,31,800	2,13,700	22,650
1997	2,41,500	2,18,100	22,900
1998	2,50,600	2,22,500	23,150
1999	2,60,000	2,27,000	23,400

Source: IAMR – Manpower Profile – India – 2000

While the number of registered nurses had grown at an average annual rate of about 9 per cent between 1991 and 1999, the estimated stock based on annual outturn from training institutions had grown only at about half that rate.

### 10.3 DEMAND FOR NURSING PERSONNEL

The requirement of nurses at any point of time may be assessed on the basis of certain norms or a combination of such norms. The norms usually adopted are related to nurse-population ratio, nurse-doctor ratio, nurse-hospital bed ratio, etc. As early as 1946, the Bhole Committee had suggested that the number of trained nurses available in the country be raised to 7.40 lakhs by 1971. Even today, the number of active nurses is less than three lakhs (*see Table 2*) while the population is almost double that in 1971. The Health Manpower Production Committee headed by Prof. Bajaj estimated in 1986-87 that there would be a shortage of 7 lakh nurses by the year 2000. The Committee made use of nurse-hospital bed norms for various levels of nursing personnel. In 1989, the High Power Committee constituted by the Ministry of Health and Family Welfare under the chairpersonship of Smt. Sarojini Varadappan had assessed the health manpower needs for urban and rural health services in the country as 7.43 lakh nurse/midwives, 35 thousand public health nurses, 1.08 lakh health supervisors and 3.24 lakh auxiliary nurse-midwives/health workers. The Ninth Plan proposed to compute the requirement of nursing and other health manpower 'not only on the basis of population, but also on the basis of workload, distance to be covered and difficulties in delivery of health services'. While there is, admittedly, variation between various estimates, there is no doubt that if the health care services are to reach any

reasonable level of standard and efficiency, there would be considerable additional requirement of nurses. The fact is that the government has not been able to allocate, for various reasons, more resources to the health services<sup>2</sup> to achieve the desirable norms, though the Planning Commission has acknowledged, from time to time the wide gap between the requirement and availability of nursing personnel and 'the distortions created in the past on account of over-emphasis on training of doctors, often at the cost of the other categories of personnel' <sup>3</sup>.

#### **10.4 EMIGRATION OF NURSING PERSONNEL**

Apart from internal demand for nursing personnel, there is also some demand from overseas. Emigration of Indian nurses to various countries seeking better pastures is a known phenomenon. Based on recruitment advertisements appearing in the press, it is also generally known that they go to countries in the Gulf Region like Saudi Arabia, Kuwait and UAE and also to developed countries like the United States, Canada, Australia, Singapore and United Kingdom. What is not known is the exact extent of such out-migration in recent years. Under the Emigration Act, 1983, administered by the Ministry of Labour, no Indian Citizen can emigrate for working overseas without obtaining emigration clearance from the Protector of Emigrants in charge of the region in which the port of embarkation is situated unless he/she belongs to a category specifically exempted under the Act. In such a case an endorsement 'Emigration Clearance Not Required (ECNR)' is made in the passport. Nurses possessing qualifications recognized under the Indian Nursing Council Act, 1947, is one of the 17 such categories exempted from emigration clearance since 1991. Protectors of Emigrants have, therefore, simply no record of how many nursing personnel go out of the country for employment purposes. Nor do they have chance to look at their employment contracts before emigration to ensure reasonableness of the terms as they had earlier. But that was the price paid to liberalise and increase manpower exports. All the intending emigrants have to do now is to get an offer of employment either through a Recruiting Agent registered with the Ministry of Labour or on one's own.

Under the circumstances, an assessment of the extent of emigration of nurses has to be made on the basis of fragments of information that one comes by. The number of emigration clearances<sup>4</sup> given for paramedical workers, most of whom would be nurses, for some years before nursing personnel were declared ECNR category in 1991, ranged between one to two thousands and constituted no more than about 1 per cent of all workers emigrating. The number of paramedical personnel (most of whom were nurses) who returned to India and registered at the Special Kuwaiti Cells opened by the Government of India in the wake of Gulf crisis in 1991 was 1,209 or 3.5 per cent of all the emigrants who returned<sup>5</sup>. According to unofficial sources in UAE, there are currently 6,300 Indian nurses in UAE but because of the current preference in that country for the nurses from Philippines, the annual number of migrants from India has come down to about a hundred a year. In the opinion of a senior



nurse in a leading government hospital in Delhi, migration to Gulf region has come down in recent years. Emigrant nurses also experience the problems of finding suitable jobs after returning to India and of dislocation of family unless the husband also finds employment overseas, which act as a deterrent to intentions to emigrate. However, most of the graduate nurses keep trying for jobs overseas, particularly in advanced countries, soon after joining a government hospital, as the only additional benefit a graduate nurse gets over a diploma nurse is one advance increment in the salary scale. On the other hand, the experience of a paramedical employee in a large private hospital, again in Delhi, is that about 40 to 50 nurses go overseas from that hospital alone. Keeping in view all these factors, it may be assumed that the number of nurses emigrating to the Gulf region would be in the region of a couple of thousands a year<sup>6</sup>.

Apart from the demand from the countries in the Middle East, notably Saudi Arabia, Kuwait and UAE, there are probably more employment opportunities today than before for nurses in the health care systems of the advanced countries like the UK, the USA, Canada, Australia and New Zealand. There are reasons for the growing demand for overseas nursing personnel in these countries. As the process of aging of populations in these countries intensifies, the demand for extensive nursing care has increased. Some of the advanced countries UK have also started revamping and improving their national health service systems and therefore require a large number of nursing personnel. On the other hand, on the supply side, there is a tendency among the youth in those countries to look for glamorous IT jobs than entering the nursing profession. As a result, the average age of nurses in these countries has been going up. In the USA, for instance, the average age is said to be around 45. Hence the increasing search for nurses from abroad. There is a demand for Indian nurses as, apart from their English language skills, they are found to be professionally very good. The experience of those engaged in facilitating such emigration is that Indian nurses, with experience in specialized areas like Intensive Care Units, operation theatres are excellent and find ready acceptance in the advanced countries. Service conditions in the developed countries are good. The pay averages US\$ 35,000 per annum in the USA and about 25,000 US\$ in the UK, which is very high compared to what a nurse gets in the Gulf Region (less than US\$10,000 per annum). But these opportunities are more likely to be for graduate and experienced three-year diploma nurses. In fact, for practicing nursing in the USA, one has to pass a qualifying examination (C.G.F.N.S Examination) conducted by Commission on Graduates of Foreign Nursing Schools testing knowledge of nursing profession as well as English language and another examination conducted by the Nursing Council in the US for registration as a practicing nurse. There are a few institutes set up in India specially for training the aspirants for employment in countries like USA.

Emigration of nurses has been going on for a long time before the current thrust towards globalisation of the economies of the developing countries has come about. For the developed countries the objective in pursuing globalisation is basically to enlarge markets for

their products and to seek fresh investment opportunities in the developed world where labour is cheap. While physical movement of goods and services is acceptable to them, migration of personnel from the poorer countries is not encouraged on any significant scale, except in situations where such manpower imports are beneficial to the developed world. Immigration is subject to the usual quotas, which are relaxed or squeezed in accordance with the current needs of the richer countries. Economic globalisation *per se* will, therefore, have no significant impact on the emigration of nursing personnel, even though for other reasons the demand for Indian nurses could increase in years to come.

## 10.5 WORKING CONDITIONS

International standards on employment conditions for the nursing personnel have been laid down by the ILO through Convention No. 149 (Convention Concerning Employment and Conditions of Work and Life of Nursing Personnel) of 1977 and Recommendation No. 157 accompanying the Convention. The Convention notes that 'the present situation of nursing personnel in many countries, in which there is a shortage of qualified personnel and existing staff are not always utilized to best effect, is an obstacle to the development of effective health services' and stipulates necessary measures for the appropriate education and training, employment and working conditions, including career prospects and remuneration which are likely to attract persons to the profession and retain them in it. The recommendation, *inter alia*, stresses the importance of evolving a policy concerning nursing services and personnel, rational nursing personnel structure comprising professional nurses, auxiliary nurses and nursing aides, ensuring that nursing personnel of a given category are not normally be used as substitutes for those of a higher category, associating qualified nursing personnel in the formulation of programmes and policies concerning them, limiting the practice of the profession to duly authorised persons, providing for reasonable career prospects and ensuring that the remuneration package for the nursing personnel bears comparison with those of other professions requiring similar or equivalent qualifications and carrying out similar or equivalent levels of responsibilities. There have been several committees and commissions constituted in India also which have made a number of recommendations from time to time regarding the education, training and service conditions of nursing personnel and development of nursing services<sup>7</sup>. The last of these, the High Power Committee on Nursing and Nursing Profession (1989) laid down work norms for hospitals and public health services and made a number of other recommendations regarding the nursing education, working conditions and career development of the nursing personnel in Government hospitals. The norms for the pattern of staffing of nurses recommended by this committee are given in **APPENDIX IV**.

In spite of all these standard-setting exercises, the employment and working conditions of nurses are still far from satisfactory. Even though there may not be significant unemployment among the nursing personnel, qualitatively there seems to be a sort of underemployment with a number of nurses engaged in less than optimum employment. There is, as in the case of other occupations, a formal/informal dichotomy of labour market which makes the nursing personnel first take up jobs in the informal sector and then move, if and when an opportunity arises to the formal sector after gaining some experience. Within the formal sector also there are differences in the status, salary and working conditions between the hospitals of the armed forces, other government and public sector hospitals and health services and large private sector hospitals.

The Army Nursing Service accords appropriate status to the nursing personnel and recognizes them as an independent professional group. It provides for proper career development for them. A nurse joining the Service as a lieutenant can aspire to rise to the top position of the Service in the rank of a major general. Such recognition and promotion avenues are sadly missing in other sectors, including government hospitals, where nurses are employed. In fact, 97 per cent of the nursing staff is in Group C posts. The scales of pay in the Central Government and some State Governments are given in *APPENDICES III(a) and III(b)*. While the salary levels in these Government hospitals (including railways hospitals) and community health care systems are reasonable for a start, opportunities for advancement in careers through promotions are scarce. The situation in the Central Government has improved to an extent after the adoption of the Fifth Pay Commission's recommendations ensuring a promotion after twelve years and 24 years of service. But as the salary grades for staff nurse, nursing sister and assistant nursing superintendent are all clustered in a narrow range (see *APPENDIX II a*), promotions do not bring in decent increases in pay, particularly as one has to wait for a number of years for such promotions. Moreover, the mandatory promotions may improve the salary grade but not the status as they are not linked to the availability of posts at the higher level. More than promotions, opportunities for continuing education, which help in career advancement, are limited. It is rightly argued that if doctors needed to take advanced courses of specialization, it is equally necessary for the nurses who have to perform special tasks in such special treatment situations to undergo advanced training related to the tasks required to be performed.

Other problems relating to nurses in Central and State governments hospitals center round lack of uniformity in allowances, overload of work, allotment of nursing duties, non-availability of transport for attending to night duties, etc. For instance, it has been pointed out<sup>8</sup> that there is just one nurse attached to each Navodaya School who, apart from normal nursing duties, has to attend to children 24 hours of the day and also look after aspects such as food and sanitation. She gets the same scale as the staff nurses in Central Government hospitals, but she is not entitled to the nursing allowance of Rs. 1,600 per month given to the latter. There are also no avenues of promotion for nurses in these schools. In the hospitals, even though the norms recommended require a ratio of one nurse for 9 patients to be maintained in an

eight-hour shift in a normal ward, in actual practice a staff nurse is required to look after several more and sometimes the entire ward consisting of 25 beds.. In the public health services also, against a requirement of 67,606 nurse midwives in Primary and Community Health Centres in 1996, a reported<sup>9</sup> shortage of 50,852 existed. Overwork, combined with pressures from patients, doctors and visitors alike, strains the atmosphere in which nurses work, making them behave sometimes as if they are indifferent to the patients.

Nurses in hospitals generally work in three shifts – 7a.m. to 3 p.m., 3 to 9 p.m. and 9 p.m. to 7 a.m. On an average, one gets each shift one-third of the time in a month. Even though the shifts are of eight hours' duration each, in practice they get extended as the nurses have to await the arrival of their replacements for the next shift and hand over the cases and other routine administrative matters. The nurses in the second and the third shifts coming from their homes by public transportation, therefore, experience considerable difficulties in commuting with security. Another issue relating to nursing personnel in hospitals is the assignment of substantial non-nursing duties. These include indenting medical and other consumable other items, keeping a record of them, indenting linen and issuing it doctors and other paramedical personnel and be accountable for the losses. Using of students in the nursing schools to provide nursing services in the regular wards in the name of practical work also seems to be prevalent in some of the hospitals with attached nursing schools. In most hospitals, the nurses are required to execute bonds for specified periods of service and, in some, even the certificates are retained to prevent the nurses from leaving.

The conditions are worse in the smaller hospitals, nursing homes and clinics. The nursing personnel in many small nursing homes are overworked and get paid less, some of them as little as Rs 2000 per month. According to the 50<sup>th</sup> Round of National Sample Survey Organisation, the average wage per day of paramedical personnel (most of whom would be nursing personnel) engaged in regular wage-paid/salaried employment was Rs. 72.93 per day in rural areas and Rs.84.45 in the urban areas. Surprisingly, even in this female-dominated occupation, the wage-levels are lower for females in the rural areas. Presumably, more women work in the occupations in the lower half of the range of paramedical occupations.

**Table 5: Average Wages/day of Paramedical Personnel Employees in Regular Wage/ Salary Employment (1993-94)**

Area	Average Wage per Day (Rs.)		
	Male	Female	All Persons
Rural	82.74	59.42	72.93
Urban	84.89	84.14	84.45

Source: Employment and Unemployment in India, NSSO, 50<sup>th</sup> Round 1993-94

These are averages for the formal and informal sectors together and wages in the latter are bound to be lower. They are not much higher than the highest minimum wage of Rs. 64 for the daily paid unskilled worker in Maharashtra in 1993-94. Such low wages justify a demand voiced by the nurses' association for including nursing as a scheduled employment under the Minimum Wages Act, 1948.

Though nurses working in government hospitals are unionized and have of late been fighting for their rights through the respective government nurses' associations in different States, in general, nurses are meek, do not make trouble for their employers and attract very little media attention. There is a Trained Nurses Association of India (TNAI) which is a professional body striving for the advancement of the cause of nursing profession and is not directly involved with the activities of the unions, though it may support them on specific issues. TNAI has a membership of about 86,500<sup>10</sup> with branches in different States.

## 10.6 THE FUTURE

Despite the advances made by the country in the field of health over the past fifty years, there is still a lot of ground to be covered. In terms of United Nations human development index based on progress in poverty, health and education, India still ranks lowly at the 128<sup>th</sup> position. While there has been considerable reduction in overall death rates, in certain fields like infant mortality the country is far behind the desirable level and the level achieved in several other countries. High levels of morbidity still affect the population. Fertility rates have not been falling at the desired pace. The public health services as they are suffer from lack of adequate resources, equipment and more importantly, health manpower according to accepted standards. All these call for a greater effort and allocation of resources to the health sector than the measly 2 to 3 percent allowed in the Plans. With adequate physical resources forthcoming, there is no doubt that there is considerable potential for expanding employment in the nursing profession. The existing vacancies in the public health system, employment of nurses below the levels demanded by the norms laid down by various agencies in the hospitals and in the public health system and the increasing demand for health care that is coming about with growing incomes will have significant scope for additional employment. The process of aging and societal changes affecting the care of the elderly calling for greater institutional and personal services for them would also add to the growing demand for nursing services within the country and more so overseas. Nursing services can be instrumental in spreading awareness among the public about healthy living and controlling the pains of chronic illnesses. They can also help people to develop personal skills that enhance their ability for self-care.

Apart from employing a larger number of nurses, there is a need to pay greater attention to the qualitative aspects of employment of nursing personnel. Notwithstanding the noble services rendered by the nurses, the profession as a whole has a rather low image in the



eyes of the society and is exploited by the employers. Unlike in advanced countries, a nurse is treated not as an independent professional but as a subordinate to the doctor merely carrying out his/her orders. In advanced countries, nurses take care of several of the needs of the patients in their charge without constantly depending on the doctor. Public perception has to change and people have to learn to treat the nurses with greater respect. This, in India, requires giving the profession a higher status than it enjoys now in terms of their position and income related to the others in the medical hierarchy.

While this transformation in society's perception of a nurse will take a while to take place, certain measures can be taken immediately to bring about improvements in their status and working conditions. These include providing employed nurses opportunities for career development through training in nursing skills needed in modern health care situations such as cardio-thoracic and vascular surgery, neuro-surgery, organ transplantation, psychiatry, geriatrics, etc. More than creating opportunities on paper, what is required is to ensure that nurses are in fact deputed for such in-service training and advanced institutional studies. A system of incentives for taking up such studies might help. Given the narrow scope for a rapid growth in the careers of nurses, a more rapid system of promotions involving higher responsibilities and substantial real increase in pay are called for. Other measures are transportation facilities in case of night duties, reducing the allotment of non-nursing work and ensuring that all hospitals and nursing homes in the private sector employed only qualified nurses. A suggestion of the TNAI that the minimum wage regulations should be applicable to nursing occupations could also be considered.

There could be significant increase in overseas demand for Indian nurses if standard of nursing education is maintained. As already mentioned the quality of Indian nurses, particularly of those with experience in surgery and intensive care units, is rated high abroad. In view of this, it may be useful to suitably expand nursing education at B.Sc. level with appropriate modules for nursing techniques needed in situations where advanced medical techniques are employed. While it is essential to ensure that the domestic health services do not suffer due to lack of adequate nursing personnel, it would be unreasonable to stop nurses from seeking their fortunes in other countries. The practice of retaining the certificates and execution of bonds should be discouraged to allow free movement of nursing personnel. If necessary, the output from the nursing institutions could be increased without compromising on quality to sustain the internal as well as external demand.



**APPENDIX I**

**Number of Nursing Institutions and Their Outturn in Different States during 1998**

<u>State</u>	<u>General Midwife</u>			<u>Midwifery</u>	<u>Auxiliary Nurse Midwife/Health Worker</u>	<u>Health Visitors/Health Supervisors</u>
	<u>Men</u>	<u>Women</u>	<u>Total</u>			
(1)	(2)	(3)	(4)	(5)	(6)	(7)
Andhra Pradesh	- (-)	915 (91)	915 (91)	945 (-)	- (144)	- (-)
Assam	- (-)	325 (19)	325 (19)	- (-)	424 (24)	- (-)
Bihar	- (-)	686 (20)	686 (20)	699 (-)	1,547 (36)	74 (1)
Gujarat	18 (-)	351 (21)	369 (21)	- (-)	49 (4)	- (-)
Haryana	1 (1)	127 (6)	128 (7)	145 (5)	229 (9)	- (1)
Himachal Pradesh	- (-)	- (5)	- (5)	- (-)	33 (7)	- (1)
Karnataka	- (-)	2,429 (87)	2,429 (87)	- (-)	485 (-)	- (-)
Kerala	18 (-)	1,634 (83)	1,652 (83)	1,634 (-)	694 (31)	83 (5)
Madhya Pr. (Mahakoshal)	- (-)	418 (19)	418 (19)	- (-)	46 (14)	- (-)
Maharashtra	29 (-)	1,538 (56)	1,567 (56)	- (-)	690 (36)	- (-)
Meghalaya	48 (-)	- (5)	48 (5)	- (4)	- (3)	48 (-)
Mizoram	4 (-)	47 (4)	51 (4)	- (-)	28 (2)	- (-)
Orissa	- (-)	240 (6)	240 (6)	73 (-)	60 (16)	- (-)
Punjab	3 (4)	1,200 (37)	1,203 (41)	1 (-)	450 (14)	- (-)
Rajasthan	- (-)	193 (19)	193 (19)	61 (8)	- (27)	124 (3)
Tamilnadu	7 (-)	943 (69)	950 (69)	- (3)	62 (18)	- (2)
Tripura	- (-)	40 (1)	40 (1)	- (-)	- (2)	- (1)
Uttar Pradesh	12 (-)	383 (26)	385 (26)	240 (18)	- (48)	- (4)
West Bengal	- (-)	900 (37)	900 (37)	- (-)	19 (1)	23 (1)

Mid India Board	17 (-)	113 (15)	130 (15)	- (-)	75 (8)	- (-)
South India Board	15 (-)	420 (20)	435 (20)	- (-)	84 (5)	- (-)
AFMS Examination Board	- (-)	257 (8)	257 (8)	- (-)	- (-)	- (-)
<b>All India</b>	<b>172 (5)</b>	<b>13,159 (654)</b>	<b>13,331 (659)</b>	<b>3,725 (38)</b>	<b>4,988 (449)</b>	<b>412 (20)</b>

**Figures in brackets are the number of training institutions**

Source: Indian Nursing Council

**APPENDIX II**

**Number of Registered Nursing Personnel in Different States (as on 31 Dec. 1998)**

State	Number of Registered Nursing Personnel				
	General Midwife			Auxiliary Nurse Midwife	Health Visitors/Health Supervisors
	Men	Women	Total		
(1)	(2)	(3)	(4)	(5)	(6)
Andhra Pradesh	900	41,759	42,659	50,582	2,480
Assam		2,607	2,607	2,690	-
Bihar	54	8,829	8,883	7,501	1,510
Gujarat	2,851	78,811	81,662	23,144	1,352
Haryana	130	4,214	4,344	5,663	325
Himachal Pradesh	212	5,834	6,046	6,924	411
Karnataka	-	76,955	76,955	36,571	5,875
Kerala	353	24,561	24,914	7,758	748
Madhya Pradesh (Mahakoshal)	4,339	81,065	85,404	18,757	998
Maharashtra	1,892	1,00,75 9	1,02,65 1	18,793	-
Meghalaya	-	-	-	-	-
Mizoram	14	379	393	666	-
Orissa	-	32,122	32,122	15,954	110
Punjab	17	33,106	33,123	14,988	2,574
Rajasthan	-	22,515	22,515	26,035	444
Tamilnadu	3,143	76,738	79,881	37,885	5,851
Tripura	-	446	446	850	65
Uttar Pradesh	-	15,388	15,388	15,125	-
West Bengal	-	51,348	51,348	45,589	9,505
<b>All India</b>	<b>13,905</b>	<b>6,57,436</b>	<b>6,71,341</b>	<b>3,35,484</b>	<b>32,249</b>

Source: Indian Nursing Council

**APPENDIX III (a)**

**SCALES OF PAY OF CENTRAL GOVERNMENT NURSING PERSONNEL**

Position (1)	Scale of pay (Rs.) (2)
<b><u>a) Hospital Services</u></b>	
1. Non-Resident Nurse	4000-100-6000
2. Staff Nurse	5000-150-8000
3. Nursing Sister	5500-175-9000
4. Asstt. Nursing Supdt.	6500-200-10500
5. Dy. Nursing Supdt.	7500-250-12000
6. Nursing Supdt.	8000-275-13500
7. Chief Nursing Officer	10000-325-15200
<b><u>b) Community Health Services</u></b>	
1. Auxiliary Nurse	4000-100-6000
2. Lady Health Visitor	4500-125-7000
3. Sr. lady Health Visitor	5000-150-8000
4. Jr. Public Health Nurse, School Health Nurse	5500-175-9000
5. Sr. Public Health Nurse	6500-200-10500
6. Supdt. of Health School/ Chief Public Health Nurse	8000-275-13500
<b><u>c) Schools of Nursing</u></b>	
1. Clinical Instructor	5500-175-9000
2. Sister Tutor	6500-200-10500
3. Senior Tutor	7500-250-12000
4. Vice Principal	8000-275-13500
5. Principal Tutor	10000-325-15200
<b><u>d) Railway Hospitals</u></b>	
1. Staff Nurse	5000-150-8000
2. Nursing Sister	5500-175-9000
3. Matron Grade II	6500-200-10500
4. Matron Grade I	7000-225-11500
5. Matron (Gazetted) Gr. B	7500-250-12000

In addition to pay and allowances as for other Central Govt. staff, nurses are entitled to  
a) Uniform Allowance @ Rs. 3,000 per annum b) Washing Allowance @Rs.150 p.m. and  
c) Nursing Allowance @ Rs. 1,600 p.m.

Source: Indian Nursing Year Book 1998-99

**APPENDIX III (b)**

**NEW SCALES OF PAY OF SOME STATE GOVERNMENT NURSING PERSONNEL**

Position (1)	Scale of pay (Rs.) (2)
<b>Andhra Pradesh</b>	
1. Auxiliary Nurse Midwife	3550-7150
2. Staff Nurse	4430-9300
3. Public Health Nurse	5000-10600
4. Head Nurse, Nursing Tutor Gr.II	4850-10250
5. Nursing Supdt. Gr. II	5640-11300
6. Nursing Supdt. Gr. I, Principal Nursing Tutor	6350-13000
Uniform Allowance of Rs. 675 per year	
<b>Arunachal Pradesh</b>	
1. Auxiliary Nurse	3050-4590
2. Lady Health Visitor	4000-6000
3. Public Health Nurse	5000-8000
4. Sister Tutor	5500-9000
5. Staff Nurse	5000-8000
6. Ward Sister	5500-9000
7. Asstt. Matron	6500-10500
8. Matron	6500-10500
<b>Gujarat</b>	
1. Auxiliary Nurse Midwife	3050-4590
2. Staff Nurse, Lady Health Visitor	4500-7000
3. Head Nurse (Sister)	5000-8000
4. Matron (Non-Gazetted), Tutor, Public Health Nurse	5500-9000
5. Matron Cl.II Gazetted Gr. I	8000-13500
6. Supervisor, Matron Gr. I, Cl. I, Supdt. of Health	
Visitor School and Sr. Lecturer, Chief Matron	8000-13500
7. Principal College of Nursing	12000-18000
8. Assistant Director of Nursing	12000-16500

**Haryana**

1. Aux. Nurse Midwife, Multipurpose Health Worker	4000-6000
2. Lady Health Visitor	5000-7850
3. Public Health Nurse, DPHNO, D.N.O	5450-8000
4. Staff Nurse	5000-7850
2. Nursing Sister	5450-8000
3. Matron	6500-9900
4. Nursing Superintendent	6500-10500
5. Assistant Director	6500-10500
6. Deputy Director Nursing	1000-13900

**Himachal Pradesh**

1. Midwife	3120-5160
2. Female Health Worker, Aux. Nurse Midwife	4400-7000
3. Lady Health Visitor	5480-8925
4. Staff Nurse	5000-8000
5. Ward Sister	5480-8925
6. Sister Tutor, Public Health Nurse	5800-9200
7. Assistant Superintendent, Matron	6400-10600
8. Principal Nursing Officer, Nursing Superintendent, Asstt. Director	7880-13500

**Madhya Pradesh**

1. Family Health Worker, L.G.V	3050-4590
2. Staff Nurse	4000-6000
3. Nursing Sister	4500-7000
4. Matron	5000-8000
5. Assistant Nursing Advisor, Nursing Supdt CI II, Gr.I, Principal Public Health. Officer	8000-13500
6. Deputy Director Nursing	10000-15200

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Information on new scales not available for other States

Source: Nursing Year Book 1998-99



## APPENDIX IV

### RECOMMENDATIONS OF THE HIGH POWER COMMITTEE ON NURSING AND NURSING PROFESSION RELATING TO WORK NORMS (1990)

#### Hospital Setting

- Nursing Superintendent — 1:200 beds (for hospitals with 200 or more beds)
- Deputy Nursing Superintendent – 1:300 beds (wherever beds are over 300)
- Assistant Nursing Superintendent – 1:150 beds (wherever beds are over 150)
- Ward Sister/Ward Supervisor – 1:25 beds +30% leave reserve
- Staff Nurses for wards – 1:3 or 1:9 beds for each shift + 30% leave reserve
- Nurses for OPD & Emergency etc. – 1:100 patients (1 bed: 5 patients) = 30% leave reserve
- Nurses for Intensive Care Units – 1:1 bed or 1:3 for each shift + 30% leave reserve

#### Community Nursing Services

- 1 Auxiliary Nurse Midwife for 2,500 population (2 per Sub-centre)
- 1 Auxiliary Nurse Midwife for 1,500 population for hilly areas
- 1 Health Supervisor for 7,500 population (for supervision of 3 ANMs)
- 1 Public Health Nurse for 1 Primary Health Centre (30,000 population, to supervise 4 Health Supervisors) 2 District Public Health Nursing Officers for each district

Source: Indian Nursing Year Book

## APPENDIX V

### HEALTH CARE INFRASTRUCTURE IN INDIA

Year	Sub -Centres	Primary Health Centres	Community Health Centres	Dispensaries	Hospitals	Hospital Bed (All Kind)**
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1951	-	725	-	6,515	2,694	1,17,198
1961	-	2,565	-	9,406	3,094	2,30,000
1971	28,489	5,112	-	12,128	3,862	3,48,655
1981	51,046	5,740	217	16,751	6,804	5,69,495
1991	1,30,984	20,450	2,071	27,431	11,174	8,10,545
1996	1,32,730	21,854	2,424	28,225*	15,097*	8,70,000*

Relate to 1995

\*\*Beds in hospitals, dispensaries, Primary Health Centre clinics, sanatoria, etc.

Source: Statistical Abstract, 1999, Central Statistical Organisation

## Reference

<sup>1-511</sup> Ninth Five Year Plan, Vol. II. As per the recommendations of The Health Survey and Development Committee under the chairmanship of Sir Joseph Bhore

<sup>2</sup> The total Plan outlay/expenditure (Centre plus States) on health which was around 3 per cent of the total Plan investment during the first three Plans decreased to between 1.5 to 2 per cent in the subsequent Plans.

<sup>3</sup> Eighth Five Year Plan (1992-97), Vol. II and Ninth Five Year Plan (1997-2002), Vol. II

<sup>4</sup> Annual Reports, Ministry of Labour 1993-94 and earlier years

<sup>5</sup> The Gulf Crisis and South Asia, ed. Piyasiri Wickramasekara, ILO-ARTEP, 1993

<sup>6</sup> The total number of emigrants in 1999 was of the order of 2 lakhs, Ministry of labour, Annual Report 1999-2000

<sup>7</sup> The Health Survey and Development Committee, 1943-46 (Bhore Committee), The Health Survey and Planning Committee, 1959-61 (Mudaliar Committee), Group on Medical Education and Support Manpower, 1975 (Srivastava Committee), Committee on Multipurpose Workers Under Health and Family Planning Programme, 1974 (Kartar Singh Committee), Health Manpower, Planning, Production and Management Committee, 1986-87 (Bajaj Committee) and the High Power Committee on Nursing and Nursing Profession, 1987-90 (under the chairpersonship of Smt. Sarojini Varadappan).

<sup>8</sup> By the Trained Nurses Association of India

<sup>9</sup> Rural Health Bulletin, June 1996, Ministry of Health and Family Welfare

<sup>10</sup> in August 2000

## **Women Workers: An agenda for the future Informal sector health workers**

**By Pavitra Mohan and Mirai Chatterjee**

### **Introduction**

India has a population of over 900 million people which is growing at a rate of 2.1% per year. Generating productive, sustainable employment for its growing population is one of the most urgent concerns. However, trends in 70s and 80s suggest that growth in employment in agriculture is growing at a sluggish pace. Urban informal sector is growing rapidly and provides employment to large number of rural people who migrate to the cities. Growth of this sector brings with it problems of migration, urban growth and lack of adequate infrastructure. Besides, rural women are often not benefited from the employment generation in the urban informal sector because of their restricted mobility due to social reasons; and because opportunity costs of her migration from the village household are high

In such a setting, rural informal non-agricultural sector (referred to as rural non-farm sector) provides an exciting opportunity to promote sustainable and equitable growth in employment for the women; in particular by drawing them away from agricultural labour, the lowest paid of all rural occupations.

Health services sector has been categorized as high share sub-sector within RNFS, implying that it generates a high share of employment (Fisher & Mahajan, 1997)

### **Health care system in India: place of informal sector**

India's health care system consists of different types of providers who practice in different systems of medicine, and use various forms of organization in delivering health care services. Based on ownership styles, the health care system can be divided into four broad sectors (Bhat, 1993):

- *Public sector* which includes government run hospitals, dispensaries, clinics, Primary health centers and subcenters, other such programmes;
- *Not-for profit sector*, which includes voluntary health programmes, charitable institutions missions, churches and trusts;
- *Organized private sector* which includes general practitioners, private hospitals, nursing homes, registered medical practitioners, and other licentiates,
- *Private informal sector* which consists of millions of practitioners without formal qualifications that practice independently: this group includes two major subsets: one the practice allopathic medicine without any formal qualification and others that practice traditional medicine.

Each of these sectors can be further classified on the basis of whether they provide primary care (which is usually only outpatient care) or secondary or tertiary care (that includes specialized outpatient as well as inpatient care). The following matrix depicts the spectrum of health providers based on this classification of the health system:

**Table-1**  
**Spectrum of health providers in India**

	Primary care	Secondary/tertiary care
<b>Public sector</b>	Physicians, Nurse-midwives	Physicians, nurses, other paramedical staff
<b>Private not-for-profit sector</b>	Community health workers, nurse-midwives	Physicians, nurses, other paramedical staff
<b>Organized private sector</b>	Physicians	Physicians, nurses, other paramedical staff
<b>Informal private sector</b>	Traditional healers, unlicensed, unqualified allopathic practitioners, traditional birth attendants	Unqualified nurses/paramedics

#### **Utilization of health care: role of private informal health sector**

It has been increasingly recognized that private sector plays an important role in providing health care to majority of population in both urban and rural areas at all levels of health care. Surveys on utilization of health care in India suggest the significant role of the private sector in provision of health care services. These studies show that people generally prefer private health care facilities for ambulatory health care; both in rural areas and in urban areas. Table-2 presents data on utilization of non-hospital illness episodes, 82% of patients go to the private providers in rural areas, whereas this percentage is 79 in case of urban areas

**Table-2****Utilization of Health Care in India**

State	% of treated illness episodes by private providers	
	Rural	Urban
Gujarat	69	82
Maharashtra	78	75
Tamil Nadu	71	69
Uttar Pradesh	91	85
West Bengal	83	78
<b>Weighted average</b>	<b>82</b>	<b>79</b>

World Bank, 1994

There is not much information on utilization patterns specific to RCH services: in one study private medical consultation was sought in 65% of diarrhea cases. Of these, more than 80% went to private practitioners: the survey found that about 62 % of private providers had no formal medical education (Rhode & Vishawanathan, 1995).

Private informal sector also plays an important role in providing care at childbirth: traditional birth attendants attend as many as 35.1 % of all deliveries in India, in most of northern states conducting as many as 40-70% of deliveries (IIPS, 1994, Table-3)

**Table-3**
**Distribution of births by kind of attendance at birth: India and select north Indian states**

State	Institutional	Physician	Other health professional	TBA	Others
India	25.6	2.4	6.7	35.1	30.2
Gujarat	35.7	2.8	4.7	44.9	11.9
Maharashtra	44.1	2.4	2.4	19.9	26.1
Punjab	24.8	4.1	4.1	49.6	2.1
Haryana	16.7	4.7	9.2	66.2	3.1
Bihar	12.1	2.8	4.3	58.2	22.6
Madhya Pradesh	16	2.2	12.3	29.8	39.7



*Rural health care sector is therefore dominated by private informal sector: private unqualified practitioners are utilized more often than the formal public sector for curative care, care at childbirth is provided predominantly by the traditional birth attendants.*

Despite an important role played by the private informal sector in the rural areas, this sector till recently was poorly understood. While micro-level studies on health care utilization focussed on the public health facilities/ providers, census surveys also ignored this sector. Census classifies health providers into nurses and doctors. Doctors are further classified as practitioners of different systems of medicine; no mention is made of their qualification status. Besides, healers practicing traditional medicine are also not captured by the census. Nurses are further classified as nurses, midwives & health visitors, and other health workers: traditional birth attendants who conduct a large proportion of deliveries are therefore not captured.

Few studies in the recent past have thrown light on diversity of this sector. In a recent study in Surat district in the state of Gujarat, 59 traditional healers were practicing traditional medicine including herbal medication and faith healing in 27 villages (VHAI, 2000). This is true of many other parts of the country. A study conducted in rural Orissa mapped the private providers in a district. The study revealed a spectrum of private providers: unqualified private providers practicing allopathic medicine, traditional birth attendants, and practitioners of Indian system of medicine and pharmacists. The study showed that all the providers in the private informal sector were males as opposed to traditional birth attendants who were all females. Many other studies substantiate that within the private informal sector, whereas men take up the more paying job of "healers" or "doctors", women take up the less respected and less paying role of nurse-attendants or "dais"

### **Size of informal health sector**

As mentioned earlier that due to flaws in the way occupation is classified in census and preoccupation with the public health system in the past, there are no definite figures on the size of this sector. Several rough estimates can be made based on various assumptions. Total health expenditure in India is estimated to be about 5.6% of GDP of which private health care expenditure is 75% or about 4.4% of GDP. About 1/3<sup>rd</sup> of this expenditure is on secondary and tertiary in-patient care, and the rest meeting the curative needs at the primary level. Assuming that of remaining 2/3<sup>rd</sup>, 75% is spent in the formal sector and 25% in the informal sector (informal sector likely to have a higher utilization but lower per unit cost),

*about 1.1% of GDP is spent on buying health care from the informal sector. This is slightly lower than the government expenditure on health!*

In terms of numbers again there are no reliable estimates because of the problems referred above. There are some estimates available on the number of traditional birth attendants in various parts of the country. These figures are available from the reports of Central Bureau of Health Intelligence, MOHFW and from rural health division of DGHS, MOHFW: On the basis of population in 1991, average population covered by each trained dai was 965 /1000 population; each dai covering one village (Bulletin Rural Health Statistics, 1997). This was marginally better than the figures in 1987, when each trained attendant covered a population of 1024.

Since 1991, 651,487 dais were trained in India, largest numbers being trained in the large states of Uttar Pradesh and Bihar. *Assuming that there is 1-2 untrained traditional birth attendants for dai that was trained, there will be 2-3 million TBAs in the country.*

Estimates on other categories of providers in the informal sector is not available: it has been suggested that unqualified and unlicensed doctors constitute as many as 10-50% of all doctors practicing in the country large well designed study conducted in rural UttarPradesh yielded a ratio of 1.49 rural practitioners per 1000 rural population. *Projecting to the country's rural population, the countrywide estimates would be 935,000 rural private practitioners!* (Rhode and Vishwanathan, 1995)<sup>1</sup> Even these estimates may not include the healers that practice traditional medicine.

From the above discussion, it is clear that there is not enough information on the size as well as characteristics of the private informal health sector in India.

However it is clear that this sector in the rural areas is formed by at least three diverse groups: traditional healers, traditional birth attendants and unlicensed and unqualified doctors. Within this sector, women take up the role of birth attendants while unlicensed unqualified doctors are almost invariably males. This is in line with other sectors where males take up more paying and respected jobs while women work in lower paying and less respected jobs.

Since this paper focuses on women health workers in the informal sector, this section will be restricted to traditional birth attendants, their conditions of work and opportunities and threats for the growth of this potential "sector"

### **Traditional birth attendants: Present arrangements and conditions of work**

Several studies have attempted to identify the socioeconomic characteristics of TBAs in various parts of the country. There are several similarities among all the studies: most of these women belong to backward classes, scheduled classes in most of the parts of India and scheduled tribes in some states such as Rajasthan. In a study conducted among 200 traditional birth attendants in Haryana, 78% of all dais belonged to backward classes (Singh A, 1994). Most of the dais are illiterate-85% of all dais in the study mentioned above were illiterate. In another study conducted in peri-urban Gujarat, 79% of 100 dais studied could not read or write (SEWA, 1991). A large proportion of dais is above 45 years (81% and 63% in the two studies mentioned above) suggesting that lesser proportion of young women are taking up this profession compared to the past. This is also substantiated by the results of Haryana study: whereas 27% of women had inherited this profession from their mothers, only 4% of them passed it on to their daughters.

Most of them belong to poor households and often do not have access to productive land or financial resources. Despite being poor, they have not viewed their work as source or potential source of income. Behind this is possibly the belief that their skill is a Goddess-given gift. In Gujarat, dais believe it is the Goddess Randalma who has bestowed the special gift of birthing on some women.

They receive payments in cash and kind. Remuneration varies with sex of the child; usually payment for delivering a girl being half that of delivering the boy. Cash payment varies from few rupees to about 100 Rs; most commonly between 20-25 Rs. Instead, they may receive kind payments in the form of grains, saree, utensils etc (SEWA, 1991, Bhat, 2000). Though they mainly provide attendance at delivery, some of them perform additional jobs such as abortion and distribution of contraceptives.

Most of the dais learn their skills by apprenticeship with mothers or close relatives. Since childbirth is viewed as an act associated with pollution, birth attendants are not dealt as professional but as someone who cleans up after birth. This traditional status of dais has affected the efforts to enlarge their roles as primary health providers in the community.

### **“Working” as Dais: Earning potential**

Considering that there are 30 deliveries per 1000 population (population of an average sized village), and that 50% of these deliveries are conducted by TBAs, 15 deliveries will be conducted by TBAs in a year. Assuming that one TBA conducts all these deliveries and receive a remuneration of Rs 25 per delivery, total annual remuneration will be  $25 \times 15 =$  Rs 375 or monthly income of ~ Rs 31. Assuming a remuneration of Rs 50, this will still be Rs 750 per annum and Rs 62 per month of Rs 2/ day!

### **Investing in Traditional Birth attendants: does it pay?**

That a large proportion of deliveries in India and other countries of the region are conducted by TBAs is well established: evidence on their effectiveness in terms of skills possessed and impact on maternal mortality is not clear. Based on analysis of trend of maternal mortality rates in several countries, a joint statement issued by WHO, UNFPA, UNICEF and the world Bank (WHO, 1999) emphasize that skilled attendance at delivery is an essential requirement for reduction of maternal mortality. The statement further states that skilled attendants include those who have been professionally trained to acquire midwifery skills but exclude traditional birth attendants.

Considering maternal mortality rate as the only outcome measure however may not be appropriate while considering the potential role of trained TBAs in providing essential obstetric care. Effectiveness of TBAs should not only be viewed from the public health perspective: it should also be considered from a community development perspective. Their potential role as primary health care providers, and acting as agents of change need to be exploited.

A few micro-studies have demonstrated the impact of training of Dais on incidence of neonatal tetanus, which continues to be single most important preventable cause of death among the newborns. A recent well designed study from India has convincingly demonstrated that trained traditional birth attendants can be effectively employed to care for sick newborns and can be instrumental in reduction of neonatal mortality (Bang et al, 1999) Earlier the same authors had shown that TBAs could be trained to the significant improvement in pneumonia related mortality

### **Government Dai training programs**

A training program to train dais was started almost 2 decades ago in India-the results were however not encouraging. Evaluations of the program suggested that due to inadequate training and/ or pressures from the older female household members, trained dais did not utilize the procedures that they had been taught. The training was not followed up, and kits were not replenished. There were also difficulties in providing the small payment to be given for each delivery attended. Significantly, it appears that there was no recognition that certain dais have received training –this partly stemmed from the unwillingness of dais to be identified with the family-planning program. Subsequently, to overcome some of these problems, an intensified dai training program was launched on the pilot basis.

The results of the pilot program suggested that if properly selected, trained and motivated, dais can be an extremely effective in providing and/or promoting antenatal care, attended delivery and FP counselling. The essential points in successful dai training include proper selection, consistent follow up of initial training and motivation.

Based on these principles, an Intensified training program for dais was launched with the aim of expanding it to the whole country. However this program also suffered from poor training, poor supervision and support following the training and failure to make linkages with the formal health system.

### **Women as health workers in informal sector: Opportunities and threats for growth**

To contain the fiscal deficit, governments are likely to cut down on social sector expenditures; with resultant implications for support or expansion of health system. With the shrinking budgetary support and growing fiscal problems, most of the state government are finding it difficult to expand their public health facilities to cater to the growing health care needs of the their population (Tulsidhar, 1993). Private health sector is therefore likely to continue to expand; operations of private not for profit sector being insignificant in terms of coverage and health expenditure.

However, currently there are imperfections in the private-for profit market that particularly has implications for the access of poor to healthcare. Asymmetry of information, inefficiency of

operations and lack of mechanisms to enforce accountability make the private sector prone to be exploitative (Bhat, 1999). Globalisation of economy has the potential to make health care expensive by decontrol of drug prices and greater exposure to high cost technology.

Organised private sector, therefore does not appear to be an adequate option for the majority of poor population of the country, who are likely to continue to rely on the informal health care providers.

To assess the growth opportunities for women in the informal health sector, let us look at the women in the formal sector who provide primary health care. There are two categories of such workers: community health workers in the non-governmental sector, and auxiliary nurse midwives (ANMs) in the governmental sector.

Auxiliary Nurse Midwives are expected to perform a range of functions in her coverage area of 3000 to 5000: conducting deliveries, distribution of contraceptives, immunization of infants, treatment of common childhood illnesses and motivating for acceptance of family planning methods (read sterilization). A large number of studies have shown that in face of pressure of completed targets for sterilization, her role as a midwife has been shrinking. Other problems that affect her functioning include the large area that she has to cover, poor community and systemic support and lack of mobility. Various solutions that have been suggested for this problem include posting of two ANMs at the subcenter, reducing their work area so as to have a cadre of village level midwives and providing them with mobility.

In such a setting and in presence of various systemic and environmental constraints that ANMs face in providing adequate coverage for skilled deliveries, it does not appear that trained professionals will conduct significantly larger proportion in the near future. There has not been a significant increase in the proportion of attendance by trained professionals in the last decade.

Community health workers have been identified as critical to success of community health programs. These workers perform a variety of roles ranging from providing of basic health services, community based distribution of contraceptives and social mobilization. Good quality and continued training, supportive supervision and linkages with the referral health facilities have been the major reasons for effectiveness of this cadre of workers. Most of these programs selected the CHWs from among the self-motivated middle-aged women. In several instances, TBAs were recruited as CHWs and their existing role was enlarged to



provide comprehensive care. Several community health projects run by non-governmental organizations realized the community's dependence on dais for providing maternal care and provided them specialized training in midwifery. In some of these projects dais not only conduct deliveries, they also provide comprehensive antenatal, intranatal and postnatal care. In some others, dais effectively work as community health workers, providing basic health care to women of their communities, augmenting their income as well (see box).

A common feature among all these programs has been transformation of social status of these dais from a menial worker to a health professional. This transformation has been on account of several reasons: they now belong to a cadre of health workers, instead of lone individuals. Besides, back-up of a referral health center and her linkages with it; and her access to training and learning also improves her self-image as well as the image in the eyes of the community. Income potential of dais also improves after undergoing training: they are able to command higher fees for service.

#### **Traditional Birth Attendants: Potential role**

A needs assessment survey conducted in the field area of Comprehensive health & development program (CHDP) showed that the community perceived maternal care as top priority. The project was therefore designed to give highest priority to midwifery services and maternal care. A program for training of dais was met with resistance from both the dais and the community; which was slowly overcome by protracted discussions between project staff, village leaders, elderly local women, and the dais themselves. Today there are 42 trained dais serving 42 villages with a population of 50,000. They conduct about 80% of all deliveries in the area, as against 6% at the beginning of the project. The trained dais have established themselves as key health workers in the community, providing comprehensive antenatal, intranatal and postnatal care.

The Krishna Dayan co-operative, supported by SEWA, Gujarat, covering the Gandhinagar population aims to make the mid-wife the main health care provider in the village, by giving her the skills and knowledge of modern medical techniques, and linking her with the modern medical system. Midwives, who had turned into agricultural workers, find a means of self-employment and self-dignity by upgrading their traditional skills. After skills upgradation, some of the dais begin to earn as much as Rs 51 to Rs 101.

### **Conclusions and recommendation: from dais to midwives**

- Public health system is poorly utilized, likely to have further reductions in investment
- Private informal sector is highly utilized; significant potential for employment of women
- Currently, in the present form, not sufficient incomes can be expected
- Roles of TBAs need to be enlarged as village level health worker/ midwife
- Facilitate setting up of midwifery training centers for "traditional" birth attendants and others
- Training to focus on young TBAs willing to assume a larger role
- Training of greater duration (6 months), hands-on, coupled with regular supplies
- Positioning of young resident women as independent skilled midwife-practitioner/ community based distributors (CBD) /ANM Sahayika
- Well defined role in relation to health system
- Identify ways to improve the acceptability of trained "traditional" attendants by community as skilled providers

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<sup>1</sup> The figure has been arrived at using the following assumptions: number of rural practitioners per thousand population would be same as in the study area in Uttar Pradesh. Rural population of India has been taken from 1991 census as 627, 147, 000

## **Micro Finance and Women Workers**

**By Sanjay Kumar**

### **Introduction**

Women in the informal sector constitute a large section of the workforce in most developing countries. Official statistics state that in developing countries the informal sector consists of 40% to 90% of the non-agricultural labour force and beyond 90% if agriculture is also included. In addition their contribution to the National Income varies between 25% to 70%. However, policy makers and researchers have underestimated the role of these workers particularly women in direct production, trade and services as well as their link to the formal sector and to the economy as a whole. As a consequence policies have been biased against these activities, despite their importance for the livelihood of a majority of the population in most developing countries. Assistance programmes have tended to ignore the informal sector, focusing instead on the small and medium industries, which are easier to reach. When attention has been given to the informal sector it has tended to focus narrowly on the supply of credit and training for micro enterprises neglecting the importance of changing the policy and regulatory environment and of promoting organisations of self employed women.

Today, in India about 93% of all workers are self-employed. Women constitute more than half of this work force and more than 96% of women workers are in the unorganised sector. The informal economy accounts for 63 per cent of GDP, 55 per cent of savings and 47 per cent of all exports. Self-employed workers are those who earn a living through their own small business or through their own labour. Unlike workers in the organised sector they do not obtain a regular salary or employment.

Both the Beijing Platform (e.g., Strategic Objective A.3) and the Copenhagen Programme (paragraph 51(b)) stress the importance of access to financial resources as a means to assist women to succeed in business. For example, paragraph 166 (a) of the Beijing Platform urges government to:

"Promote and support women's self-employment and the development of small enterprises, and strengthen women's access to credit and capital on appropriate terms equal to those of men, through the scaling -up of institutions dedicated to promoting women's entrepreneurship, including, as appropriate, non-traditional and mutual credit schemes, as well as innovative linkages with financial institutions."

The Indian micro finance experience led by NGOs, Co-operatives and CBFIs has shown better results while working with women workers. The micro finance practitioners responded to the dire need for financial services for these women through the special delivery mechanisms customised to meet their needs. The experience worldwide has been that women are better savers, they are more prompt in repayment vis-a vis their male counterparts. It is a universal phenomenon that poor women are bankable.

The main approach and conceptual basis adopted by successful grassroots level microfinance institutions in designing products and service delivery, are outlined below:

## **Informal and flexible delivery mechanisms**

Self-employed women workers are caught in the vicious circle of poverty, of indebtedness, assetlessness, and low-income levels. A possible solution to free these women from this vicious circle was by directly linking them with the nationalised banks. But the formal sector institutions were unable to meet the financial needs of women workers adequately for a number of reasons. These included complicated forms, which were largely inaccessible to illiterate women, need for high level of collateral to get credit etc. Since the formal FIs failed to meet the needs of women workers, the MFIs came forward with informal delivery mechanisms for loans, savings and insurance which helps these women in coming out of this cycle.

## **Process of Capitalisation**

When a woman joins a micro finance programme, it also gears up the process of capitalisation in her life. The moment she starts saving, she builds up an asset over the period of time, which ultimately helps her in either starting up a new enterprise or upgrading her existing one, or to meet future consumption expenditures. Most Microfinance Institutions have "Capital formation" of their clients, as a basis for their activities. The case histories of Nanuben, an old-cloth trader and Chanchiben, an agricultural labourer, also describe this process.

As in the case of Nanuben and Chanchiben, see box, microfinance needs to be linked to women's individual economic activities. Specifically, interventions have to be undertaken to ensure that the backward and forward linkages are in place to support women's economic activities.

For example, SEWA organised vendors like Nanuben into their own union. One of the major issues they faced was harassment by the local authorities including the police. The latter often accused them of selling stolen goods and demanded to see receipts and proof of purchase of their old clothes. Many a time their old clothes were confiscated and the vendors themselves were arrested on false pretexts. Or they were evicted

**Nanuben**, is an old clothes vendor. She and her husband grew papayas on their family's land. But they couldn't make a living, and so with Rs. 7 (US \$ 0.06) they arrived in Ahmedabad city twenty-five years ago. Nanuben was a keen business-woman. She borrowed some money from her parents and started an old clothes business and began to save. Then her aunt told her about the Self-Employed Women's Association (SEWA) and its cooperative Bank, SEWA Bank. She opened her own bank account and deposited her savings in it. Soon she took her first loan of Rs 500 (US \$ 11) and never looked back. Nanuben has now taken twenty loans – the last eight have been for Rs 25,000 apiece. Her net worth is now Rs 500,000 or US \$ 10,867.

from the markets as they are considered a 'traffic obstruction' and "nuisance". All of this cuts into Nanuben's and other women's incomes and business. These and other issues have to be addressed so that she can work and earn in peace. And so that her business can develop and flourish.

Similarly, Chanchiben got a new buffalo. But her earnings were actually enhanced when SEWA organised her and other village women into their own milk cooperative. They were then linked – up to the district dairy federation, which arranged for daily milk collection from Chanchiben's village. The women got daily payments per litre of milk based on fat content. Meanwhile, the marketing was handled by the district's milk producers' federation freeing the village women from the private traders and merchants who paid low rates per litre of milk and often doubled up as moneylenders, keeping women in poverty.

Chanchiben is an agricultural labourer. She has no land. She lives in Vichchiya village of Ahmedabad district. Chanchiben joined SEWA and her village savings group and saved regularly. Her balance in SEWA Bank swelled. She took a collateral free loan of Rs 5000 or US \$ 109 towards buying a buffalo. From her earnings she paid off her loan and repaired her house. Then she took another loan and built herself a new house and stable for her buffalo. Now she has a steady income and is not solely dependent on work in the landlord's fields

It has been experienced that women workers can successfully run collective income generation activities through SHGs and Co-operatives. In Madhubani district of Bihar where an NGO, Adithi began to address fisheries as a collective asset – owning income generation activity, especially for the mallahins, the traditional fisher women of North Bihar. As with other Adithi programmes, the goal is to improve women's livelihoods.

Riyam Mahila Audhyogik Sahyag Samiti with 42 members was registered as women's fisheries co-operative in Jhanjharpur block of Madhubani district. A pond was allotted to the Riyam co-operative society by the DDC. This was the first time in Bihar that a fisherwomen's group obtained access to a pond. The first installment of rent, Rs.4000 was paid with assistance from Mahila Haat Rural –Bihar in January 1998. Subsequently the balance of rent of Rs.8500 was paid by earnings from makhana and old fish. These earnings also paid for jeera (fish-seed). Then new nets, earthwork embankment building and bunding (by members and husbands through voluntary labour), inlet and outlet pipes – each one of these was a mini struggle. All 42 members were enabled to learn technical aspects of fish culture.

Later on, the Riyam Co-operative Society had Manisar pond allotted to it for ten years, enabling long-term returns on the initial investment required. The society also obtained a bank loan of Rs.42000, with a subsidy of Rs.21000 from the FFDA; the loan of Rs.21000 has now been completely repaid. Rent of pond payments is upto date.



Nari Nidhi (Adithi's rural women's credit programme) provided loans to the fisherwomen for small businesses for buying and selling fish, or for chunam business etc.

This was to provide on immediate cash income to the members for fulfilling their basic needs since they would get an income from they would get an income from the Manisar pond only after few years. There was 100 per cent repayment, then a larger loan was given over the past three years, the 36 members (6 were expelled for anti-society activities) have each received fish cash worth more than Rs.1280. In addition to this they obtain from 5 Kg to 10 Kgs of fish per day on around 7 days in the week. income have risen, so has the self confidence of the women. What becomes clear, therefore, was that women traditional fisherwomen can run a fisheries co-operative society, can pay the pond rent and repay loans, with appropriate support (Srinivasan, 1994)

Seeing the impact of Riyam Co-operative, several such fisherwomen DW CRA groups were formed in the district. Now, it is providing viable employment opportunities to several fisherwomen of the area. It is seen that formation of such co-operatives and groups help women in getting work on regular basis where the sense of ownership increase their income due to low cost of operation and organised business planning.

Many such movements as mentioned in the box above movement have resulted in the household level capitalisation of poor women workers, and has helped many families come out of poverty. Their lives have changed. There has been leadership building, capacity building and understanding of financial management among women and local communities who are barely familiar with the written word. These grass roots-level women have developed their own village-level savings and credit groups, their mini-banks, their district level organisations and even their own full-fledged co-operative banks like SEWA Bank. These experiences are not to restricted in India. Describing the Bangladesh experiences with microfinance, Naila Kabeer writes:

"Access to loans in their own name has indeed helped to lessen the bleakness of the trade off that many of the women have had to make in the past between valued dimensions of their well-being. Access to credit has allowed women-as well as men – to meet survival goals and put their livelihoods on a more secure basis, without compromising their dignity and sense of self worth" (Kabeer, 1998).

#### **Women Workers Need to Provide for Planned, Unplanned and Productive Expenditures during their lifetime:**

Women Workers, especially those in the informal sector-have been largely bypassed by the formal banking institutions. However, they are economically active, and have distinct expenditure patterns, depending upon their trade or work, their family situation and their socio economic conditions.

Micro finance institutions rely on an intimate knowledge of their client's expenditure patterns, in order to develop appropriate products and services. As they are grassroots level institutions working directly with women workers (who are their clients), they have a clear idea of both the variety of financial needs of their client group as well as ways to meet that need.

At the same time they need to save money for their old age security as they are hardly covered under any pension or Provident Fund Schemes. Thus, women express the demand for a range of savings products for old age, children's education, weddings, festivals and other purposes. Equally, they demand a variety of savings collection mechanisms: at their homes or place of work; some preferred daily collection, some weekly, whilst others monthly.

Some of the emergencies or shocks that women face like illness and natural disasters were mentioned earlier. Providing integrated **insurance services** along with savings and credit ensures that women can withstand risks and crises. In particular, women need coverage for life, widowhood, accident, hospitalisation, maternity and natural and human disasters like riots. Survey by many MFIs show that poor women workers spend up to 70 per cent of their total monthly income on illness (of the family), especially during the monsoon months.

Another important requirement of women workers is of **Productive or Business Expenditure** which is generally met by loans, as they need to purchase assets to start up their enterprise as well as to expand it. In both these circumstances, it is learnt that women linked with some micro finance services have been able to perform better. A study of SEWA Bank's clients and non-clients shows: The first and most obvious anticipated impact is on micro enterprise revenue. All the micro enterprises that clients operate are expected to earn more revenue, and to increase that revenue more rapidly, than those operated by non-clients. This and other enterprise – level impacts are expected to be evident not only in the clients principal enterprise, or the one for which she borrowed, but also in other micro enterprises within the household.

At the same time the transactional relationships of the enterprise will improve. That is. The enterprise will improve its ability to buy productive inputs in the most advantageous markets and, similarly, will be able to sell its products on the better terms (Chen and Snodgrass, 2000).

Women workers require capital to build or renovate their house, which is in case of Home-based workers their house, is their work place and in case of vegetable vendors etc. it helps them in storing their goods. Thus, a good house is essential for them. Similarly, they need money to upgrade their toilets, drainage etc.

In other words, the success of micro finance in meeting the financial needs of women workers, may be directly attributed to the fact that it considers the life cycle needs need to be addressed through appropriate, tailor-made financial products, including savings, credit and insurance.

## **MICROFINANCE, WOMEN WORKERS AND SOCIAL PROTECTION:**

The need for social protection – health care, childcare, insurance and shelter – emerged strongly from the women workers day-to-day experiences. Given the multiple risks and vulnerabilities of poor entrepreneurs, this issue can't be emphasized enough. Too often it has been observed how a woman emerging from poverty has slipped back due to heavy expenditure on, and hence debt, due to sickness, or when her last loan installment for her house was paid to any MFI and then her house was destroyed in a fire.

Further, how can a woman equipped with a loan develop her business if she has nowhere to leave her baby or young child? Various studies show that incomes increase by over fifty percent when child care is provided to working women.

Millions of poor workers, especially those working in the self employed or informal sector, in the world are caught in the vicious cycle of poverty. In spite of their hard work, they remain poor, vulnerable, assetless, indebted and trapped in the continuous process of decapitalisation. Lack of access to capital is a very major constraint for the poor.

Lack of access to suitable formal financial services; compel them to depend on informal financial sources, which are exploitative. These poor as customers of formal FIs have gone through series of problems, which needs to be discussed before we move to the success of MFIs:

- **Transaction costs of borrowing are high.** The study shows these to be in the range of 17 to 22 per cent of the loan amount for commercial bank loans. If, in addition, the wage loss due to time spent in getting the loan is accounted for, the transaction costs are even higher. The effective rate of interest works out to 26 to 38 per cent, depending upon the loan period, if transaction costs are taken into account.
- **Transaction costs for using the savings facilities are also high,** if wage loss for the time taken to go to the bank is taken into account. Based on the survey, this cost is estimated at about 15 per cent of the average monthly savings assuming that the savings account is operated once a month.
- There are persistent complaints regarding **inadequacy of the loan amount, rigidity of the terms and the lack of timeliness of formal credit.** These factors, along with high transaction costs, negate the effects of low interest rates.
- **The extent of credit to specially disadvantaged groups such as the landless, artisans and women is very limited.** For example, only 2.7 per cent of the rural credit in 1992 went to artisans and village industries. While similar statistics are not available for women, the study of sample of branches of the commercial banks showed that only 10 per cent of the borrowers were women (accounting for 9 per cent of loan amounts advanced). The landless and women also have a major

access disadvantage since they are unable to offer land as collateral (Mahajan and Ramola, 1996).

***Credit from Rfls is not easily available, despite the network expansion.*** Borrowers under IRDP were given loan only once (sometime twice) since these programmes were initiated in the seventies. The only exception to this is crop loans provided by Primary Agricultural Co-operatives (PACs) in the better run states.

Poor women workers need suitable institutional frameworks, which provide them financial services suitable to them by devising appropriate mechanisms. e.g. they often need small finances in stages, without being able to any collateral. They need door-to-door service, simple procedures and other such mechanisms.

There are experiences all over the world that show that when such efforts are made by micro-finance institutions, NGOs or formal sector financial institutions, poor have responded positively by borrowing at market rates and repaying regularly, saving their hard earned incomes and contributing toward other services like insurance.

These efforts of providing financial services to the poor have brought significant results in improving the living conditions of the poor, building their capital and assets, increasing their income and productivity.

#### **Main Features of Microfinance Institutions:**

##### **1. Suitable Mechanisms:**

Poor, illiterate women need operational mechanisms suitable to them like:

- (a) Simple procedures.
- (b) Door to door services.
- (c) Collateral-less lending which means instead of collateral based finance, loans based on financial performance should be given. It could be based on savings performance or loan repayment performance.
- (d) Extension work linked with training and other technical services, which include operational as well as financial management training.
- (e) Since the majority of any MFI clients are illiterate, various banking procedures have to be adapted to their needs like using thumb impression, photographs, helping them in filling forms etc.

##### **2. Continuous Personal Contact with Members:**

Through identified leaders and organizers, continuous personal contact in the field is maintained with the members.

### **3. Integrated Financial Services:**

A woman needs different types of financial services throughout her life like savings schemes for marriage of children, education of children or for old age, credit for repaying old debts, working capital for business, buying equipment's, repairing, extending or buying new house and insurance to cover risks such as sickness, accident, death, flood and cyclone.

In order to meet these life cycle needs, different types of suitable products under four categories of financial services i.e. Savings, Credit, Insurance and Financial Counselling as it has been designed by SEWA Bank, a leading MFI especially for women.

### **MICROFINANCE AND WOMEN WORKERS – NATIONAL SCENARIO:**

#### **Emerging Microfinance Institutions In India:**

With the increasing demand for financial services among the poor, over the years MFIs have evolved systems that allow for the poor to receive credit supply. Now, provision of credit and other services is reaching a critical size forcing NGO- MFIs to take new forms and establish new linkages.

These new MFIs can be broadly divided into three categories on the basis of the legal form adopted by them:

1. Not for Profit MFIs such as societies registered under Societies Registration Act, 1860 or similar States Acts; Public Trusts registered under the Public Trust Act, 1882, and section 25 companies of the Companies Act, 1956;
2. Mutual Benefit MFIs include co-operative societies Act of the respective state or the Multi- State Co-operative Act, 1984; Mutual Benefit Trusts or Nidhis under Section 620 of the Companies Act, 1956; and
3. For profit MFIs that includes NBFCs registered under the Company Act, 1956 (Mahajan et al 2000).

Following these legal form, MFIs have adopted different working models of which the most prominent are:

#### **The NBFC Model or the Banker's model: SHARE, Hyderabad :**

- Predominantly a microfinance institution catering exclusively to the credit
- Needs of the poor.
- Developed out of the Grameen Bank operation guidelines.
- "Development" i.e. rise in social indicators is not the main objective of this

- Type of organisation. It believes that arising from regular income generation, all other "development" e.g. child education, fall in fertility, increase in life expectancy, health awareness etc. will eventually follow.
- Very strong on accounting and loan delivery systems.
- High staff accountability/mechanical systems.
- Rigid staff structure-very corporate in its approach and style of functioning.
- Financial viability and self – sufficiency are the prime objectives of this type of organisations.

### **COMMUNITY BASED FINANCIAL INSTITUTIONS (CBFIS) :**

Three types of CBFIs have been identified. These may be described as:

- a) Evolving CBFIs
- b) Reluctant CBFIs
- c) Mainstream CBFIs

#### **a) Evolving CBFIs: SPMS, Tirupati and SEWA (Banaskantha Federation)**

- Play an intermediary role only, of linking up the grassroots level informal sector borrowers with mainstream financial institutions.
- Mobilise substantial savings from their members as well as borrowings from external institutions, to meet the credit needs of the community.
- Leave loan decision making and all other decision regarding the running of the Federation to its members.
- Aim is to capacity build and provide skills/management training, so that the federation members can eventually become independent, and directly with MFIs.
- Staff only plays a maintenance role. Federation members make all executive decisions, through their representatives.
- Peer pressure is important in achieving high loan repayment rates.
- As the staff in such CBFIs models are not responsible for the day-to day management of activities at the group level, funds required for both their remuneration and travel costs are kept to a minimum. Thus, the administration costs of the organisation are relatively low.

#### **b) Reluctant CBFIs: PWDS, Martandam**



- Believe that they are primarily a development agency, not a financial one. Yet, access to credit is important, for clients.
- Equally, feels it is very difficult to raise the level of (usually) illiterate, economically backward members, to a high standard, so that they may efficiently interact with Financial Institutions directly.

**c) Mainstream CBFIs: SEWA Bank, Ahmedabad**

- Created in response to demand from the women members of SEWA, for a bank of their own. This need arose as the primarily poor women members of SEWA faced many practical difficulties when they tried to deal directly with the mainstream nationalised banks, for savings and credit.
- As the need for SEWA Bank was articulated by the community itself, it was the community that contributed share capital of Rs.10 each from 4,000 women, to register SEWA Bank. Thus SEWA Bank is community owned and community governed (by a 13 member Board of Directors, elected by the community).
- The role of professional staff of SEWA Bank is to execute the instructions of its Board of Governors.
- SEWA Bank has a number of highly qualified professional staff- who have the skills to ensure that the Bank is a viable financial institution. Infact, SEWA Bank has been consistently given 'A' grade by its auditors, and has a relatively higher rate of repayment rate than commercial banks. However, all policy decisions are finally taken by the Board of Directors, following informational input from the professional staff.
- As SEWA Bank's primary source of funding comes from the savings of its own members, it's not dependent on any Mainstream Financial Institutions for re-financing of loans.
- Being a CBFi, formed to service the needs of a particular sector, i.e. predominantly urban, self-employed women workers, SEWA Bank utilises appropriate service delivery mechanisms such as collecting daily savings from their clients' places of business, providing each woman with a photocard instead of bank passbook, allowing for small amounts to be deposited into special saving schemes, adopting to crisis situations, providing regular training to its depositors on banking procedures etc.

## **Traditional NGO model/ Community Organisers model : ASA, Trichy and SIDA, Koovapally**

- Happy to play the role of a financial intermediary in order to access credit for its clients, along with other, substantial development work.
- Have a host of other “developmental” activities, besides providing access to housing/income generation loans. These include, education, health, awareness, building, watershed management, environmental concerns etc.
- Do not aspire to make members self-sufficient and therefore be able to directly deal with FIs in future.
- Have fairly strong, professional accounting system.
- Staff plays a key role.

The above analysis has illustrated the diversity in systems and ideologies that are being followed by microfinance practitioners in India today. Despite have a variety of delivery mechanisms, peer pressure can be identified as a common and single most important factor in ensuring prompt repayment.

### **THE TASK FORCE ON MICROFINANCE REGULATION:**

The increase in the number of NGO-MFIs, which borrow funds for on lending and possess loan portfolios of more than a million Indian Rupees, has posed the challenge of establishing a framework signaling the stability of the market and the provision of service. Hence a National Task Force on Supportive Policy and Regulatory Framework for Microfinance (NABARD, 1999) (Task Force), was established which closely examined four main issues relating to (I) the mainstreaming of NGOs and other emerging institutions; (ii) the regulation and supervision of these bodies; (III) organisational features and (iv) requirements to increase capacity for growth and service.

The Task Force came out with a working definition of Microfinance as “ provision of thrift, credit and other financial services and products of very small amount to the poor in rural, semi- urban or urban areas for enabling them to raise their income levels and improve living standards”.The emphasis of support under microfinance is on the poor in ‘pre-microenterprise’ stage for building up their capacities to handle larger resources.No specific limit for ‘small’ amount of financial services is envisaged (Recommendations of the Task Force on Supportive Policy and regulatory Framework for Microfinance,NABARD,1999)

Thus Microfinance is a set of financial services, which mostly includes savings and credit, and often encompasses other services like insurance,directed to ultimately benefit the disadvantaged.This is often services,which include motivating and organising the poor, extending financial training,helping them build backward and forward linkages as well as with other support institutions.

## **LESSONS LEARNT:**

### **Poor Women can Save:**

Poor women have a basic instinct for saving. They can and do save, if motivated and facilitated.

### **Poor do Repay Loans:**

Majority of the poor, particularly women, is economically active. They are involved in multiple economic activities, they have short period business cycles with high rates of return, and can and do repay loans, provided their repaying capacity is assessed properly.

### **Poor do Pay Market Rates of Interest:**

When poor borrow from informal financial sources, they pay much higher interest rates than the prevailing market rate in the country. They do and are ready to pay the market rate of interest.

### **Banking with the Poor can be Financially Viable:**

There is a large population unserved by the existing formal banking sector. This population is economically active, needs banking services and is ready to save, borrow, repay, contribute charges towards services and pay market rates of interest. Banking with this unserved population is a viable proposition.

### **Poor Need Suitable Delivery Mechanisms:**

What poor really need is suitable mechanisms for financial service delivery, like:

- **Door to Door Services:**

Since majority of the work done by these women is labour intensive, the presence of the worker is required at her the place of business and she is unable to go to bank for depositing money otherwise she will lose her income for that period. Also, it will be very uneconomical for them to spend money on transportation, because of the small amount of their transactions. Hence, they need services at their doorsteps.

- **Simple Procedure:**

Majority of the poor is illiterate and does not understand complicated procedures. They need simple procedures like short loan application forms.

- **Need For Assistance in Operations:**

There is a need for extra assistance in filling up forms and guiding them to the right place.

- **Matching of Collection Schedule with Cash Flow:**

Urban poor get small amounts frequently. Rural poor get lump sums in the agricultural seasons. Their cash-flow depend on the type of activity they are involved in. Cash collection systems of the bank should be matched with the cash flow of its clients.

**Continuous Contact is the Key for Success:**

Small transactions, vulnerable conditions and frequent problems are main features of poor people's lives. There is a need for holding their hands throughout their life, continuous contact with them help organisations to understand them and help providers of financial services to get better results and design appropriate products and mechanisms.

**Need for Continuous Capacity Building:**

Poor, illiterate women do not have knowledge and information about various services, products and procedures of service providing institutes. They need to be informed and educated about all the services, products and procedures to be followed. Poor women can run and manage their own microfinance institutions and businesses. Sustained, appropriate capacity building inputs in financial services, management and leadership skills, however are essential if these institutions are to thrive and grow. When we develop tailor-made training and exposure programmes, women learn very fast, regardless of literacy levels. They can fix the lending rates, pegged at the market price, ensuring both their own organisation's economic viability, while being much lower than the money lender's rate, which is the only other alternative available to women like themselves. It is a constant process of enhancing people's strengths and adding on new skills and knowledge. Sometimes it is quite a rapid process, other times much patience and persistence is required. But there is no short cut to the challenging task of building people's capacities and helping them realize their own potential.

**Need for Financial Counseling:**

Poor have neither learnt financial planning in their schools, nor seen their parents doing it. They are normally used to living on a day-to-day basis and lack the skills of planning for the future. But, when explained and taught about financial planning they respond very positively. There is a need for a financial counseling service, catered for them.

**Need for Integrated Financial Services:**

Looking at the life cycle needs of the poor, they need four types of financial services: saving, credit, insurance and financial counselling. Savings services for the events, which they can plan, providing integrated insurance services along with savings and credit ensures that women can withstand risks and crises. In particular, women need coverage for life widowhood, accident, hospitalisation, maternity and natural and human disasters like riots. Credit, for business needs and counselling for planning ahead.

### **Women's Ownership of the Organisation is Crucial: (Stake in the business)**

When the poor own the organisation, they feel more responsible towards it. They are able to decide their own policies and procedures and share the profits and losses of the organisation. Ownership makes them more responsible towards the organisation.

### **Regulated Financial Institutions vis-a-vis Unregulated Financial Institutions:**

Controls, regulations and inspections often help institutions to improve efficiency and procedures, which ultimately leads to the growth of the organisation.

### **Need for Integrated Approach:**

The informal sector poor are very vulnerable, especially women. They need a suitable environment and integrated support to come out of vulnerability and poverty. Other support services like health care, childcare, marketing support, capacity building, legal aid, policy interventions, and backward and forward linkages are required for achieving the overall objectives of poverty alleviation and empowerment of the poor.

### **Recommendations:**

The major recommendations can be divided into following broad categories.

#### **1. Mainstreaming of MFIs and other MF Structures**

- **SHG-BANK linkage programme – Scaling up –**

SHG-bank linkage programme is gaining increasing acceptance among NGOs and bankers. Continuation of the linkage programme to cover atleast on third of the rural poor population by the year 2008 through one million SHGs, as envisioned by NABARD, is a logical extension to the budget announcements of the government of India for linkage of 2,00,000 SHGs by the year 2002-03.

As the intermediations of SHGs as a sub system of the Co-operatives could be useful both for the revival of the Co-operatives and increased support to the poor, state government may take the steps for framing or amending the Co-operative societies Acts and rules to provide for the enrollment and financing of SHGs by PACS and DCCBs.

- **Operational Issues:**

RBI needs to issue clear guidelines with regard to waiving of IT-PAN and minimum balances to be maintained by the SHGs to emphasise the distinct nature of such SB accounts. Specified proofs like ration card and minimum balances even for opening of saving bank account are sum of the multifarious operational problems faced by NGOs and SHGs.

- **SHGs and Government Sponsored Programmes:**

Microfinance needs to be directed towards self-reliance of women's sustainability. Any kind of government intervention with subsidised loan based poverty alleviation programme is likely to kill the SHGs movement. The repayment under SHGs and federations is more than 90% loans on time in contrast to less than 35% of repayments under IRDP. The recent version of IRDP, Swarnajayanti Gram Swarajgar Yojna (SGSY) a new credit linked poverty alleviation program which envisages bulk of the subsidy and credit to flow through SHGs of below poverty line (BPL) The provisions of SGSY scheme need to be reconsidered otherwise government officials would repeat the experiences of IRDP, in hurry to meet the "projections" on targets.

It needs to be appreciated that the present SHG movement envisages development through empowerment and not subsidies. SHGs help poor women to become entrepreneur where they are owners and Managers of own resources.

- **Non Credit Financial Services:**

The importance various financial services like savings and insurance within microfinance is well recognised. Coverage of the social security fund set up by GOI could be extended to cover all women workers linked with microfinance program irrespective of occupational categorization.

- **Capacity Building Needs:**

The support mechanism for scaling up the SHG-bank linkage programme and other microfinance program needs to be cover capacity building at the levels of DFIs, banks, governments, NGOs, MFIs and SHGs, infrastructure support to MFIs and banks, and costs for promotion and nurturing of SHGs. poor women can run and manage their own microfinance institutions and businesses. Sustained, appropriate capacity building inputs in financial services, management and leadership skills however are essential if these institutions are to thrive and grow.

## 2. Linking Micro finance to Livelihoods:

Microfinance must necessarily be linked to livelihood and employment promotion. As in the case of Nanuben, Chanchiben and others, mentioned earlier, microfinance needs to be linked to women's individual or group economic activities. Specifically, interventions have to be undertaken to ensure that the backward and forward linkages are in place to support women's economic activities.



### **3. Organisation – Building:**

The poor must be organised into their own membership-based, democratically functioning organisations. Without their own organisation or institution, poor women entrepreneurs cannot stand firm in the marketplace. They need the solid backing of an organisation that will help them in their struggle against unscrupulous traders, middlemen, money-lenders and sometimes their own men-folk, and to towards their goal of self reliance through viable businesses. Individually, they just cannot make it. Further, collectively they become a visible force and their voices begin to be heard even at the highest policy making levels. All across India, women have built their own microfinance and other organisations. There is ample evidence that these burgeoning people's organisations led and managed by local people, especially women, are the engines for social change.

### **4. National Policy For Microfinance:**

Microfinance is a useful tool in building the capacities of the poor women workers in management of sustainable self - employment activities besides credit, and insurance.

The national policy on microfinance should emphasis on encouraging initiatives and participation of different type of institutions working with women workers, bringing the microfinance activities, irrespective of the type of institutions involved, within the regulation and supervision by competent authorities, creating policy environment for closer linkages of the MF sector with the formal banking channels, and making available equity, start-up capital and capacity building funds for the existing and prospective institutions engaged in microfinance.

## **CONCLUSION**

Poor women the world over has proved that they are bankable and competent financial managers. Compared to earlier years, there is both a greater understanding and appreciation of microfinance and its potential as a means to help families fight against poverty. But there is still a need to go deeper into how mainstream financial institutions, especially commercial banks, can be involved in microfinance.

In our country, despite some positive strides, there is still a tendency towards providing subsidies to the poor, causing gross market distortions. Also, where national agencies provide bulk funds to be on lent through microfinance agencies to the poor, there is a tendency to prescribe terms and conditions, which are neither user friendly to sustainability nor to the poor. These terms include unrealistic caps on interest spread, inflexible utilisation norms and long bureaucratic delays due to procedural bottlenecks. This threatens the strong self-help group movement in microfinance.

In any case, MFIs will take time to reach the scale and outreach of the mainstream banks. It is important to get the mainstream banks to treat the poor as an alternative business line and as an important market segment.

Finally, policy-makers have to recognise the important role of the informal sector in national economics. And it is in this sector that the microfinance movement is strong and growing. Despite their significant contribution, people in this sector, predominantly women, remain poor. In the world of work, the overlap between women, informality and poverty is very clear. And it is these women who have proved to be regular savers and very credit-worthy.

Thus if we want to eliminate poverty by raising incomes through financial services and employment promotion, we must recognise the informal economy and strengthen the millions who eke out a living in this sector.

Over and over again, and in country after country, we have seen that the poor, especially women, are ready to develop and take advantage of microfinance. They want quality services and a favourable policy environment, not subsidies and charity. And they need to build their own MFIs and people's organisations, which take care of their life cycle needs, are non-corrupt and appropriate to their needs and economic pace. Today they not only want financial services but also want to run these themselves. Let us support their efforts.

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## **Early Childhood Care and Development in India: Policy Perspectives**

**By Rekha Wazir & Nico van Oudenhoven**

### **1. What is Early Childhood Development?**

In its simplest definition, Early Childhood Care and Development (ECCD) is the process children go through from conception until the age of 6-8 years old, moving from simple to complex physical, physiological and behavioural patterns. It is the process during which they learn to cope with increasingly complex forms of thinking, feeling, relating to others and moving. ECCD encompasses three inter-linked notions: survival, growth and development. Survival is literally about life or death. Growth relates to changes in size and quantity: children grow taller, they speak more words and their brains grow. Development refers to changes in functions and complexity: children learn new skills, emotions and behavioural patterns, and their brains increasingly differentiate.

ECCD has a sociological and developmental dimension as well as it is during this period that the foundation is laid for a full realisation of the human potentialities of the child over its lifetime, also within a social context. It is thus a vital input into the forging of human capabilities and thus forms one crucial factor in influencing life paths and outcomes, given the other social and economic constraints within which the individual has to function. But in all circumstances, ECCD contributes positively to the development of the individual as a future citizen capable of full participation in society.

#### **An evolving concept**

Within the context of human development discussions, child survival had long been the sole focus of attention in assessing the situation of children. Although understandable, this narrow approach had major flaws, as it neglected the importance of nutrition and psychosocial stimulation, not only for children's survival but also for their overall healthy development. In order to thrive, children not only need to be free from disease and illness, but also require adequate food and an environment that corresponds to the level of development of their psychological faculties such as emotions, cognition and social skills. Simultaneous attention has to be given to these three components; if any one of them is lacking, the child will immediately fall behind'. In the ultimate analysis, life is not just about the absence of hunger or disease; children have to relate to others, to internalise values, to develop empathy, to sustain their interest in life, to acquire skills, to learn and to feel needed.

There is yet another way in which the concept of ECCD has evolved. It has moved beyond the domains of paediatrics, child nutrition, pedagogy, and child psychology - disciplines that

traditionally concerned themselves with the young child. It is now also used to point to the whole range of activities that promote the care, socialisation and education of children - be they in the home, in the community or in centres or schools. ECCD is also gaining an additional connotation, if not a completely separate interpretation, in the world of policy makers, development organisations and donors. For them, ECCD is a policy tool, an area for intervention and programme development and may contain components such as child rights, parent education, maternal health, community development, training of caregivers and even income generating activities and organisational capacity building.<sup>2</sup> These different approaches are necessary means to create the right conditions for sustainable child development. The advantage of taking this wide interpretation is that it recognises the embeddedness of ECCD in larger societal structures and acknowledges that it cannot develop in isolation. The disadvantage is that these additional activities can become ends in themselves and end up having little to do with children.

Early childhood starts at birth and continues till the age of 6-8, depending on when the child enters school. Children under 8 are usually divided into three age groups: 0-3, 3-5, and 5-6/8 year olds. The peri-natal period, which starts before conception and ends with the birth of the child, is also worthy of special attention as it has important consequences for the coming child. Each period calls for its own specific set of interventions and responses and each context sets its own conditions.

- **Peri-natal period**

It is now customary to extend the period before the birth of the child before conception to include aspects of the society, culture and economy into which the child is born. These will predetermine the future of the child to some extent. For instance, the prevalence of gender bias in a society will influence attitudes and values towards girl children within the family and determine not only their wellbeing but also their very survival. The likelihood of girl children falling prey to sex selective foeticide, infanticide and neglect is high in these systems. A child-friendly society is an altogether different environment for a child to be born into. Future mothers are likely to be mentally and physically prepared to start a family and this task is usually shared with the father. Further, the policy scenario facilitates the healthy development of children by putting in place a range of provisions targeting families and working mothers.

The health, nutrition, education and status of the mother will also have a bearing on the future of the child, as will the family's access to health services, safe water, housing and employment. A malnourished mother is likely to give birth to a low birth weight child. With a literate mother, children will be better nourished, more likely to go to school and attain higher levels, and live in families with fewer siblings who are also better spaced. It is obvious, then, that the impact of this period for the child's life prospects cannot be underplayed.

- **Zero to three**

The most important characteristic of children aged 0-3 is that they are dependent on others for all their needs and require constant supervision. All that children of this age group need to thrive is 'an average, good environment' and most parents know how to provide this environment for their children. It is only when the parents themselves live under severe stress caused, for example by poverty, isolation, discrimination, psychological distress, or ill health, that the situation of children becomes critical. Children of these parents may not receive sufficient psychosocial stimulation, their access to nutritious food may be limited, they may not receive the required batch of immunisations, and they may be locked up with a slightly older sibling who takes care of them during large tracts of the day.

Children in this age group are also notoriously hard to reach by intervention programmes. They are usually hidden within family structures, they are not mobile and are hence dependent on others for accessing services, and the majority of services are not geared to dealing with the needs of this age group. Globally speaking, this group of children is vastly under-served.

- **Three to five**

World-wide, the group of 3-5 year olds receive more attention and an increasing number of them take part in kindergartens, play groups or other out of home activities. These children are more difficult to keep at home and the demand for safe places consequently gets stronger. Non-parental childcare for this group is not always associated with maternal employment. Families with middle to high incomes use nursery and pre-school facilities as a means of preparing their children for school and for giving them an opportunity for interacting with other children. At this age, developmental defects or problems become more visible and may get more attention from specialists, as it becomes easier for medical care and growth monitoring services to reach them.

- **Five to Six/eight**

These trends apply in stronger measure to the 5-6/8 year olds. By this age, children are largely formed and the contours of their personality and physical make up are clearly visible. Although children will remain malleable for many years to come, it is widely accepted that this early period is crucial for the future of the individual. The care and interaction provided at an early age has a determining impact on the child's growth and development.

In most countries children six years and above are moving into primary school and moving out of ECCD. For the first time in their lives strangers assume direct responsibility for their education. During this period of transition it is crucial that children



stay in school, make progress and do not drop out. Experience shows that this transition takes place most effectively when ECCD and the formal education system co-operate. As a result of the Education for All (EFA) initiative<sup>3</sup>, many nations have become conscious of the importance of ECCD and have opted to extend their primary school facilities downwards to include 5 year olds. ECCD enables young children to move more smoothly through the first years of school and to adopt a more learning-oriented attitude.

Eight is usually the cut-off point for ECCD as children of 8 years and above can reasonably fend for themselves. Unfortunate confirmation of this is provided by the fact that by this age many children are obliged to run away, start a life on the streets, or earn a living. At this early age, many cease to be 'children' as they are forced to lead adult lives.

### **Demystifying ECCD**

The term ECCD is often used to describe services for pre-school age children in group settings outside the home, be it in a crèche, kindergarten, day care centre or nursery. These are usually initiatives started by professionals and are formal in structure. By their very nature, such programmes are seldom available universally and are, in principle, open only to those who can access them or afford them. Such an approach only serves to mystify the whole issue of the care and education of young children as something special that needs the input of professionals. It can have the unpleasant consequence of excluding those children who are the most vulnerable or most 'at risk'. The professionalisation of ECCD can also result in disempowering parents whose role as the prime educators of their children is devalued and discouraging community initiatives.

It is important to remember that not all childcare and education takes place in institutional settings outside the home. From the beginning of time, children have been looked after at home by mothers or older relatives. Informal arrangements outside the home have also always existed as effective and low-cost alternatives. There is nothing intrinsically inferior about the quality of care provided to children in these settings. As stated earlier, all that children need to thrive is 'an average, good environment', regardless of the specificity of this environment. This requires that children are safe, get proper health care, are fed, can play and interact regularly with at least one reliable adult. If these conditions are met, children will in the main develop quite normally.

However, many parents are not in a position to provide this 'average' environment to their children. Outside intervention is then required to support and supplement the parents' efforts. This can take various forms: it may consist of providing safe care for children, supplementing food at the pre-school, home visiting by a nurse or a community worker, starting up an

income generation scheme, or even creating a bus link to the nearest town. It could also include initiatives such as setting up parents groups or delivering training to mothers to empower and educate them to take care of their children.

### **Children's Agency**

Perhaps the most important discovery in the field of child psychology in the late Twentieth Century has been that children are actively involved in shaping their own development right from the day that they are born. This implies that the role of children's agency should be reassessed in the debate on ECCD. They should be seen as active, experimenting, and creative shapers of their own lives. Children of ten days old are already capable of imitating facial expressions and through that of modelling the behaviour of their caregivers. A well-known experiment by Brazelton (1982) shows how strong this grip of children is on their parents. In the so-called 'still-face' situation parents are instructed to keep their faces motionless when looking at their own two-week old child for only a few minutes. The child, not expecting this, becomes rapidly uncomfortable. More telling, though, is that few parents can keep their faces still for the required time: they succumb to the pressure of their child.

When children are older, the strength of their 'self-generated' learning capacity grows and with this the quality of the signals they give out. Children are capable of analysing complex and fairly adult situations, and of finding adequate solutions. They can literally 'cry for help' and get the attention that they need. However, when children experience continuous and severe stress the signals that they give out may be confusing, making it difficult to respond to them. This is obvious, for example, in children who suffer from long-term malnutrition. Instead of protesting or otherwise attracting the attention they require, they do everything to conserve energy. They sit quietly in a corner, do not disturb the group and may even be described as 'sweet'. Outside ECCD interventions become important in this context. Artificial means such as 'growth charts' or other devices have to be introduced to diagnose the problem and respond meaningfully to it.

Gamble and Zigler (1986) give some clues about what may happen to the psychological make-up of children who have been exposed to excessive hardship. They argue that intelligence is the most robust of the subsystems that children employ in their social, emotional and intellectual functioning. Children's cognitive skills are likely to remain intact for a long time even when things are rough for them. However, personality, motivation and attitudes are far more easily corrupted. Children who have suffered a great deal may lose hope, self-confidence and self-respect. Children with damaged images of themselves are not likely to do well.

## **2. The Importance of ECCD**

The early months and years are crucial for the future of the individual. However, this important period of a child's life can also be a source of peril. Survival is still a problem in

some parts of the world, and many infants who survive the first years of life continue to be at risk of delayed and debilitated development. Long-term exposure to risk factors such as poverty, inadequate child care, illness, poor nutrition, family stress and unstimulating environments damage the growth and development of children, affect their sense of wellbeing, compromise their future, and even lead to death. The reverse also holds: children who are raised in stimulating and healthy environments usually thrive. It is obvious that the quality of care, interaction and education provided during this period – whether by parents or outside the home – has an impact on the growth and development of the child. It also has consequences for the family and the society into which the child is born.

- **Benefits to children**

The importance of the early years for **the child's physical, mental, emotional and social development** is well established. Children need a warm, responsive and stimulating environment in order to develop their faculties to the fullest. This can be provided by parents or outside the home by caregivers and pre-school teachers. The early childhood years are a critical period for the development of the brain. While it is possible to make up for some of the deficits suffered by young children in later life, the foundation laid during this period will have a lasting effect on their intellectual capacity, personality and social behaviour as adults.

A link has also been made between early childhood interventions and **school readiness**. International research confirms that attendance in pre-school programmes is associated with a smooth transition to school and improved performance. Here again, children from disadvantaged groups benefit more than children from advantaged backgrounds. However, an interesting finding that this research shows up is that these advantages taper off after some time (Boocock:1995). It is obvious, then, that while ECCD programmes can help to narrow the educational gap for children from low-income families, they cannot compensate for the deficits of the school system and the environment.

Early intervention programmes are also associated with **longer-term benefits to children** in the form of lower teenage pregnancy rates, higher employment, lower criminal behaviour and reduced delinquency. The High/Scope Perry Preschool Study, which followed two groups of African-American children from the age of 3/4 to 27, confirms these findings.<sup>4</sup> At age 27, the children who had attended the programme had significantly higher monthly earnings, house ownership, and schooling, significantly lower uptake of social services and fewer arrests compared to the control group who received no pre-school programme.

- **Benefits to families**

The availability of early childhood programmes – if they offer full-day childcare – can **facilitate the entry of mothers into employment**. More women now have to and wish to work in developed and developing countries. This is not just for personal fulfilment and to maintain lifestyles but more importantly to ensure the wellbeing and survival of their families. Women's participation in the labour force is on the increase, as is their entry in the informal sector that is typically low paying and exploitative.<sup>5</sup> Other social trends such as breakdown of traditional extended family support systems, growing urbanisation and migration, and the rise in the numbers of female-headed households are also global phenomena that are on the increase. These trends make the provision of affordable, convenient and safe childcare services a priority area for working women and sometimes a crucial factor in their ability to participate in income-generating activities.<sup>6</sup>

Early childhood programmes can make an important contribution to **releasing siblings from childcare responsibilities and allowing them to attend school**. Where suitable arrangements for childcare are not available, children may be left in the care of older siblings – generally girls - who are frequently little more than children themselves. The quality of care provided in such arrangements is at best inadequate, and likely to have a detrimental effect on the healthy development of children. It has the added disadvantage of depriving the older children of educational and developmental opportunities.

Children's participation in ECCD programmes is also associated with an **alleviation of maternal stress** and a **general increase in family well being**. This is true not only for women who are in paid employment, but also for rural women who have to spend a considerable part of their day gathering fuel, fodder and water. When children are looked after women are less anxious and more productive. Other family members also experience a reduction in stress.

- **Benefits to communities/society**

Early interventions, especially when these combine health education and nutritional supplements with cognitive and psychosocial stimulation, **can mitigate some of the worst effects of poverty** and help to break the inter-generational transmission of poverty. Poverty has a profound impact on all aspects of a child's life, from survival to access to health, nutrition, clean water, sanitation, safety and education. Poverty is not just an aspect of the developing world. Pockets of deprivation exist in the developed world as well. In the United States, 17 percent of children are growing up in households that find it hard to meet their nutritional needs (UNICEF:2001). Studies from around the world show that the benefits of these programmes are greatest for low-income families (Boocock:1995). The compensatory benefits of such programmes are a key factor in

the demand for providing increased access to ECCD services to low income families in the United States.

Children's participation in ECCD programmes can be empowering for mothers and indeed for the whole family as it **creates new networks, links people together and helps families to break out of their isolation**. It can also encourage community action, for example when a new centre has to be built or upgraded, when parents have to assist caregivers, or when they are involved in making toys for their children.

The benefits of ECCD programmes extend to the community as well. They can be an important **source of employment generation and a good training ground for poor women**. Participation in an ECCD programme is often the first step in career development for para-professional workers who learn new skills and discover their own potential by accepting new tasks and responsibilities. In general, people working in ECCD see their social and employment skills grow. One of the striking outcomes of these programmes is, indeed, the upward social mobility and empowerment of its workers.

### **Some Cautionary Remarks**

*First*, there is a growing trend, spearheaded by organisations like the World Bank, to justify investments in ECCD especially in terms of cost-benefit calculations, cost savings and economic outcomes. It is argued that ECCD leads to increased employment and economic productivity in later life. Although the search for long-term effects of early childhood education is legitimate, it carries with it the inherent danger of looking at children only as future adults and, in particular, as economic performers. The well being, needs and aspirations of children in their own right can be easily overlooked.

Children's right to receive care and to develop to their full potential is best embodied in the Convention on the Rights of the Child (CRC) which sets out the principles regarding children's basic needs as well as the roles and responsibilities of parents, communities and the state towards children. Perhaps the most important contribution of the CRC is that it recognises children as intrinsically important, regardless of their future status, and regardless of the economic returns to investing in their welfare. Children have the right to receive care, even when it cannot be 'proved' that this care will be translated in positive outcomes later on in their lives.



## **Convention on the Rights of the Child**

### **Article 6**

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- 1. States Parties recognise that every child has the inherent right to life.**
- 2. States Parties shall ensure to the maximum extent possible the survival and development of the child.**

### **Article 18**

- 1. States parties shall use their best efforts to ensure recognition of the principle that both parents have common responsibilities for the upbringing and development of the child. Parents or, as the case may be, legal guardians, have the primary responsibility for the upbringing and development of the child. The best interests of the child will be their basic concern.**
- 2. For the purpose of guaranteeing and promoting the rights set forth in the present Convention, State Parties shall render appropriate assistance to parents and legal guardians in the performance of their child-rearing responsibilities and shall ensure the development of institutions, facilities and services for the care of children.**
- 3. States Parties shall take all appropriate measures to ensure that children of working parents have the right to benefit from child-care services and facilities for which they are eligible.**

**Source: United Nations (1989)**

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*Second*, the claim that ECCD programmes can be a force for creating equity in society should be treated with caution. If the provision of early childhood care and education is not universal nor of equal effectiveness, children may be set on a track early in life which leads them away rather than towards equality. In most countries, early education facilities reflect the inequalities inherent in that society and carry the stereotypes and biases present in society against girls, specific socio-economic, ethnic, religious or language groups, or the physically and mentally handicapped.

*Third*, a recurring issue in the discussion on ECCD interventions deals with the quality of the services being delivered. Research into brain development – originating mainly in the United States - has further fuelled this search for quality. It is claimed that only high-quality care will succeed in promoting healthy development in children. 'High-quality' is defined as the use of highly trained, well-motivated, and well-paid teachers or caregivers. It also entails the use of a scientifically tested curriculum and a rich variety of educational and other stimulation materials. There is also a stress on staffing ratios, as well as good physical structures that are fully appointed to cater to the needs of children, staff and visitors.



'Quality' childcare is yet another issue that needs to be demystified. There is no global consensus on what constitutes quality nor is there any agreement on the indicators that should be used to assess it. Some countries stress that the provision should be child-centred and appropriate to the level of the child's development. In other cultures free play is rejected and there is a strong focus on academic achievement, making the pre-school a downward extension of the formal school. International comparative studies show that low child to staff ratios are not always associated with superior outcomes. Expectations of what ECCD should achieve also vary dramatically. Should the emphasis be on cognitive development and school achievement or on the development of social skills and group living? Is ECCD merely a compensatory intervention designed to reduce inequalities in society?

Perhaps the most damaging aspect of the discussion on 'high quality' is that it devalues the significance of other approaches that are equally effective. There is evidence to show that exposure to some form of ECCD provision – provided it is not of poor quality – matters more than the particular model or curriculum that is followed (Boocock:1995). Experience from developing countries shows clearly that low cost, community based initiatives can have a positive impact on child development indicators. It is possible to develop a variety of initiatives that are aimed at normalising conditions for children 'at risk' by ensuring that they are safe, get proper health care and nutrition, play, interact with children and adults and receive some affection. This can be done without necessarily meeting the standards of 'high quality'.

High quality provision cannot reach scale dimensions in situations where a large proportion of the population is 'at risk'. When such interventions are introduced as for example by NGOs, they soon become 'white elephants', depleting all available resources, and unable to sustain themselves without external support and funding. Another issue that needs to be discussed is the imposition of minimum standards. Enforcing minimum standards is tenable only when it is accompanied by the means to attain them. Without such provision, it leads to facilities closing down or going underground. A more effective approach might be to provide training to care givers. Training is almost universally welcomed and usually leads automatically to the introduction of higher standards. It may be argued, especially in the context of developing countries, that it is more appropriate to shift the discussion to identifying 'thresholds of quality' or, levels below which children's development is compromised and above which developmental gains occur.<sup>7</sup> In other words, shift the debate from "more is better" to "how much is good enough".

### **3. ECCD in the Indian Context<sup>8</sup>**

This section provides a profile of ECCD in India. All available indicators show that the early years continue to be a hazardous period for the Indian child. Despite improvements on all fronts, children are still falling behind on all crucial indicators of development and the gains that have been made only serve to mask the increase in absolute numbers of children experiencing human misery.

## Children survival and development

Table 1 provides data on the three crucial components that make up a child's development – health, nutrition and psychosocial development. According to latest estimates, India has an under five mortality rate (U5MR) of 98, ranking it 49 in descending order out of 187 countries. Other Asian countries such as Maldives are ranked 55, China 87, Thailand 101, and Sri Lanka 135 with U5MRs of 83, 41, 30, and 19 respectively. The infant mortality rate shows a similar picture – 70 out of a thousand children born live die within the first year of life. The percentage of one-year-olds fully immunised against tuberculosis is 72 percent, against polio is 69 percent and against measles only 55 percent.

Over a third of Indian infants are born with low birth weight and a staggering 53 percent of children under five are malnourished, while 18 percent suffer from wasting and 52 percent from stunting. In terms of absolute numbers, 73 million (or 40 percent) of the world's total of 190 million malnourished children live in India (Gupta et al.:2000). Even Sub-Saharan Africa performs better as a region with corresponding figures for malnutrition at 31 percent, wasting at 10 percent, and stunting at 37 percent. The nutrition figures alone should give cause for alarm as they clearly show that a sizeable proportion of the child population starts life on a weak foundation. UNICEF calls this the 'silent emergency'.

It is estimated that nearly 35 million children in the 6-10 age group are still out of school and this figure rises to 75 million (33.5 million boys and 41.9 million girls) if one extends the age group to 14 (Sudarshan:2000). Dropout rates are also high. Only 52 percent of primary school entrants make it to class 5.

To the extent that maternal health and parents' education, particularly maternal education, have an impact on early childhood indicators, the data reveal a grim picture. The percentage of pregnant women suffering from anaemia in India is 88 (Haq & Haq:1998) and every year 410 out of 100,000 women die of pregnancy related causes. Here again, a comparison with other Asian countries is illustrative. The corresponding figures for maternal mortality for China, Sri Lanka and Thailand are 55, 60, and 44. Adult literacy also leaves much to be desired: only 44 percent of Indian women as against 71 percent of men are literate. Corresponding male and female adult literacy rates for China are 91 and 77, for Sri Lanka 92 and 88, and Thailand 92 and 83. The higher literacy rates in these countries account partly for their better performance on all ECCD indicators.

**Table 1****Early Childhood Development Indicators**

<b>Indicator</b>	<b>India</b>	<b>South Asia</b>	<b>World</b>
Infant Mortality Rate	70	74	57
Under 5 Mortality Rate	98	104	82
Percentage of infants with low birth weight	33	31	16
Percentage of under-fives suffering from moderate and severe underweight	53	49	28
Percentage of under-fives suffering from wasting	18	17	10
Percentage of under-fives suffering from stunting	52	48	32
Net Primary school enrolment ratio (female)	64	64	79
Net Primary school enrolment ratio (male)	78	78	85
Percentage of primary school entrants reaching grade 5	52	54	75

Source: UNICEF (2001).

The importance of maternal education for children's health and survival is clearly demonstrated by state-wise data from within the country as well (Shariff:1990). The general trend is for states with low female literacy levels to have a high IMR. Not surprisingly, Kerala, which has the highest female literacy rate (70.8 percent), also has the lowest IMR of 39. The all India IMR for the corresponding year is 126. Conversely, the low female literacy rates of 12 and 13.9 percent in Rajasthan and Uttar Pradesh are reflected in the above average IMRs of 129 and 167.

Data on labour force participation – of adults and children – add yet another dimension to the profile of ECCD in India. In 1997, 28.9 percent of women were employed in the formal work force, representing a decrease from 30.5 percent in 1980 (ILO:1998). Structural adjustment programmes and the ensuing recession and unemployment within the organised sector have led to an increase in self-employment and informal sector activities. In fact this sector accounts for 92 percent of total employment in India (Unni:1998). Unfortunately, national data on women in the informal sector are not available but their participation in these activities is likely to be high.

With respect to the environment into which the Indian child is born, 35 percent of the population lives in poverty. This is exacerbated by the fact that 15 percent of the population does not have access to health services, 37 percent to safe water and 71 percent to adequate sanitation. Only 34 percent of births are attended by a trained health personnel (Haq & Haq:1998).

### **Existing Provision: Some Concerns**

The Indian Constitution does not make any reference to ECCD and consequently there are no constitutional or legal directives making it the total responsibility of the government. However, the Constitution does guarantee certain fundamental rights to all citizens, and this includes children. The main policy pronouncement of the government in this direction is the National Policy for Children (1974) which led to the formation of the National Children's Board. This remains the main statement although ECCD issues have found reference in other related areas like education and women's development. The Integrated Child Development Services (ICDS) is the government's main intervention effort for pre-school children and mothers from disadvantaged communities. Other smaller initiatives also exist but ICDS is the showcase programme reaching out to 4.8 million expectant mothers and 22.9 million children under the age of six (UNICEF/2001). In addition, the voluntary sector is also active in providing a range of services to children and families, but their efforts are limited in scale. Instead of providing an overview of existing childcare policies and provision, the discussion in this section will focus on raising some key issues that emerge from a review of the ECCD scenario in India.<sup>9</sup>

The *first* and most obvious point to be made is that there is no comprehensive policy on ECCD. The rhetoric about the importance of children as valuable human resources and the responsibility of the state for their wellbeing in various policy documents such as the National Policy for Children (1974) has not yet been reflected in budgetary provision, policies or programmes. So far, policy development in the area of ECCD has been piecemeal and has not dealt with children's issues in a holistic manner. What is more damaging is that there is no coherence between the various policies and programmes of the government, with the result that some interventions that are supposedly aimed at improving the situation of children may actually end up harming them. A few examples follow.

The Non-Formal Education Programme is a key element in the government's strategy for reaching literacy targets. Rather than making a sizeable proportion of the child population literate, this programme has in fact served to perpetuate the problems associated with non-enrolment in the education system. It has kept children away from formal schools and has legitimised child labour. To the extent that many of these working children are employed in full time sibling care, it has also jeopardised the healthy development of the children who are left in their care. The lack of a clear vision on children is even more apparent in the Child-to-Child Programme that is aimed at strengthening the skills of children to look after their younger siblings.<sup>10</sup> One could say that by implementing such a programme the government actually confers its blessings on sibling care without assessing if this is in the best interests of children. The Maternity Benefits Scheme provides yet another example of contradictory policies. The move to restrict maternity benefits to the first two children is being proposed as an instrument of population reduction, with obvious consequences for poor children (Chhachhi:1998).

*Second*, the coverage of existing state-sponsored programmes is extremely limited and does not reach even a fraction of the children in this age group. Kaul (1992) estimates that only 12 percent of children in the age group 0-6 take part in some form of early childcare programme. This number – approximately 6,224,000 children – while impressive in itself, is only the tip of the iceberg. In addition, such provision as exists caters largely to the 3-6 age group. The younger, and more vulnerable 0-3 group is largely untouched.

Given the high levels of poverty in the country and the need for poor women to participate in the labour force, particularly in the informal sector, one wonders how the remaining 82 percent of children are cared for. It is reasonable to assume that they are taken care of in tenuous informal arrangements, left in the care of siblings little more than children themselves, and in extreme circumstances taken to the workplace or even left unattended. In the context of the United States, these makeshift arrangements are sometimes succinctly referred to as the 'childcare underground'.

It is not just the coverage of crèches and day-care programmes that is limited. The poor performance of the country on several early childhood and maternal indicators points to the failure of a wide range of programmes aimed at health, nutrition and welfare to reach poor families and those most in need.

*Third*, the number of children whose needs are not met by existing ECCD policy and provision should also include those children – a large majority of them girls - who are involved in sibling care. These children are often categorised under the inaccurate label of 'nowhere children' in the literature – children who are not enrolled in school and not registered as child labour. The so-called 'nowhere children' make up approximately 35 percent of all children in their age group and the representation of girls is high. Far from being 'nowhere' these children are engaged in a wide variety of tasks, including childcare, that release adult labour. The non-availability of alternative childcare arrangements takes away the basic rights of two groups of children - with negative consequences for the healthy growth, development and education of both.

*Fourth*, the childcare needs of the country have changed dramatically from what they were even a generation ago. There is an increase in the absolute as well as relative number of children requiring some form of non-parental childcare. The assumption that young children are taken care of in traditional family arrangements no longer holds true. These have broken down because of changes in family structure, the breakdown of the traditional three generational family, increasing migration and urbanisation, and the need to travel further afield in search of work. The number of women forced to seek employment outside the house has also increased. This is a new scenario facing policy makers requiring new responses.



*Fifth*, the absence of directives regarding ECCD in the Constitution has become a convenient excuse for the state to abnegate its responsibilities to the young child. The failure of successive governments to deliver the constitutional guarantee of "free and compulsory education for all children until they complete the age of fourteen years" is often quoted as the reason why the state cannot take on the additional burden of providing for pre-school children. However, the Indian government is a signatory to the CRC and has agreed, in principle, to taking a rights based approach to ECCD. Advocates of ECCD should use this as the starting point for pressing the government to develop concrete policies and action.

*Sixth*, there is an undue focus on ICDS programme, at the cost of other initiatives. Although, an evaluation of the quality and effectiveness of ICDS is outside the scope of this paper, it might be useful to make a few observations on the design of the programme. ICDS is not programmed to cater to the needs of working women as it provides services mainly for the 3-6 age groups and even these are available for only 3-4 hours per day when most mothers are at work and cannot access these services. These drawbacks have to be seen against the fact that ICDS absorbs the major bulk of the budget allocated by the government for mother and child services.

*Finally*, it is important to point to the sharp differentials that mark the situation of young children in the country. Gender bias is one aspect of this disadvantage. It pervades all aspects of life and colours the life chances of the girl child. The cycle of disadvantage starts before birth and continues through childhood to motherhood and the eventual perpetuation of disadvantage. It is reflected in the inferior health and educational status of women, the high maternal mortality rate, the neglect of the girl child, the declining sex ratio, lower enrolment in school and subsequent higher participation in the child labour force. But this is not the only aspect of disadvantage. Sharp disparities in ECCD indicators are also visible between different socio-economic groups and urban and rural areas. As in the formal education system, here as well a two-track system operates with the commercial private sector catering to the needs of the upper classes and inadequate provision for the rest.

#### **4. Policy Perspectives**

India's children continue to be marginalised and denied access to their basic right to survival, health, nutrition, safety and education. The dimensions of the problem make this an urgent situation requiring immediate attention. And yet, this sense of urgency is not reflected in government programmes and policies. In the words of S. Anandalakshmy (1997:34), "The State does not assume responsibility for all children born; the children of the very poor can be described as the orphans of the State, though voluntary organisations do sometimes adopt them or provide for certain aspects of their development." However, the scale of the problem is such that voluntary efforts alone will not result in tangible outcomes for the country's children.



Concerned individuals, professionals, researchers and voluntary organisations, most notably the Forum for Crèche and Child Care Services (FORCES), have drawn attention to different aspects of ECCD. They have also made detailed policy recommendations focusing on specific aspects such as maternity benefits, regulations about breastfeeding, and the needs of women in the unorganised sector.<sup>11</sup> Instead of focusing on specific issues, the discussion in this section will be restricted to general principles that can be used to guide policy formulation.

### **A Comprehensive Policy on Children**

*There is a need for a comprehensive, all encompassing policy statement on children that is based on the notion of children's rights. The CRC provides a good legal framework for developing such a policy.*

A comprehensive policy statement on children would form the starting point for the formulation of meaningful ECCD policies and programmes. Without such a vision to guide policy makers, legislation is bound to remain patchy and unsatisfactory. This statement should be based on the notion of children's rights, as spelt out in the CRC, which provides the most ethical and morally defensible argument for investing in children. The statement should be comprehensive in the sense that it should apply to all aspects of child welfare and to all children. In addition to curative measures, it should also focus on preventative aspects that are largely ignored in the debate.

This would require taking a wide interpretation of children's needs and rights, starting with the perinatal period. It is well established that the health, nutrition and educational status of the mother as well as the environment into which the child is born have a crucial impact on the healthy development of children. It follows, for example, that it would be more efficient and cost effective to tackle health deficiencies in the mother-to-be, rather than wait for her to have an underweight child and then try to cure the problem. Changing the environment, especially in terms of changing societal attitudes to children would have to be an integral aspect of this policy vision. Given the gendered nature of disadvantage, special attention would have to be given to the needs of women and girl children.

#### **Policy review in Namibia**

The government of Namibia established an Inter Ministerial Task Force in 1994 to delineate a National Early Childhood Development Policy that would direct address the needs of young children and their families. The aim was to provide a comprehensive picture of the situation of young children and the status of existing ECCD provision. It also defined the parameters of national development priorities; a national ECCD policy framework; and the respective roles of government, Churches, non-governmental organisations, the private sector and parents in the provision of ECCD.

The policy vision should also look at the 'whole child' and not compartmentalise issues into boxes mirroring administrative concerns or ministry departments. Children grow up holistically – meaning that many inter-linked processes – physical, emotional, social,

intellectual, spiritual or cultural – take place at the same time and require simultaneous attention. It would require looking at all children and specifying what is needed for their healthy growth and development. Policies to tackle the needs of specific groups such as children of construction workers, rural children or those with HIV/AIDS would follow from this framework. It would also entail an exploration of all children's issues. Many of these such as physical and sexual abuse, child labour, family violence, and gender/ethnic discrimination are largely ignored in the discussion on ECCD. Yet these problems are fairly widespread and they will damage the wellbeing and future prospects of many young children. It is only when all these issues are confronted that it becomes possible to speak about the healthy growth and development of children.

This vision should also spell out the intersecting needs of women and children. This would help to make a distinction between areas where there is an overlap of interests and those where there is a contradiction. For example, breastfeeding is one area that benefits the mother and the child. So does the mother's access to employment, but if sibling care is used to release the mother for work it takes away the carer's right to getting an education. A clear statement on these matters would help to remove some of the contradictions that exist at the policy level at present. To take a few examples, the government's commitment to universalising education is negated by its condoning of child labour. Similarly, it promotes breastfeeding but changes maternity benefit laws in a way that it is impossible for working mothers to breastfeed their children. In the same vein, reductions in maternity benefit are used as the instrument of population reduction, at the cost of women's and children's welfare.

Finally, a policy vision on children will be meaningful only when it is backed up with adequate resources. The fact that ECCD is not a priority area for the government is evident from the meagre resources that are allocated to this sector. It is important to bear in mind that the investments in ECCD benefit not just the children and families concerned, but all of society. The returns are also more than economic: they help to lay the foundation for the subsequent development of citizenship and enhancement of human capabilities.

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#### **Financing home-based community day care in Colombia**

The best known example of a designated ECCD fund comes from Colombia. The government collects a 3 percent payroll tax for this purpose from public and private companies with more than fifty employees or with sufficient capital to qualify as enterprises. This fund is administered by the Colombian Institute for Family Welfare (ICBF) which runs a nation-wide programme of *hogares familiares* or day-care homes for children under six. This programme meets the care, developmental and nutritional needs of children.

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## Using multiple strategies

*A variety of strategies are required to meet the varied needs of different groups. No unitary, centrally controlled childcare scheme or programme can provide a solution for these varied scenarios.*

Given the diversity of needs, a variety of approaches will be required to meet the ECCD requirements of the entire population. For example, the needs of mothers selling vegetables in a market will not be the same as those of factory or construction workers. In the same way, families living in remote rural communities will need to be supported in different ways from those living in urban slums. The needs of caregivers will also vary. Mothers looking after their children at home would need information about pregnancy, breastfeeding, healthy nutritional practices, and the value of early stimulation while community workers running a day care centre require training in child development and growth monitoring. An altogether different approach is required when the carers are themselves children. Their right to education and to healthy development would take priority. No unitary, centrally controlled childcare scheme or programme can provide a solution for these varied scenarios.

### **Meeting the ECCD needs of market wome in Ghana**

The Accra Market Women's Association developed a childcare programme that would keep their children safe while they conducted business. The Accra City Council provided funds while the Department of Social Welfare, Ministry of Health and Ministry of Water an Sewage collaborated in refurbishing an oil building near the market. Infants are provided full day care and a meal and mothers are encouraged to come to the centre to breast-feed them.

Evans et al. (2000)

### **Distance education for young children in Ecuador**

The *Juguemos al Teatro* is a unique interactive radio programme for children between three and six years old implemented by Education. Development Centre - and NGO working in the Andean region. Children are encouraged to take part in active learning, critical thinking and emotional development through role play activities. The aim is to reinforce learning that takes place in formal, nonformal and informal settings. A separate section is included for their caregivers in the family and in formal facilities. This successful experience is now being used in Bolivia, South Africa, Nepal and Colombia.

Evans et al. (2000)

The NGO sector in India is a good source of innovative, effective and low-cost ECCD approaches. In addition, creative responses are also developed by families that live outside the ambit of governmental or centralised services. While small in scale, they nevertheless offer a wealth of approaches that could be successfully incorporated into the practice of the mainstream government sector. The government should recognize, encourage, and support innovation and diversity in ECCD and incorporate this in its formal ECCD policies.

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## **Building on community initiatives in the Philippines**

As part of the National Early Childhood Development Programme in the Philippines, small grants are made available to researchers to study ECCD initiatives in marginalised communities. The intention is to bring this practice to the fore and to build on it in order to provide improved ECCD services to these communities. The researchers are also encouraged to publish their findings so as to further validate these community approaches.

Government of the Philippines, Department of Social Welfare and Development.

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### ***Promotion and validation of low-cost community based approaches***

*Special efforts should be made to identify, describe and investigate low-cost, community-based ECCD approaches, analyse their impact on the overall development of children, and validate and legitimise them accordingly.*

Community based ECCD initiatives offer the most promising approach to meeting the needs of children and families at risk. The most innovative and promising community interventions are those that respond to the reality at the grass roots level, involve all the stakeholders including the parents and the community, and have strong informal networks. They also draw on local practice and assets. Some of them are completely informal with all the costs borne by the parents or the communities, others are more formal and supported by NGOs, local or central authorities; many others are placed between these poles. In fact, all possible combinations are possible. Many of these interventions are effective and low cost and, therefore, ideally suited for the specific situation they have been designed for. They empower women, parents and the community by allowing them to come together to take responsibility for their children's lives and by providing for local people. Finally, they appear to stand a better chance of sustainability than externally imposed 'models'.

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### **Two models of community based child care**

#### **Nepal**

The *praveshdwar* home based childcare programme of the Government of Nepal has been developed as an integral part of the Production Credit for Rural Women project. It caters to children in the 0-3 age group and is run by the mothers themselves. Mothers form themselves into groups of six, take turns to look after the children in their own homes, and provide meals. A basic kit of materials is provided to each group. Training is provided to the mothers on-site and lasts for four days. During this time, fathers are taught to make toys from readily available materials. The programme has improved the care provided to children and it has freed the mothers for other activities. By working co-operatively over a period of time the mothers have learnt group management skills and increased their sense of group responsibility.

## **Ecuador**

The Community Home programme is located in the squatter settlements of Guayaquil city and is operated by UNICEF and the Government of Ecuador. It provides care for children of working mothers in homes in the community, in this case the home of a female neighbour who has been trained as a childcare worker. Generally fifteen children in the age group 3 months to six years stay at the home for between eight and nine hours a day, five days a week. The care-giving mothers, as they are called, are selected by the community, they must have experience of raising children, have adequate space in their house, and be able to read and write. They are provided training by the project. The parents make a small contribution towards the running of this programme, but this forms a small percentage of their income and is low in comparison to privately run services.

Leonard & Landers (????)

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### **Recognising the needs of ECCD care workers**

The emphasis on volunteerism in the delivery of government sponsored ECCD programmes needs to be questioned. Wages, conditions of work, training and accreditation of ECCD care workers need consideration at the policy level.

A range of workers – health care personnel, preschool teachers, crèche attendants, parent educators, trainers - are involved in the delivery of ECCD programmes run by the government and by NGOs. Given their pivotal role in making these programmes successful, responding to their needs should become the cornerstone of the government's social policy. The essential needs that have been identified are adequate compensation, improved working conditions, access to training and accreditation, and finally an appreciation of their inputs into ECCD.

The emphasis on volunteerism, particularly in government sponsored ECCD programmes, is out of proportion to the importance of the work that is entrusted to them. Childcare workers have a low status, are poorly paid and get little or no recognition, yet, they are expected to be resourceful, motivated and loving. It is usually forgotten that in addition to their work, they have to run their own households and carry other burdens as well. Especially in large-scale and centrally run programmes like the ICDS, they are exposed to a constant barrage of rules and directives, with professional programme staff largely concerned with control, inspection and meeting targets. The flow of information is largely one way, from top to bottom and care workers are lowest in the elaborate hierarchy. In general, there is little appreciation or recognition of what they have to offer.

Pleas for better working conditions run into the familiar argument that financial means are not available. However, a close scrutiny of the budget would inexorably show that lack of interest, rather than a total lack of resources is the root cause for under-funding and the poor attention



given to the needs of ECCD care workers.

NGO initiatives, particularly in developing community based ECCD programmes, show that working in this sector can be an empowering experience for poor women. It is a source of income, but more importantly, an opportunity to receive training, develop managerial skills, and improve their standing within the community. Access to training programmes benefits the workers and results in good outcomes for the children and families in their charge. Good quality training is important in developing commitment among the workers, and goes a long way towards mitigating some of the negative effects of the poor physical and institutional environments in which children at risk live. It is a key element in the delivery of programmes that go beyond custodial care and instead provide high quality services. It should be noted, however, that in the NGO sector as well, the wages paid to childcare workers are not always commensurate with the task entrusted to them.

### **Making society child friendly**

*Any policy directed at children should first address the way society treats its children in general. This would include a review of the broader measures that are required to tackle societal attitudes to women.*

What are the socio-cultural norms regarding children? What value does society put on children? How does it protect their rights? Are boys and girls treated equally? What obligations do parents, families and communities have? How and where does the responsibility of the State come in? And most importantly, to what extent are individuals inclined to accept that what their own children deserve, applies to other children as well. Are they motivated to apply the same principles to children who are not part of the same social group, or who live far away? Do they feel that children of other ethnic groups, from poorer families, or from 'lower' social backgrounds should have more modest needs and fewer entitlements?

#### **Involving fathers**

*Initiative Papa* is a programme implemented by the Ministry of Education in Peru to reinforce the important role fathers play in raising children. Since its inception in 1998, this programme has involved men and teenagers in evaluating rigid gender roles and challenging them. Besides learning concrete facts about child development, they also confront long-held beliefs about the traditional roles of fathers and mothers as well as expectations of sons and daughters. Challenging *machismo* has proved to be an uphill struggle but well worth the effort in terms of the benefits to the children and to the family.

UNICEF (2001)

The concept of childhood and the need to protect children from cruelty and harm is a 20<sup>th</sup> century construct. Before that, beating, child labour, confinement, and food deprivation were considered to be acceptable ways by which families could discipline and train their children. These views still prevail in large parts of the developing world and India is no exception. Children continue to be treated as possessions of parents and not as individuals with rights. The situation of girl children in India deserves special mention, as they seem to suffer more



from the child unfriendliness of society. In fact, in many cases society is exceptionally friendly towards the male child at the expense of the girl child. Gender bias is prevalent in all aspects of life and is expressed in terms of differential treatment of male and female children in terms of food, health care, education, and in extreme cases female infanticide. Little wonder then that there is little recognition in society of the rights of children, particularly of girl children.

Tackling societal attitudes to children and women would have to be an essential component of any ECCD policy framework. Achieving meaningful child friendliness is inextricably tied, in the first and last analysis, to overcoming gender biases at all levels. Thus, social movements against dowry, child marriage, special pension schemes for parents of girl children, or opening up new professions to women could all be regarded as legitimate child friendly interventions operating through indirect causal chains.

In India, as in most countries, the interests of the child do not feature prominently in general policy pronouncements. They are judged in terms of their economic benefits, and of late in terms of their impact on the environment and women, but not according to their capacity to take children's interest into account. How often do politicians pause to reflect on how their decisions affect children? It would be challenging to review major undertakings such as urban development or the construction of a dam or airport with the best interests of the child in mind. The environment lobby, and increasingly gender activists would have their arguments ready, but this is not the case with children's advocates. The potential impact on children is not even considered to be an issue. And yet, it is developments such as these that often create the stressful social and economic conditions under which children and families have to live.

The question that should be raised with any policy issue is simple: what does it mean for children? If policy development in one area goes contrary to the best interests of the child, it should be questioned. One possible way to guarantee a minimum of child-friendliness would be to fix it to a standard, or a 'Child Friendliness Index'. This would reveal how each town, municipality or state treats children. It would offer information on basic services like education, safety and health and also on opportunities for participation, challenge, and assuming responsibility.

### **Carrying the debate on ECCD to new audiences**

All disciplines concerned with human development should incorporate the discussion of ECCD within their own thinking and practice. This will result in innovations in each individual discipline, as well as in ECCD.

Discussions on ECCD have traditionally takes place within the restricted group of persons or organisations that are professionally involved with the care and education of children. These are educators, child oriented NGOs and government departments of health, welfare and education. Within the UN family it is UNESCO and UNICEF that are customarily

concerned with the young child. The level of debate has not changed much in this group during the last two decades and the same rationale, policy and programme directives are repeated and rehashed with hardly any new thinking entering the discussion. In the last decade other major donor agencies such as the World Bank, Asian Development Bank and the Inter American Bank have designated ECCD as a major area for intervention. This new focus has had an immediate effect on the situation on the ground in that many ECCD structures have been reinforced and new ones established. Perhaps, more significantly, it has also added a new dimension to the thinking on ECCD. The economic benefits of investing in young children have been explored and now form an integral part of the justification for investing in ECCD.

Moving the debate on ECCD to an ever-wider audience could enhance this process even further. Prime candidates here would be professionals and groups concerned with issues such as women's employment, globalisation, macroeconomic policies, urban development, and pollution, to name a few. In short, the very process of social change could be looked at through its impact on children. This interaction would be a two-way process leading no doubt to new insights and innovations in both fields.

Another way of elevating the debate to a higher order would be to explore social issues that are largely ignored or under taboo. Illustrations of these are child abuse - particularly sexual abuse, domestic violence, gender selection, child prostitution, and transmission of HIV/AIDS to new-borns. ECCD policies and practice have largely managed to skirt around these unpleasant but important issues. It is evident that children who are sexually and physically abused, witness domestic violence, are not welcome because they are girls, are traded into prostitution, or start working at the age of five will not grow into healthy and mature adults. Yet, most of these forms of violence against children take place during the early years and are widespread. No discussion on ECCD can be complete without incorporating a full exploration of all the problems children face.

#### **Children and macroeconomics**

The Child Rights Information Network (CRIN) has started to explore the largely unexamined relationship between children's rights and macroeconomics with the aim of making children more visible in economic policy making. Most economic policies are not child-neutral and some can even be labelled child hostile. This analysis should help to illustrate the relationship between specific economic policies and children's welfare and lead eventually to more child friendly legislation.

CRIN is a membership-based network of over 10.000 child rights organisations around the world.

*CRIN Newsletter, November 13, 2000.*

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## **Designing a Model for Social Protection Bidi Welfare Boards**

**By Dr. Vijay Kumar and Ms Smita Ghatate**

### **Introduction**

In India, the welfare funds have been one possible model of reaching social security to workers in the unorganised sector. There are various models of the welfare funds at present of which the most prominent are the Kerala Funds at the State level and the Beedi Welfare Fund at the Central level (also Mine workers Funds). These funds have been operating for over 25 years and are reaching more than 4 million workers.

However, the welfare funds as they operate now have a number of shortcomings and it would be difficult to use the structure of these funds as they exist now to suggest a model for extension to unorganised sector in general. On the other hand the long experience of these funds in reaching the unorganised sector workers would give real pointers of what works and what needs to be changed. In terms of policy, the most realistic way forward is to build on these varied and detailed experiences to build new models, rather than start from scratch.

### **Why Welfare Fund**

The main success of the welfare fund for the unorganised sector is that unlike other social security schemes it does not rely on the employer-employee relationship, either for collection of finances or for implementation. The welfare fund method recognizes a worker irrespective of the employer-employee relationship, i.e. in order to claim a benefit the worker does not have to prove that she has an employer. On the other hand the finances are collected at the point of generation of wealth in the sector. In the case of beedis it is collected as cess on beedis, in the case of Kerala Funds as contributions from various economic actors benefiting from sector (coir, toddy-tapping etc).

This separation of social security from the employer-employee relationship is what makes the welfare fund model a suitable model for the unorganised sector, because the welfare funds have proved in a practical way that social security can indeed be provided to a worker who cannot prove her employer.

### **Some Shortcomings**

However, the welfare funds as they now stand have a large number of shortcomings. In particular:

1. Most welfare funds have no autonomy and so cannot really respond to the emerging needs of the workers. In particular the Central funds have become merely Departments of the Government.

2. High degree of centralization of funds.
3. Amount of funds in each sector not enough to meet the needs of workers.
4. Only restricted number of benefits is covered.
5. Implementation at the ground level inefficient.

### **Proposed Study**

The proposed study will look at the working of the existing funds, identify the positive elements as well as the shortcomings and will suggest changes in order to make the fund more effective as well as a model for other funds.

The main areas of study will be :

- Making the fund autonomous
  - Financially
  - Managerially
  - In decision making (especially representation of the workers in the decision-making)
- Decentralization of the funds
- Widening the range of benefits
- Widening the financial base

The study will suggest an alternative model and will make suggestions for policy, administrative, structural and legal changes to make this work.

Since the study is to be a detailed working out of a model, it should look only at one or two funds in-depth. It would be ideal if two funds i.e. Beedi Welfare Fund and one of the Kerala Funds (which caters to women workers a majority, such as coir workers fund) could be studied. However, in case this is not possible due to lack of funds and time, the Beedi Welfare Fund should be studied.

The study will be sponsored jointly by the Social Security and Women Workers and Child Labour Group of the National Commission on Labour. A suggested two members team is :

1. Dr. S. Vijaya Kumar (Fellow, CSD, Hyderabad)
2. Ms. Smita Ghatate (Financial Expert, SEWA, Ahmedabad)

The suggested two members team will complete the study with help from Mr. Girotra Director, National Commission for the legal aspects.



## **Mechanism and Budget**

In order to study the Beedi Welfare Fund, the following mechanism was suggested.

The members of the group obtain all relevant papers and study them. There is quite a lot of material available, including a study by SSAI and a recent paper by Mr. Das, DGLW.

Members of the group meet and discuss their approach, among themselves and also with experts, including DGLW. They identify the main elements of the study.

Group presents the first draft of the report.

Group finalises the report.

In terms of budget, it is estimated that the group will require at least three days initially together in Delhi. And two days subsequently for finalization and presentation of report. Rest of the communication can be done by email.

So budget would include two trips to Delhi, i.e. 2 round trip tickets from Hyderabad, and 2 round trip tickets from Ahemadabad as well as DA for about 5 days. In addition three will be local travel, stationary, Xeroxing etc. The expenditure will have to be shared by the two Study Groups on mutual agreement.

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With the above TOR in mind a detailed study was carried out by examining and critically reviewing the Beedi Workers Welfare Fund in detailed and since there is no sufficient time the other suggested study (State Model eg. Kerala Model Welfare funds) was not taken up. Major portion of the study was drawn from dusk review followed by formal and informal focus group meetings with all stakeholders.

The following sections are the synthesised outcomes of the Study.

## SECTION – A

### 1. INTRODUCTION

Beedi manufacturing industry is one of the oldest industries in India. Though there is no atonicity of data, it is believed that tobacco's first appearance was dated back to medieval period when European Doctor as a medicen gave it to Emperor Akbar. Another version says that the Portuguese first introduced it to India during the 17<sup>th</sup> Century (Renana Jhabvala et all 2000). Apart, the back page in the history tells that the Indian Ayurvedic medical system prescribes some medicinal herbs to be administered in the form of smoke, wherein the herbs are rolled inside leaves taken from different types of trees. In this process tobacco was considered as a medicinal herb in the early days of tobacco consumption, and hence it is believed that the practice of consuming tobacco by wrapping it in tree leaves commenced for medicinal reasons.

The Bombay Gazette of 1897 gives the first official note about the beedi. It mentions that the inhabitants of Kheda and Panchmahal districts of Gujarat, used to consume tobacco in astra leaves in the form of beedis.

The act of rolling is known as making "beedi" in the Rajasthani language and many Rajasthani families had migrated to Gujarat in search of livelihood in the nineteenth century, and hence it is assumed that they gave the name "beedi" to this product made by rolling tobacco in astra leaves. During the seventeenth century consumption of tobacco was popular in Gujarat State.

At that time it was in the form of Hukkah smoking which is status symbol of privileged few. Snuff was also developed later and became popular even with womenfolk. Portable hukkah was developed in Bihar by using coconut shells and earthen chillum. However, beedis developed in Kheda and Panchmahal districts of Gujarat overtook all these methods because of its convenient shape and portableness. Initially, the inhabitants of Gujarat made beedis only for their own consumption, but the increasing popularity of beedis inspired some people to make this into a business.

The severe drought of 1899 in Gujarat forced many families to migrate in search of livelihood. Mr. Mohanlal Patel of Gomtipur in Ahemadabad district migrated to Jabalpur and as soon as he identified the potential business of beedi in that area, immediately he started beedi making business in Jabalpur by importing raw material from Ahmedabad. The success, however, came when Mr. Mohanlal and Hargovindas made the significant discovery that tendu leaves (botanical name – diospyros melanoxylon belongs to Ebinace family) found in the jungles of Jabalpur were far better than astra leaves for making beedis.

Until 1901 beedi bore no identification with brand names and trade marks. M/s Haribhai Desi of Bombay first registered their brand in 1901 and Ms. Mohanlal Hargovindas registered during 1902. Consequently during 1915 beedi manufacturing units got registered in Sagar district of Madhya Pradesh, Kerala (1920) and Gujarat (1930) States. During 1901 it was manufactured in Nizamabad district of Andhra Pradesh.

The "Swadeshi Andolan" (a civil disobedience moment to boycott foreign goods), which was started by Mahatma Gandhi during 1920, uplifted the prestige of Indian cottage industries, and in its stride, the beedi industry also received social recognition and several beedi-manufacturing units mushroomed in India (ASC 1997).

In this way the growth has taken place in beedi production and at present as per the available labour statistics, in India, Beedi manufacturing industry is providing livelihood to 44,11,275 workers (Min. of Labour 1999). Out of this total the estimated women workers are about 65.1 per cent and child labour is about 1 per cent.

Unofficial sources (eg. Trade Unions) are however, coating that there are about 7 million workers engaged in this industry. If the labour (mostly women and children) who are involved in tendu leaf collection are also taken in to account then the total work force either directly or indirectly associated with beedi manufacturing may be much more higher than the actual figures coated by the Ministry of Labour. Further, out of this total work force, ranging from 65 – 75 per cent would be below poverty line because majority are women workers who's economic fall back position is generally frail.

Though there is no proper employment regulation in beedi industry and the work force is scattered and unorganised, all the leading Trade Unions such as CITU, AITUC, INTUC, NMS, and BMS are having representation from beedi workers. Besides, very few local non-governmental organizations for instance SEWA is also organizing home based women workers in Gujarat, Madhya Pradesh and Utter Pradesh.

The State wise beedi workers population (Ref. Table No. 1) indicates that Madhya Pradesh is having highest number of workers (approximately 7,50,000); where as Tripura is having least number of workers (approximately 5,000), and offcourse the workers population depends upon the availability of raw materials and manufacturing units. States like Gujarat, Karnataka, Maharashtra, Orissa, Madhya Pradesh, Andhra Pradesh and Bihar are the major beedi tobacco and tendu leaves producers in the country. Presently India is the third largest tobacco producer in the world.

In general, beedi-rolling industry is characterized as highly labour oriented with less technology involvement. In most of the cases the beedi rolling activities carried out in the houses itself and hence the rough estimations says that out of the total workers involved in this industry, only 6 per cent are organized workers and the rest, that is 94 per cent are

unorganised home based workers. This particular advantage has given chance to the beedi manufacturers to leased out the manufacturing process to the households through the middlemen by suppling the raw materials (Tendu Patta and Beedi Tobacoo) to the middlemen which in tourn given to the households for further processing. To be specific, with this leased out mechanism the bigger manufacturers are getting advantage by marginalizing the workers and this particular issue is discussed elsewhere in this report.

At present, throughout the country there are about three hundred branded major beedi manufacturers, however, several unbranded manufacturers with small-scale establishments are also producing the product. Thus the produced product is marketed through about one million retail outlets in the country. Because of its cheaper market price and easy availability, beedi smoking is a more popular habit among the Indian countrymen. If we compare the beedi smokers with cigarette smokers, we have approximately one hundred million beedi smokers where as the cigarette smokers are about twenty million.

However, under the changing economic, social and cultural systems, the assumption is that in coming decades this industry may gradually loos its identity. This is mainly because of three reasons –

- (1) In the countryside, where the beedi smoking is widespread, especially the young generation prefers to have a cigarette in their pockets than the beedi. To their perception smoking beedi indicates the sign of low social status and this tendency might be due to the process of social mobilization occurring in rural India. The media is also playing a crucial role in popularising the small cigarette among the young Indian countrymen as well as in urban areas also.
- (2) The beedi manufacturers are themselves looking ahead for better business in the new market economy by minimising their business concentration and investment on beedi industry, and
- (3) Reducing the rate of excise duty on smaller cigarettes (60mm and below) will also have an impact on beedi industry. Over a period of time this may lead to the shutting down the beedi industry.

## **2. CENTRAL GOVERNMENT GOVERNING ACTS**

By and large, all the beedi workers were governed by certain acts/legislative protections laid down from time to time by the Central Government. Briefly they are as follows:

- Workmen's Compensation Act, 1923
- Industrial Employment (Standing Orders) Act, 1946
- Industrial Disputes Act, 1947
- Factories Act, 1948

- Minimum Wages Act, 1948
- Employees State Insurance Act, 1948
- Employees Provident Fund and Miscellaneous Provisions Act, 1952
- Maternity Benefit Act, 1961
- Beedi and Cigar Workers (Conditions of Employment) Act, 1966
- Beedi Workers Welfare Cess Act, 1976
- Beedi Workers Welfare Fund Act, 1976
- Contract Labour (Regulations & Abolitions) Act, 1970
- Inter State Migrant Workmen (Regulation of Employment & Conditions of Service) Act, 1979
- Equal Remuneration Act, 1986
- Child Labour (Prohibition & Regulation) Act, 1986

### **3. EXISTING STRUCTURE OF BEEDI WORKERS WELFARE FUND**

Soon after the independence, along with so many other industries, this particular industry also expanded and flourished in several parts of the country. Keeping the growing strength of the workers population in this industry, for the first time, as a constitutional obligation, a Welfare Fund was constituted under the Beedi Workers Welfare Fund Act, 1976 in order to facilitate the basic welfare measures for the beedi manufacturing workers and their family members. Broadly the welfare measures covered under this Act includes health, housing, education, recreation and family welfare.

To materialize the Beedi Workers Welfare Fund, cess was levied under the Beedi Workers Welfare Cess Act, 1976 and the cess was on the issue of tobacco obtained from Central Warehouse. Later on this system was modified by Beedi Workers Welfare Cess Amendment Act 1981 through which cess was levied on manufactured beedis at the rate of 10 to 50 paise per thousand beads. Gradually the cess rate was altered several times (during 1987, 1995 & 1998) keeping the escalation of welfare and maintenance costs. At present it is Rs. 2 per 1000 beads (wef. June 2000) and as per this rate of cess an expected annual income would be around Rs. 84 crores at the current level of production of beads and the exemptions of Central Excise Duty and Cess (ref - Notification No. 33/82 – GE, dated 28.2.1982 and amended by 78/86 and 35/87).

The collected cess amount deposited in to the accounts of Consolidated Fund of India and based on the estimated requirements the amount will be sanctioned to the concerned Welfare Commission rates. This estimation has to be subjected to the approval of Parliament and this fund is considered under non-plan expenditure.

In general, the organization and administration of this fund is the primary responsibility of the Ministry of Labour. The Labour Welfare Organization of this ministry is shouldering the responsibility of administering this fund at all India level, majorly in 14 States/Union Territories and for the administrative purpose the entire country was divided and grouped in to nine regions.

Each region is having a headquarters and the geographical distribution of these regions is as follows –

<b>Headquarters</b>	<b>States/Union Territories comes under the region</b>
Allahabad	Uttar Pradesh, Himachal Pradesh, Jammu & Kashmir, Punjab and N.C.T of Delhi
Bangalore	Karnataka, Kerala and Lakshadweep Islands
Bhilwara	Rajasthan, Gujarat and Haryana
Hyderabad	Andhra Pradesh, Tamil Nadu, Pondicherry and Andaman & Nicobar Islands
Bhubaneswar	Orissa
Jabalpur	Madhya Pradesh
Karma	Bihar
Nagpur	Maharashtra, Goa, Daman & Diu and Dadra & Nagar Haveli
Calcutta	Assam, Arunachal Pradesh, Meghalaya, Nagaland, Manipur, Tripura, Mizoram, West Bengal and Sikkim

The Director General is the head of the Labour welfare Organization and the Welfare Commissioner heads each one of the regions. The Central and State Advisory Committees, formed on tripartite basis are also functioning as coordinating bodies in administering the fund.

#### **4. DESCRIPTION OF WELFARE ACTIVITIES**

Following are the objectives of the existing welfare fund Act:

- Public health and sanitation, medical facilities and the prevention of diseases;
- Water supplies and facilities for washing;
- Educational facilities;
- Housing and recreation facilities including standards of living, nutrition and amelioration of social conditions;
- Family welfare, including family planning education and services;
- Such other welfare measures and facilities as may be prescribed;



- To grant loan or subsidy to a State Government, a local authority or an employer, in aid of any scheme approved by the Central Government for the purpose connected with the welfare of workers engaged in beedi manufacturing;
- To pay annual grants in aid to the employer who provides to the satisfaction of the Central Government welfare measures and facilities of the prescribed standard for the benefit of workers engaged in bead manufacturing; and
- Any other expenditure, which the central Government may direct to be defrayed

To justify the above objectives of the Act, various welfare schemes have been formulated and put into practice. Broadly they are as follows:

#### **4.1 Health**

##### **4.1.1 Establishment of separate Hospitals and Dispensaries:**

Establishment of separate Hospitals and Dispensaries, including mobile units; Welfare Schemes for T.B. Patients including reservation of Beds in T.B. Hospitals and Domiciliary Treatment to T.B. Patients; Scheme for Cancer patients; Treatment of Workers suffering from Mental Diseases; Grant of Financial assistance to Bead workers for purchases of spectacles; Leprosy Relief for Bead Workers; Maternity benefit scheme for female Bead workers; and Scheme for payment of extra monetary compensation for sterilization to Bead workers.

#### **4.2 Social Security**

Group Insurance Scheme through cooperative societies.

#### **4.3 Housing**

Building your own house scheme; Housing scheme for economically weaker sections; Scheme for grant of subsidy to cooperative societies of bead workers for construction of work sheds or godowns or both.

#### **4.4 Education**

Award of scholarships to the children of bead workers studying in class V and above; Financial assistance for school uniform/text books and stationery to school going children studying up to class IV; Incentive scheme of passing final examination from high school onwards; Attendance incentive scheme to female students studying class V and above.

#### **4.5 Recreation**

Establishment of audio-visual sets/cinema vans/exhibition of films; Organizing sports, games, social and cultural activities; Holiday scheme; Supply of T.V. Sets to bead workers industries/cooperative societies; Establishment of community halls in bead workers housing colony with colour T.V. Sets.

## **5. IDENTIFICATION OF BEEDI WORKERS**

To facilitate all the above said welfare and social security schemes to the bead workers, rules framed under the Bead Workers Welfare Fund insists the issue of Identity Cards to the workers. Accordingly either the owner of an establishment/factory, contractor involved, local authority, and labour welfare organization should issue Identity Cards to the workers.

With the Identity Card, the worker get eligibility to avail all sorts of social security and welfare measures specified under bead workers welfare fund and also become eligible for the benefits available under Factories Act and other labour legislations. Hence, in most of the cases, the employer is not showing much interest to issue Identity Cards to the workers. To check this particular issue the Ministry of Labour have amended the Welfare Fund Rules to authorize functionaries of the Labour Welfare Organization to take penal action against defaulting employer for non-issuance of Identity Cards. As per the Labour Welfare Organizations (as on 1999 April), out of the total 44,11,275 bead workers, Identity Cards were issued to 36,89,116 workers.

By producing the Identity Card the worker can avail the available welfare and social security schemes and the application forms for availing such schemes are to be attested by the management and in the case of health facilities, it has to be certified by the medical officer of the Labour Welfare Organization. In order to make this issue more systematic, the Ministry of Labour has proposed and exploring the possibility of creating a portal for providing welfare benefits through the Internet.

## **6. INCOME AND EXPENDITURE**

As mentioned earlier, the main source of finance is coming from the Bead Workers Welfare Cess Act, 1976 which was amended couple of times by enhancing the cess amount according to the increasing survival and felt needs of the workers. At present the Rs. 2/- per 1000 beads is the cess collected by the Central Excise department (w.e.f. – June 28, 2000). With this enhancement of cess, an additional amount of Rs. 42 crores is getting in to the Welfare Fund by rising its total to Rs. 84 crores per year. Out of this total approximately 82 per cent of the amount has been sanctioned to the Labour Welfare Organization to cater the welfare needs of the workers and the remaining 18 per cent is being withheld by the Consolidate Fund of India.

The Labour Welfare Organization in turn, under priority basis disbursing this amount to the nine regional labour welfare commissionerates. Roughly the Labour Welfare Organization is spending 45 - 50 per cent on health sector, 25 - 35 per cent on education, 8 - 10 per cent on housing, 6 - 7 per cent on administration and 0.5 - 1 per cent on recreational activities.

With the above details it can be understood that the Labour Welfare Organization is giving much priority to health sector, which is offcourse the essential felt need of the workers. Next priority of the organization goes to education followed by housing and almost negligible

amount is allotted for creating recreational facilities. A considerable amount is also being spent on administration. (Ref. Table 2 & 3).

## **7. MINIMUM WAGES**

Under the Minimum Wages Act, 1948, the State Governments are the appropriate authorities to fix the minimum wages based on the local conditions and other factors, and also to implement and to revise it from time to time. However, there are wide variations under fixations of minimum wages between the States and there is no uniformity (Ref. Table 4). Hence the Trade Unions are demanding the uniformity while fixing the minimum wages for the bead workers and the Indian Labour Conference (1985), and the Regional Labour Ministers Conference (1994-95) recommended the National Minimum Wage, which will be uniformly applicable to all the States. While addressing the Chief Ministers, the then Prime Minister has urged the importance of minimum wages fixation and suggested them to fix the minimum wage not less than Rs. 40/- per day. However, it is interesting to note that some of the State Governments, for instance Tripura, Madhya Pradesh, Rajasthan and Tamil Nadu have fixed the minimum wage below to the recommended amount (ranging from Rs. 32/- to Rs. 40/- per day for bead workers. Ref. Table 4).

Implementing minimum wages is one of the most important issues, which is attracting the attention of all level stakeholders. As discussed, in some of the states the minimum wages for bead workers are considerably less and below to the prescribed wages where as in some of the States it is just above to the prescribed rates. Taking this particular issues as an advantage, whenever the workers are demand prescribed wages, the small and medium range bead manufacturers are shifting their establishments in to the nearby neighbouring States where the wage rate is less.

Further there is no uniform criteria or method to fix the minimum wages in the country. In fact, the government has to take the local conditions in to an account and based on that they have to fix the wages, but no government is taking such type of steps from time-to-time. Such issues are discussed number of times in several platforms but nothing substantial achievement has been made.

Anyway in case of bead workers the wages are ranging from RS. 32/- to RS. 62/- per thousand beads rolled. However, under normal circumstances, practically one person would be able to roll approximately 800 beads only per day. So based on this criterion the minimum wages has to be fixed and made applicable uniformly to all the bead manufacturing areas. Further, there should be not be much wage variation between the States and the variation must be minimized to RS. 2/- only.

Further it was suggested that the minimum wages should be revised once in two years based on the price index of the region. Either uniform National Wage system or Regional Wage system has to be worked out and implemented. Labour Welfare Organization should

take appropriate steps by enforcing law on the employer and see that the wage records of the establishment should be maintained properly. Similarly the contractor should also be included in the provision Minimum Wages Act.

## **8. EMPLOYEES PROVIDENT FUND**

In some of the States the bead workers were also covered under the Employees Provident Fund and Miscellaneous Provisions Act, 1952. The coverage under this Act is much lower to the coverage under the Bead Workers Welfare Act and as on December 1995 about 15.48 lakh bead workers were enrolled as Provident Fund Subscribers.

Though the Regional Provident Fund Commissioners by networking with the Welfare Commissioners, trying to bring as many as bead workers into the purview of Provident Fund Act, no substantial results were achieved so far. This is mainly due to two reasons – (1) no regulatory employment and most of the workers are home based and is difficult to identify, and (2) the EPF is applicable to only those establishments employing 20 and above number of workers and in majority of the cases the bead establishments are showing less than 20 workers under their regular attendance rolls to avoid certain economic compulsions.

The entire bead industry is covered under the EPF Act but the coverage under this Act is very small as compared to the estimated number of workers in the industry and also as compared to the number of workers registered so far under welfare fund. Though there are certain practical field based problems for coverage, which were discussed in the foregoing discussion, the only explanation could be poor enforcement of law.

## **9. EMPLOYEES STATE INSURANCE**

The Employees State insurance Act, 1948 is an area wise coverage scheme applicable to the factories and specified establishments. This scheme is financed by the contributions both from employer and employee and under this scheme highest priority is given to health sector. The ESI scheme is extended to new areas only after the State Governments who are statutorily responsible for providing medical care to the beneficiaries, create necessary infrastructure such as dispensaries/clinics and arrange hospital facilities in the areas with viable labour concentration.

Since several procedural problems are existing in identifying the bead workers, for instance – area wise spread of the bead workers and majority are again home based workers, so far only 24,758 (0.6 per cent) workers were covered under this scheme. Besides, it is difficult to distinguish the private injury and employment injury, which is essential item under the ESIC scheme. Further, it is also difficult to collect the contributions from the employer and employee because there is no regular employer and employee relationship and in majority of the cases the employer is not in favour of contributing his due to the scheme because already he is paying the cess for the welfare of the employee.

From the ESI point of view there is no legal hurdle to bring maximum possible number of bead workers into this scheme but appropriate steps were not taken either by ESI or by

Labour Welfare Organization to enter into a mutual agreement to make ESI applicable uniformly to all bead establishments.

#### **10. ROLE OF CENTRAL AND STATE ADVISORY COMMITTEES**

The Bead Workers Welfare Fund Act, 1976 provides that the Central Government may constitute as many State Advisory Committees as it feels appropriate and essential, but should be limited to one from each State where the bead manufacturing is concentrated. This State Advisory Committees acts as advisory bodies to the Central Government on such matters arising out of the administration including matters relating the application of the Welfare Fund. Further it provides for the constitution of a Central Advisory Committee to coordinate the work of the Advisory Committees and to advise the Central Government on any matter arising out of the administration of the Act. All these committees are tripartite in nature.

The State Advisory Committee has powers to approve the annual budget before sending it to the Central Government for finalization. Having right to information on expenditure incurred from the Fund and to elect from amongst its members two persons, one to represent employer and the other to represent the employees, to constitute a Finance Sub-Committee of which the Welfare Commissioner is an additional member and Chairmen.

The Finance Sub-committee vested with powers to frame schemes of expenditure, to advise on the budget drawn up by the executive of the Advisory Committee and also with regard to all expenditure and to consider all new schemes.

#### **11. WORKING CONDITIONS**

After procuring the raw material the bead workers cuts the tendu leaves into equal sized rectangular pieces before sprinkling water on them to make them flexible. The leaves are then tied up to retain moisture. Later they are retrieved one-by-one, packed with tobacco dust in a cone shape. To give the bead its final shape, holding the leaf inwards seals both the ends of the cone. After this, the beads are put together in bundles of 25 each in a very precise manner, which involves a great deal of arranging and re-arranging.

Workers have to be careful at every stage during the process of bead making. Negligence in cutting the leaves into the correct rectangular size, and filling them with tobacco dust could lead to a shortage of the raw material for making the required number of beads from the given quantity of raw material, which would lead to a loss of wages. The sprinkling of water has to be very careful, excess moisture can destroy the tobacco, which would then be rejected by the contractor.

Bead workers stay copped up in their cramped workplaces for 12 to 14 hours, while a 16 hours workday is not an exception. They are constantly exposed to the pungent smell of the tendu leaves and tobacco.



## **12. ANTI-TOBACCO LEGISLATION:**

Considering the adverse health affects due to tobacco chewing and tobacco products like bead smoking, the Ministry of Health and Family Welfare have proposed enactment of a legislation for discouraging the use of tobacco and tobacco products. Before enforcing the proposed legislation, this issue was referred to the Ministry of Welfare and Ministry of Labour for careful examination about the impact of the legislation on workers. In the meantime, several representations came from elected representatives, union leaders and from workers representatives against the proposed legislation.

After couple of rounds of discussions about the issue, finally with a few modifications the Cabinet approved the proposed legislation for enactment of a comprehensive bill for discouraging use of tobacco products during the year 1993, however, due to various reasons it was not referred to the parliament for final approval and again during 1997 a revised note of the Cabinet was referred to the Ministry and suggested to examine the issue once again. The Labour Welfare Organization has made its tooth to nail efforts and succeeded in bringing the facts, to the Ministry, about the negative effects on workers lives and on Labour Welfare, if the bill was passed. Finally the proposed comprehensive legislation mainly provides for ban on advertising of tobacco products, statutory warning on all tobacco and tobacco products, indication of nicotine and tar content on packages, bean on the smoking in public places and prohibition of sale of cigarettes, beads etc to the persons below 18 years. Apparently the bill does not impose any ban on production of tobacco and tobacco products like beads.

Couple of studies were initiated by the Ministry as well as by the Labour Welfare Organization and almost all the studies expressed the similar opinion that, definitely the effect of the legislation will be on workers and their families but it is equally important to think about their health and the users health and hence giving the highest priority to the health sector, the studies also suggested the government to go ahead with the bill. Now the findings of these studies are under examination of the Ministry.

Any way one day or other, the diversification is essential for this particular industry not only because of the above discussed proposed legislation but because of the other anticipated issues like expansion of mini-cigars industries and their sales, role of mass media and modernization effects on youth even in countryside.



## SECTION – B

### 13. WHY RESTRUCTURING IS ESSENTIAL?

The existing mechanism of welfare policy in India is theoretical approach to welfare but in reality we need practical approach to welfare. Providing welfare to the workers means we must be able to providing total social security. Both the welfare policy and social security policy should go together and should not treat them as separate issues. The best welfare policy should cover the basic social security and survival needs of the people. More particularly welfare policy must be defined in terms of social risks.

Coming to the Bead Workers Welfare Fund, several shortfalls were identified right from the administration of the fund to catering the needs of the workers. Some of the important issues were discussed hereunder.

#### 13.1 - Administrative Set up & organizing the fund:

Though the existing administrative set up is theoretically doing at its best, practically it has several operational and administrative problems. To be specific the existing system is highly bureaucratic and too centralized. It is not fully working under decentralized mechanism, for instance the entire Labour Welfare Organization is headed by the Director General who is having administrative powers but not financial powers. The financial powers are vested with the Labour Ministry. Either DG, or Welfare Commissioner, or Director as the administrators will have to depend on the Welfare Ministry for all financial related matters and this is a time consuming process.

Coming to the organizing the fund, the total welfare programme for bead workers are funded by the Central Government with the amount collected in the form of cess. The cess collected by the Central Excise Department is going into the Consolidated Fund of India and from there, after deducting certain percentage of amount (approximately 15 – 20 per cent) towards its administrative and maintenance cost from the total collected cess, the remaining amount is made available to the Labour Welfare Organization for further disbursement between the nine regions.

In fact this fund comes under non-plan expenditure category and more importantly there is no economic contribution from government side. In general, non-plan expenditure may not essentially follow all normal government rules and regulations. Further, the estimated budget has to be examined by the committee and thereafter Parliament approval is needed. As a routine mater, all government rules are applicable to this fund even though government stake is not there and again, under hostility measures, government is imposing normal 10 per cent cut on bead workers welfare fund. With such restrictions coverage of number beneficiaries will automatically reduced. Further, Ministry of Labour has imposed ban on purchasing new vehicles and this reflected the health sector of the Labour Welfare Organization, especially

the mobile medical units got affected. As such the available funds are not at all adequate to meet the welfare needs at substantial level. In this way several administrative and financial constraints exist in the administrating the bead workers welfare fund.

### **13.2 - Issue of Identity Cards:**

To facilitate the welfare measures to the bead workers and their families, the Labour Welfare Organisation has implemented identity card system. As mentioned earlier, out of 4.4 million workers 3.6 million workers were got the identity cards. Normally this identity card has to be issued by either employer, or by the inspector of the Labour welfare or the contractor. In most of the cases employers are reluctant to issue the identity cards for the reasons discussed elsewhere in this report. For local inspectors of the Labour welfare, identifying the workers is the biggest problem unless either employer or the contractor should help in the process and this possibility is ruled out.

Further the insufficient staff in the labour welfare is also one of the reason for poor identification of the workers. Next the practical field based experiences are indicating that majority of the home based workers are women and children, who are not showing any interest to make themselves identified as home based bead workers. This is because all such works are under the control of contractor and without his consent the home based workers may not come forward for the purpose.

### **13.3 - Role of Employer:**

In the bead industry, there is no proper employment regulation as well as employer and employee relations. Apart from the branded and leading/big bead manufacturers, the owners of the small bead establishments does not want to register as many as workers and are leasing out the work to the home based workers through contractor who is exploiting the home based workers. This larger majority of the home-based workers are neither having recognition as bead rolling workers and hence the existing welfare and social security schemes are not accessible to them. This is mainly because the employer wants to avoid certain economic obligations and legislative provisions, which are applicable to the bead workers, if they got official recognition as workers in the establishment.

Further, if the employer employees number of workers, then he has to pay the minimum wages prescribed the Ministry of Labour. Besides the economic obligations the employer has to maintain certain standards in the work spot, such as sanitation facilities, drinking water, sufficient lighting, and working hours. All such provisions are complicated issues for most of the unbranded bead manufacturers and hence, instead of employing more number of workers, through contract system the employer will be benefited, financially as well as production wise, by paying a lump sum to the contractor.

For all such reasons the much of the bead establishments in the country does not have employer and employee relationship and standard employment regulations.

#### **13.4 - Contract Labour System:**

In bead industry, the contract labour system is widely prevalent in all regions of the country. Under this system, the contractor supplies the materials to the head of the family who in turn uses all his family members in rolling the beads and this process takes place in the houses itself. After making the beads the product handed over to the contractor and the payment depends on the piece rate wages. In this system the contractor acts as a middlemen between the unbranded bead establishment and the workers. Further, in this process there is no employment regulation and employer and employee relation. This piece rate wage system is much more below to the normal wage system of the registered bead worker.

Since the contractors themselves have no registration, no legal action can be taken on them and to some extent they are politically as well as economically powerful and are having grater control over the concerned local officials. With these advantages, the contractors used to exploit the home based contract labour on several ways – non supply of raw materials of the prescribed quantity and more particularly quality, large scale rejection of beads as "chhat" on the ground that they are below standard quality, appropriating the value of the rejected beads to the middleman themselves, if the number of beads produced falls short of the expected quantity making a further deduction at a specified rate as a sort of penalty ( e.g. the number for which the tobacco and leaves were supplied), non payment of statutory minimum wages and non implementation/improper implementation of provisions of Labour Laws applicable to bead workers.

Both from trade unions as well as from the contract laborers, demand was put forth to abolish this contract labour system by supplying the raw materials directly from the forest depots to the bead workers through cooperative system. Another suggestion was regularising the contract system by forcing the contractor to register himself with the regional commissionerates. These issues are under consideration with the Labour Ministry for the long time and no proper action was taken so far.

#### **13.5 - Cess and Economic Status of the Fund:**

As on today, the existing cess is RS. 2/- per 1000 beads and this cess is generating a total amount of RS. 84 crores per year. However, if we examine the per capita availability of the fund, it would be worked out to RS. 190/- which is not at all sufficient. Besides, the Central Excise Department is collecting RS. 7/- per 1000 beads towards excise duty which yield RS. 250 crores per year. Even though the production is much more higher, due to the contract labour system and exemption of unbranded beads and branded beads up to 20 lakhs per month from the excise duty, the total amount collected through cess is at marginal level as discussed it is insufficient to cover the needs of the workers.

Some of the suggestions came out from all sections of the stakeholders are enhancement of cess, withdrawal of existing exemptions, and revising the excise duty on mini-cigarettes which are one way or other affecting the bead industry.

### **13.6 - Inadequacy of Existing Welfare Schemes:**

Health is one of the highest priority areas for Labour Welfare Organization and off course this is essential also because of the nature of work the bead worker involves and the health hazards. Presently they have three 50-bedded hospitals, including one T.B. Sanatorium/hospital and one 10-bedded hospital and 208 dispensaries are catering the health needs of the bead workers in the country. Though the peripheral services under the existing system is to some extent satisfactory, the field-based experiences reveal that in most of the hospitals/dispensaries are **not** fully equipped at required level. Another point is that slowly maintenance cost of these hospitals/dispensaries is increasing and in future this will tax the Labour Welfare Organization heavily. For instance, due to the recent implementation of fifth pay commissions scale recommendations, resident doctors, senior doctors including the auxiliary staff salaries have gone up where as there is no much provision for the Organization to allocate the sufficient fund for enhanced salaries of the medical staff.

Further, ban on new appointments, purchasing of new vehicles also affecting the maintenance of the hospitals/dispensaries and also creating the coverage problem. Due to the ban on purchase of new vehicles, the Labour Welfare Organization is investing huge amounts on maintenance cost of old mobile vehicles.

Another important field observation is that the mobility of sick bead workers. If such workers are quite far away from the dispensary, neither they are able to reach it nor the local Primary Health Centre/Sub-Centre treats them. This type of pathetic cases is occurring in the field.

Under the existing health scheme much importance was not given to the Maternity benefits and Childcare, which is equally important for women workers of this industry.

The other welfare benefits such as education and housing are also not adequately covered under the existing set up. This is mainly because of inadequacy of the fund.

### **14. VOICE OF BEEDI WORKERS**

The recent trends in the development have replaced the traditional top to bottom approach for development with bottom to top approach. In any development related issue now highest priority is given to the voice of the bottom level stakeholders and keeping this in mind to know the opinions of the bead worker, as a part of this study couple of focus group meetings were organized with the women workers and men workers as well in Gujarat and Andhra Pradesh States.

#### **A. Out comes from Gujarat State:**

Focus Group meetings with 25 women workers (all members of the Self Employed Women's Association) were held at Ahmedabad and the discussions were revolved on three major issues – (1) accessibility and responsiveness of benefits to women workers needs, (2) Scale, coverage and range of existing benefits and (3) Additional benefits, currently not available, demanded by the workers.

### **1. Accessibility and Responsiveness of Benefits to Women Workers Needs:**

While responding to this issues the women workers participated in the focus group meetings stated that if it were not for their trade union – SEWA, they would have found it almost impossible to know about the Bead Welfare Fund and its services. Through SEWA organizers, they had first got to know about the various benefits that they could avail of and how to go about getting the required identity cards (as bead workers), before being eligible to avail of the benefits.

Since then, SEWA had organised their bead workers and given them leadership training, so now they were local leaders in their communities (known as agyevans), who shared information about the WB and organised more bead workers to get the benefits they were entitled to.

Even after being SEWA leaders for over ten years (in some cases), many of the bead rollers still felt that if SEWA organisers did not help with all the paperwork needed in applying for benefits (especially for children's education and housing), they would have individually found it very difficult access the benefits. In most cases this was because these workers are illiterate and the paperwork is fairly complicated, particularly as benefits cannot be applied for as a group, but on an individual basis.

Another point these workers felt was that they did not really have much say in the benefits that were on offer. They were fully aware that the Bead Welfare Fund was solely for their benefit, but felt that they had no say in how much or, what those benefits were. Just as importantly, they felt that the implementation mechanism for some of the benefits, such as the health care services could be more efficient with wider coverage, if some of them could be trained as “barefoot doctor”. This was especially true in the care of diseases such as TB (common amongst bead workers) that required daily treatment, preferably at the patient's doorstep.

Even in cases when the quality/quantity of benefits had changed, the women agreed that it was because of sustained representations to the Welfare Fund officials at all three levels - local, state and central, through their trade union (SEWA) that had brought the changes. One example given was the case of the individual benefit application forms. Formerly these were only available in English or Hindi, but after repeated formal requests through SEWA, the Bead Welfare Fund now print it in Gujarati for the bead workers of the Gujarat.

### **2. Scale, Coverage and Range of Existing Benefits :**

Discussions with SEWA's trade union co-ordinator, Manaliben Shah as well as SEWA's social services co-ordinator, Miraiben Chatterjee, along with the focus group of 25 bidi workers, highlighted the following critique of the benefits currently available from Welfare Fund.



All those interviewed, unanimously agreed that the Welfare Board approach was a very good way to provide much needed benefits to informal economy workers, without depending on a formal employer - employee relationship. Even the benefits on offer were mostly very relevant and of high utility to the workers.

**i) Support for Children's Education :**

a) The uniform allowance of RS. 125/- child per year was deemed too low. Women wanted at least RS. 300/- annually for uniform.

b) Scholarship: The amount of the RS. 250/- child per year was deemed too low. Women said they spent at least 4-5 times more on each child. They wanted this scholarship amount increased to RS. 1,000/- per annum, per child.

c) Attendance Allowance: Particularly in order to motivate the girl child to attend school, an incentive of Re. 1 per day is given for each day she attends school, up to a maximum of RS. 220/- per year. The women really appreciated this scheme and commented that it really did serve as an incentive for them to send their daughters to school. The delivery mechanism was highlighted to be faulty, as often the school principal would deduct up to 30% (claiming administrative expenses), as the Welfare Board issues 1 lump sum draft for all the bead worker's children to each school. Instead, the women wanted the money to be posted directly to their home address, as in the case of the annual school fee awards.

The majority of the women said they found the benefits related to their children's education very useful, easy to access (facilitated by SEWA) and most of them had ailed of the benefits for 2-3 of their children.

**ii) Health Services:**

There was mixed reaction to the health services provided by the WB. Half the women and the SEWA union co-ordinator were of the opinion that the services provided by the dispensary run by WB were of high quality and useful to the women. The only criticism was that the outreach needed to be scaled up through at least 2 more dispensaries in the city, as well as Mobile vans. They suggested one dispensary or mobile should reach wherever customers of the bead workers lived and worked.

On the other hand, about 50% of the workers interviewed along with SEWA's social services (including health) coordinator felt it would be more cost effective to reimburse medical costs on a cash claims basis, but allow workers to access the services privately from doctors/clinics locally available. Miraiben estimated that the cost saving generated by the WB from not running their own healthcare services such as hospitals, dispensaries and mobile clinics would adequately fund reimbursement for hospitalisation (through Medclaim type premiums) as well as outpatient costs up to a maximum cut off amount.



### **iii) Housing Benefits:**

Although the WB has consolidated the housing support up to a maximum of RS. 20,000/- new house per worker, this benefit was found to be the most inaccessible by workers. Despite the presence of a facilitating institution such as SEWA, the paperwork was found too difficult for compliance. Another main problem is that the scheme requires clear land title in the worker/spouses name, but this is impossible for the urban, informal sector poor. The scheme also applies only to new houses, but especially in urban or semi-urban areas, workers mostly needed capital for house repairs, additions or up gradation. They could rarely afford a new house, and for this, a minimum amount of Rs.45,000 is needed. It was suggested that the scheme be extended to repairing (based on a builder's written estimate) and that it should not require traditional collateral in the form of land deeds. It was suggested to increase the maximum housing benefit up to Rs.50,000.

### **iv) Maternity Benefit :**

Currently this is Rs.250 per delivery, up to a maximum of two children. In today's world, cash incentives to promote birth control are irrelevant. Instead, women need reproductive health education through outreach workers regarding birth spacing, contraceptive use etc. The women also felt that Rs.250 per birth was too low, as they had to stop rolling beads at least two months before and two months after the birth, with no means to support themselves and actual delivery costs were also quite high nowadays.

They suggested Rs.5,000 for the first child, Rs.4,000 for the second and Rs.3,000 for the third, reducing the amount of benefit for each subsequent delivery.

## **3. Additional Benefits Suggested by the Workers:**

### **i) Childcare Facilities :**

All the stakeholders highlighted the need for childcare centres repeatedly. There are many harmful effects of tobacco dust on children. Also, many of the bead workers are home based workers, whose productivity would increase if they had access to nearby childcare (creche) facilities for their 0-6 year olds. They suggested they would run the crèches by themselves, for which they would require, technical and capacity building support from the WB.

### **ii) Pension :**

Apart from the Provident Fund Scheme (still very inaccessible for bead workers and the informal economy in general, as it requires an established employer – employee relationship), the workers were keen for a monthly pension after the age of 55. Their productivity declines after 55 and they wanted to be assured a minimum monthly payment paid directly to them from the Welfare Board via money order, after this age. For this, they were willing to contribute towards a bead Welfare Board pension fund at the rate of RS. 1 per day.

### **iii) Alternative Vocational Training :**

As the bead industry is facing a decline and the women are keen to prevent their children from following their hazardous, insecure occupation, the need for training for alternative skills was mentioned by all. The WB should give training for alternative trades/skills linked with employment opportunities for children of bead rollers in the field of computers, data entry, skilled construction work, handicrafts etc.

### **iv) Funds for Alternative Skills Training, Organising and Capacity Building :**

Both the union organisers and the bead workers themselves felt it was an important role of the Welfare Board to provide funds for alternative skills training, capacity building support and leadership training. This was especially true in light of the anti tobacco legislation coming into force, which is resulting in a permanent slump in the bead industry.

The workers also wanted more involvement in implementation of the fund's benefits – through training to become barefoot doctors, childcare providers, administration of Welfare Board funds and schemes at a more localised level, all of which would require financial support for the capacity building of workers and supporting their own institutions.

### **v) Cash Payments During Pregnancy for Healthy Food Supplements :**

The women interviewed, particularly highlighted the need for extra cash benefits during their pregnancy term, to enable them to eat healthy foods. This was estimated at Rs.250 per month for 7 months (once the pregnancy is confirmed, till delivery).

Soft Loans at low interest rates for children's marriage costs and annually to stockpile food grains for the year. These loans (upto a maximum of Rs.30,000). Were wanted at a sustainable interest rate of up to 15% per annum, spread over a repayment period of five years. It was interesting that the bead workers were aware that these were consumption expenditures and hence ready to take loans for them. This also highlights the need for micro finance institutions to reach the informal economy.

## **B. Out comes from Andhra Pradesh State:**

Couple of focus group meetings were conducted with the women workers at Karimnagar district of AP and the discussions were mainly concentrated on issues like their awareness about the fund, adequacy of welfare schemes, their felt needs and so on.

Majority of the workers are not fully aware of the existing welfare programmes under Bead Workers Welfare Fund. Complicated and time-consuming procedures are more in availing the welfare services for instance if a bead workers wants to go for housing scheme he/she has to produce number of documents including the patta of house site. Non-cooperation of middle men/contractor is also one of the reasons not to utilize the services. The available welfare services are doing very little to the workers and are not at desired level. In wage payments for branded beads and unbranded beads so much disparity is visible.

Malpractices and sexual abuse are the major complaints made by the workers against contractors. Supplies of poor quality of raw material, no proper sanitary facilities at working places and lack of child care facility are also important issues rose by the workers. Where ever the local NGOs are active and involving in the welfare of these workers the working conditions are to some extent better and exploitation is less. For instance, SEWA of Gujarat has direct stakes in the welfare activities of the bead workers and hence the social and economic conditions of the workers are far better than their counterparts elsewhere.

The bead industry is the only industry where no working hours are specified and only the final product counts. In majority of the cases it is heard that the workers are forced to work for longer hours (12 to 14 hours per day). The workers further expressed their ill feelings against the government's negative attitude regarding the bead industry. However, they are hoping that irrespective of anti tobacco legislations, this industry will continue for some more decades. But majority of the women workers says that they don't want to leave their children in this industry and with the focus group meetings it can be understood that they are realising the health hazards if the young girls involved in bead rolling.

Their major complaint is that the health services are not at all accessible to them. Since very limited hospitals and dispensers are catering the health needs and are confined to particular places the health services are practically not accessible to them. Some times it is said that the local Primary Health Centres are refusing to provide health services since these particular work forces are covered under the Bead workers health schemes.

They further expressed the importance of pension during the old age which is now not included in the welfare funds. They stressed the enhancement of benefits under housing scheme, maternity benefits, and childrens educational scholarships.

Majority of workers especially women workers are willing to shift their occupations from bead rolling to some other income earning home based activities. They are also willing to join as self-help groups, which are more successful and popular in Andhra Pradesh. To form such groups now they are in need of local support either from NGOs or from government agencies. Further they are in need of skill development and vocational training, soft loans and linkages to their proposed new occupations for their overall development.

## **15. OUR OBSERVATIONS AND REMARKS**

As a part of this study we have conducted formal and informal discussions and focus group discussions with the stakeholders right from the workers to government functionaries. Further we have also verified data available with different related departments and research institutes. Some of our synthesized observations are as follows.

Data available with the Tobacco Institute of India speaks that in spite of legislations, total tobacco consumption in India increased by 35 per cent between 1971-72 and 1993-94.

However, during the same period the share of cigarettes dropped from 23 per cent to 16 per cent and share of bead went up from 29 per cent to 55 per cent on the basis of tobacco weight.

During 1995 budget Finance Ministry favoured the cigarette industry when it reduced the rate of excise duty in the shortest length segment of plain cigarettes of length less than or equal to 60 mm (mini cigarettes). The allegations made by bead workers unions are that this has affected sales of bead, and causing problems of unemployment in the industry. In this regard the Tobacco Institute of India is of opinion that mini cigarettes account for less than 20 per cent of the cigarette market.

Moreover, as much as 91 per cent of these sales are at higher price than the price of bead and this high price differential would impede any shifts of the industry from bead to cigarette. Further, theoretically, it will require more than a 30 per cent increase in cigarette volume to affect bead volume by just 1 per cent because bead sales are 10 times greater than cigarette sales. FAO forecasts growth of 2.4 per cent per annum in tobacco consumption in India till AD2000, of which bead would gain at least in proportion to their market share of 55 per cent. This share will retain for few more decades and hence there is no immediate threat to bead industry.

The Tobacco Institute further feels that excise duty concessions should be granted to the bead industry accompanied by improvements in working conditions and welfare measures for the bead workers. It urges to capitalise on the opportunity for exports to SAARC countries like Pakistan, to which tendu leaf is currently smuggled from India.

Coming to health hazards due to bead smoking, the TATA Memorial Hospital Mumbai feels that bead smoking is more harmful to health. As per the data provided by this institute the carbon monoxide, hydrocyanic acid and benzopyrene in tobacco smoking are almost twice the quantity in 2 puffs of a bead than 2 puffs of a cigarette. In other words 2 puffs of a bead are almost twice as harmful as compared to 2 puffs of a cigarette.

As per Central Tobacco Research Institute FCV tobacco (for cigarettes) consists 19.3 to 23.4 mg/unit of Tar, where as Bead tobacco posses 29.2 to 31.2 mg/unit of Tar. Again tendu leaf wrapper consists 18 to 20 mg/unit of Tar and in cigarette paper it is not detectable.

Other research has noted that the incidence of Tuberculosis and Cancer in bead workers is particularly high.

During the year 1997 Parliamentary Standing Committee was appointed under the chairmanship of Ms. Chandraprabha Urs to investigate Labour and Welfare. This committee expressed its opinion that the bead workers are subjected to exploitation by the manufacturing units and contractors as well. It further noted that a wide disparity in the minimum wages paid to bead workers in different parts of the country. Further says that the employment of workers is through labour contractors and is of a temporary nature since the

industry is in the habit of shifting from one state to another to take advantage of wage differentials. Coverage under EPF and ESI is also very poor.

The rate of rejection of finished beads by employers is very high; in some cases as much as 25 per cent even though the Bead & Cigar Workers Act (1966) stipulates that no employer or contractor shall arbitrarily reject more than 2.5 per cent of beads as sub-standard, and that a rejection of 5 per cent may be done only after recording the reasons and making entries in writing to workers. Under existing structure the health coverage is also at very poor state. More importantly the committee found that upon visiting a typical manufacturing area in the Chennapatna of Mysore district, 95 per cent of the workers did not own a house and were living in "most unhygienic conditions).

The Times of India on July 3<sup>rd</sup> of 1994 quoting a survey conducted by the Indian Council of Child Welfare said 100,000 children were bonded as labour to bead agents in the North Arcot-Ambedkar district of Vellore, Tamil Nadu alone.

Stating this cause, United Nations has imposed ban on importing beads manufactured in India and due to this the export market of beads got affected to greater extent.

#### **16. REACTION OF TRADE UNIONS**

The major trade unions are urging the lift of ban on bead imports by United States immediately. They are further stressing that the government should immediately lift the excise duty concession granted to mini cigarette manufacturing units. At present the entire welfare programmes for bead workers are materialized with the cess amount only and there is no contribution from government side. However, the government is imposing all sorts of rules and regulations to this fund and hence, the final amount available to Labour Welfare Department is not at all sufficient to cater the felt needs of the workers. Hence, government should also contribute equal amount to the collected cess and this will to some extent benefit the workers. They are also appealing to the government to withdraw the latest legislations against smoking. In fact they are questioning how the government is thinking of such legislations without finding any alternative livelihood programmes to these poor workers.

While celebrating its 30<sup>th</sup> Anniversary on 27<sup>th</sup> and 28<sup>th</sup> August of 2000 at Vellore, Tamil Nadu the All India Bead, Cigar and Tobacco Workers Federation expressed its dissatisfaction over the new economic policies and the offensive move of the government against bead industry. They suggested the government to implement a national minimum wages and stress the implementation and wider coverage of bead workers under EPF and ESI.

Again from January 19<sup>th</sup> to 22<sup>nd</sup> 2001 the AITUC has organized national conference at Mangalore and in these meetings they demanded that national minimum wages to be fixed by the Union Government so that it would ensure uniformity in wages and stop migration of industry from one place to other. Government should take appropriate steps to implementation of all labour laws in connection with bead industry. The employers should



supply sufficient raw materials for 26 days in a month. Union Government should prevail over the administration of US to lift embargo on the import of Indian beads. Further, Government should stop Foreign Direct Investment (FDI) in Tobacco industry.

They urged that the union government in pursuance of their new economic and industrial policies of liberalisation, privatisation and globalisation (LPG) are out to disturb the existing labour laws in favour of employers and in this new situation it is necessary for the bead workers to participate in the struggles of National Platform of Mass Organizations (NPMO) to protect their rights.

According to trade unions such as AITUC, CITU there are about 75 lakh bead workers in the country and out of the total domestic consumption of tobacco, about 54 per cent is consumed by beads. Hence, government should grant sufficient amount as a matching grant to the amount collected through cess and thereby improve the existing welfare services especially the health service.

All these issues are clearly telling that bead workers are marginalized and one of the most vulnerable sections of our society. Since majority of the workers are women for whom the welfare schemes are not accessible at required level, their conditions are much worse. The existing situation is alarming that this issue needs to be addressed immediately and properly.

Points discussed above indicate that there are several pitfalls in administering the bead workers welfare fund. To overcome all such problems and to make the fund more viable with effective and adequate coverage an integrated approach based model is developed and discussed in section - C.

Before going to the model fund, we have examined the essential welfare needs of the workers and worked out the required funds to meet the felt needs of the workers, and this income and expenditure analysis is as follows:



## SECTION - C

### Proposed Integrated Benefits for Revised Bead Welfare Fund

Based on all the discussions with women bead rollers, their priorities are fairly clear. They want a basic level of security in terms of work security, childcare security, health security and shelter security. For this, they are even willing to contribute and pay for good, appropriate services, which are made easily accessible to them. More importantly, the workers that are organized in to their own institutions, such as SEWA members, are even willing to give their time and be involved in service provision at the local level.

However, given the budgetary constraints and the large number of workers to be covered, the following is a proposed integrated model of benefits to be provided by the Bead Workers' Welfare Fund. It makes some broad assumptions, which are as follows:

- All 44,11,275 workers will be covered;
- 80% workers are women;
- 50% women are of childbearing age, having on average 3 children each;
- 1 in 6 women will have a child each year; and
- 1 in 3 children will be of school going age.

#### 1. School Assistance:

This is a high priority area as women are very keen to be able to provide education and a better life to their children, so that they do not have to do the work their mothers do and can lead better lives. Also, the experience of school fee assistance through the Bead Welfare Fund has been very positive till now. This assistance may be adapted by each state to be provided in the form of scholarship, uniform assistance or in any other way that is best suited to the workers' children of that state.

#### 2. Healthcare:

Recent changes in the quantity and quality of healthcare available locally within India, has triggered off a valid debate regarding the type and method of healthcare to be made available to workers such as the bead rollers. Traditionally, healthcare provision meant exactly that – providing access to health security through dispensaries, PHCs and hospitals. The Bead Workers' Welfare Board is no exception to this, with approximately 50% of the fund's total expenditure being spent on healthcare provision. Due to the expensive overheads of running and maintaining big establishments such as hospitals and dispensaries, a lot of money is being spent, although less than 50% of total workers are reached.

Given the large number of private, local health facilities that have mushroomed recently, a second option of reaching basic healthcare to workers is through payment of an annual medical health insurance premium, that will cover basic illnesses up to a specified amount. This would have the benefit of wider outreach, as it could cover the entire bead worker population, without heavy, recurring overheads.

We propose an annual premium of Rs.200 per worker, to cover medical expenses incurred of up to RS. 10,000 per worker per year (on a reimbursable basis).

### **3. Housing:**

This is a particularly important need of bead rollers, as in over 90% cases; their home is also their workplace. Given the current cost of construction (excluding land value) of a one-room pucca shelter being at least RS. 40,000, the current benefit of RS. 10,000 per worker, will necessitate a large contribution by the beneficiary from his/her own resources. Also – the current regulations governing access to the housing scheme, particularly that of requiring land in the worker's name have to be relaxed for the scheme to be accessible to more urban workers, the majority of whom live in illegal squatter settlements.

### **4. Maternity Benefit:**

Various estimates of adequate maternity benefits to compensate women for being unable to work before and after childbirth have been calculated. FORCES indicate that the workers' average daily earnings for a period of 120 days is a reasonable rate for maternity benefit. Accordingly, we propose a benefit of RS. 4,000 per child (RS. 40 average daily wage rate for 100 days of lost work).

### **5. Childcare Benefit:**

As various studies have shown, maternity benefit without accompanying childcare benefit to support workers whose children are in the 0-6 age group, has limited impact. This is especially true of bead rollers, who are mostly women working from homes which are unhealthy for toddlers, due to the tobacco dust that rises during bead rolling. Additionally, if their pre-school children are safely looked after in a childcare facility such as a crèche, the women reported a marked increase in their productivity.

Cost estimates suggest that RS. 150 per child per month is required to provide basic childcare to those in the 0-6 age group. However, due to fund restrictions, we propose that the Bead Welfare Fund provides a benefit of up to RS. 50 per child per month and that the balance is contributed by the workers or through linkage with another government scheme.

### **6. Alternative Skill Development, Training and Capacity Building Costs:**

Especially in light of the increasing anti-tobacco legislation coming into force and the slump being faced by the bead industry, this is an important investment cost to help workers and their adult children get reinstated into alternative employment.

To meet these requirements the income and expenditure will have to be like the following proposed model:

## **Bead Welfare Board : Income and Expenditure Analysis**

Based on the revised and additional benefits suggested in the earlier section a **total proposed expenditure analysis** is detailed below:

(Note: this calculations are quite approximate based upon a number of broad assumptions)

Total number of bead workers in India : 44,11,275

Total number of identity cards issued : 36,89,116

(source : DGLW, New Delhi)

### **Assumptions**

- (1) All 44, 11, 275 workers are to be covered by the Welfare Board.
- (2) About 80 per cent workers are women = 35,29,020 women bead workers.
- (3) Of the women workers, 50 per cent are child bearing age (between 18 to 35 years of age) and will bear an average of 3 children each = 17,64,510 women bearing 52,93,530 children over their lifetime.
- (4) Assume 1 in 3 children (52,93,530/3), i.e. 17,64,510 children will be of school going age per year.
- (5) Assume 50 per cent children are girls = 26,46,765 girls.
- (6) Assume 1 in 6 women of child bearing age will deliver 1 child per year.

### Expenditure Particulars:

S.No	Item wise expenditure	RS. (Crores)
1.	School fee assistance : RS. 500/year X 17,64,510 children (1 in 3 children will be of school going age)	88
2.	Health Services : Initially, for worker only (not family) RS. 200 X 44,11,275 (to cover annual insurance premium Providing medical benefit of up to RS. 10,000 per year)	88
3.	Housing: Average payment of RS. 10,000 to 50,000 1/25 workers per year	50
4.	Childcare : Assume 1 in 3 children are between the age of 0-6 and need childcare @ RS. 50/child X 12 months (assume additional costs of RS. 100 per child per month are paid on contributory basis by the worker)	106
5.	Maternity benefit @average Rs.40 per child per day x 100 days x 2,94,085 (17,64,510/6) childbearing women; Assume 1/6 of total women of child bearing age will have a new off spring each year.	118
6.	Alternative skill development, technical training, capacity building costs etc.	10
7.	TOTAL ANNUAL BUDGETTED EXPENDITURE:	460
8.	Administrative Costs (@ 10% of total annual budget)	46
	<b>TOTAL</b>	<b>506</b>

## **SECTION – D**

### **Suggested Model for Welfare Funds**

#### **i) Background:**

Informal sector workers have very few means of social protection. They have always been denied any form of safety net or welfare benefits although they contribute substantially to the economy. This is especially inequitable, as workers in the informal economy are the most vulnerable of all workers and the smallest natural disaster or economic setback can send them spiralling back into the vicious cycle of poverty.

The welfare funds are a novel and effective approach to providing basic social protection to informal sector workers, without the need for proving an employer-employee relationship. The experience over the last twenty years has been very positive in successfully reaching to increasing numbers of the informal economy. The Bead Welfare Fund has particularly stood out in this regard.

However, with increasing numbers of informal sector workers – currently 94% of the total workforce – and recent changes in the governance structure, the existing model requires certain modifications.

The earlier part of this study critiqued the existing Bead Welfare Fund model, suggested changes in terms of quantity and quality of benefits and attempted a first level income-expenditure budgetary analysis of the amount of financing required to adequately covering all bead workers through the Bead Workers Welfare Board.

The following section outlines a suggested approach based on some key principles, for proposed changes in the functioning of welfare funds towards a more efficient and equitable system.

#### **ii) Proposed Model – Approach to Implementation**

There are three key principles on which the implementation of the proposed model is based:

- 1) Decision-making would move away from the Central Labour Ministry, down to the State level. The Bead Workers Welfare Fund itself would need to be granted autonomous status, allowing it to function as an autonomous body at both the Central and State level. For this, an amendment to the Bead Welfare Fund Act would be required.

This autonomous body would not be a department of the Labour Ministry (as it currently is), but would instead be an independent, registered body with it's own identity and existence. However, officials from the Labour Ministry would certainly continue to be representatives on the Board of the new, independent entity.

- 2) A high level of decentralisation in the implementation of welfare schemes, with the maximum decision making and implementation responsibility resting with the workers. Implementation of schemes through the Bead Workers Fund should be de-centralised

down from the Central level to State level (not regional level) boards. At the State level, implementation should be through a tripartite mechanism, involving the workers, employers and government, on an equal basis. (See next section on proposed management patterns).

For example, the bead workers themselves could be trained to run their own crèches (childcare) and become trained "barefoot doctors" to increase outreach. This would serve two purposes: increase coverage while generating alternative employment opportunities for bead workers, as well as enable services to be tailored exactly to meet workers' needs.

For this level of decentralisation in implementation, those targeted by the welfare board, such as bead workers, will need technical and managerial training and support. This can effectively be done through organising the workers and supporting them to form their own groups, mandals, co-operatives or union.

Equally importantly, implementation of the Welfare Board's schemes should give due recognition to gender specific needs, especially in the case of informal sector trades dominated by women, such as bead rollers. Workers' representation on the tripartite board should be in the same proportion as the number of women workers in the trade, e.g. 80% women in the case of bead rollers.

- 3) The State level board should have the maximum powers and flexibility. They should be empowered to identify where clusters of bead workers live and target these workers through appropriate, customized welfare measures. They should also support linking up these groups of workers with local, developmental organizations.

### **iii) Proposed Model: Management Mechanism**

In order to adhere to the principle of decentralisation, the welfare boards should be set up for maximum decision-making and implementation at the state level. There should continue to be a central advisory board (of the autonomous Bead Welfare Fund), but this would only concern itself with broad managerial and financial policy matters. Financing may be multipartite (see next section), but the majority of administration, control and implementation should be at the state level, with further decentralisation as follows:

**A Welfare Fund Board at the state level with the following representatives in equal numbers:**

- Worker's Unions – representatives should not be chosen from central trade unions (as is the current practice), but should be representatives from local, state level unions of bead workers themselves. One criterion for selection to the State Board should be that the representative is an actual bead worker herself.



- Employers/employer's associations
- State – officials from the Ministries of Labour, Health and Finance
- Central – Labour department

This state level board will be empowered to make all decisions relating to the provision of social security benefits to the target worker group, in the state. Ultimately, an umbrella legislation covering all informal trade groups, as in Kerala or Tamil Nadu could be introduced.

The Board will strictly monitor all services and activities. The Board itself will have committees at district level for decentralised implementation. These district level committees will also be tripartite in nature. Hence, the implementation structure will be as follows

### **State Level Policy Board**

**Chair: State Labour Secretary**

**15 Members: 5 workers; 5 State & Central government representatives;**

**2 employers; 2 contractors**

Each state board will develop norms for functioning and a manual, which will be discussed at Central level, before adoption.

The overall approach will be towards flexible management and programs, which are tailor, made for the workers. Each of the components of the services provided will be reviewed every month through a meeting of the State Advisory Board. Overall workers themselves should keep administration costs at a minimum, through decentralised implementation as far as possible. Speed and efficiency of the district level (and taluka level) implementation committees should be formally monitored, recognised and rewarded.

A major departure from the existing model in this proposed model is to decentralise the welfare boards down to the state level and train the workers themselves to implement and manage the majority of services on offer. For this, capacity building support in terms of organising workers to form their own organizations, managerial support to run their own organizations and technical support to actually implement service delivery – for childcare, healthcare and housing, will be required.

#### **iv) Proposed Model – Financing Mechanism**

Financing the welfare board would be done through a multipartite financing mechanism, with equal contributions from the following:

- Cess on manufactured products sold;
- Employer's contribution (% on sales); and
- Worker's contribution (RS. 100 per worker per year).

The state-wise cess contribution would be allocated, based upon the number of bead workers enumerated for each state. This would then be supplemented by contributions from the above stakeholders, in the amounts proposed in the budget section of this study.

The state level tripartite policy board will not be for advisory purposes only, but will be like an actual steering committee, that meets regularly (at least once a month), to implement and monitor the welfare schemes. It will also monitor the collection of the funds and disbursement of the same down to the district and taluka levels, as well as monitoring the utilisation of funds. The state board would have full flexibility in both the areas of fund raising and fund utilization, within the broad set of budget heads decided by the central advisory committee.

Currently, many Welfare Boards are administered at the central level, with the cess collected going into the Consolidated Fund of India. This makes it inefficient in three ways:

- a) Money is released as per the budget estimates submitted by the Welfare Board to the Ministry of Finance. Excess cess collections over the budgeted amount; remain in the Consolidated Fund, without payment of interest to the Welfare Boards. This results in substantial revenue loss of the Welfare Boards.
- b) As the money is collected and distributed centrally through the Consolidated Fund of India, it is subject to all the rules and regulations of the Ministry of Finance. For example, the recent austerity measures introduced by the Government, also apply to all expenditure by the Welfare Boards, although most of the financing is from sales, worker or employer's contributions, i.e. people's own money. This added bureaucracy and centrally imposed regulations on expenditure, leads to inefficiency in implementation.
- c) Currently, as the cess collected does not flow directly into an autonomous beedi workers' fund, but flows through the Consolidated Fund of India, the Finance Ministry retains a percentage (up to 8%) for their own "administrative expenditure." This amount rightly belongs in the workers' welfare fund and is unnecessarily being paid over to the Government.

The State will allocate funds to the districts, based upon district-wise numbers of bead workers within the state.

Through a focus group discussion with 25 bead rolling women, it clearly emerged that women were able and willing to contribute for a variety of services such as health, childcare and pension. However, they wanted a good level of service in return and easy collection mechanisms. This is where the lessons learnt by micro finance institutions can be applied, as they have mastered the specially cash collection and delivery mechanisms required by the informal sector, e.g. doorstep collection, simplified procedures, involving people's participation, transparency, etc.

In fact, an additional source of capital funds for the Welfare Boards could be small savings generated from the workers themselves. Micro finance institutions such as SEWA Bank or BASIX, have found that the informal sector is a major market for small savings generating a total of 55 % of total national savings of the Indian economy through very small individual balances. These savings could be mobilised from workers by forming self-help groups. If invested professionally, following the prudential investment norms of the RBI, this could be a substantial source of finance into the Welfare Boards, as well as mobilising workers to form groups and make their own individual contributions into their workers' welfare fund. The workers interviewed stated that they were willing to pay upto Re.1 per day for services such as health, pension and childcare, each, i.e. a maximum of Rs.30/- per month.

Finally, when it came to employer's contribution, past experience shows that this is difficult to collect, very erratic and involves high collection costs. Bead workers' union organisers felt that it was difficult to collect employer contributions against the number of workers they employed, as they did not want to divulge this information (same experience with employer's contribution with PF). However, if they were charged a % of their total turnover, for contribution into a workers' welfare fund and had equal representation on the Welfare Board, then their contribution should be forthcoming.

In conclusion, we propose a high level of decentralization down to the state level in the implementation of the welfare schemes, through an autonomous welfare board. In fact, the schemes could eventually be run by local organizations or trade unions, while the state steering committee/board reimburses such organizations for scheme implementation and provides them with appropriate training as well as monitoring their performance.

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Table - 1

## Statement Showing State wise details of the total Number of Beedi Workers

Sl. No.	Name of the State	Total No. of Beedi Workers Estimated at Present	No. of Identified Cards issued till date
1.	Andhra Pradesh	6,25,000	5,18,954
2.	Assam	7,725	5,791
3.	Bihar	3,91,500	2,44,847
4.	Gujarat	50,000	48,396
5.	Karnataka	3,60,876	2,98,395
6.	Kerala	1,36,416	1,12,887
7.	Madhya Pradesh	7,50,000	6,92,014
8.	Maharashtra	2,56,000	2,02,435
9.	Orissa	1,60,000	1,47,274
10.	Rajasthan	1,00,000	70,930
11.	Tripura	5,000	4,814
12.	Tamil Nadu	6,21,000	6,04,949
13.	Uttar Pradesh	4,50,000	2,39,672
14.	West Bengal	4,97,758	4,97,758
	<b>Total</b>	<b>44,11,275</b>	<b>36,89,116</b>

Source : Das S.K, 2001



Table - 2

**The Minimum Wages for Beedi Workers (State-Wise)  
As on April 2002**

Sl. No.	Name of the State	Minimum Wages Per Thousand Beedis (In Rupees)
1.	Andhra Pradesh	45.65
2.	Assam	40.80
3.	Bihar	41.81
4.	Gujarat	64.80
5.	Karnataka	53.23
6.	Kerala	60.96
7.	Madhya Pradesh	32.42
8.	Maharashtra	39.00
9.	Orissa	42.50
10.	Rajasthan	34.50
11.	Tripura	29.00
12.	Tamil Nadu	37.68
13.	Uttar Pradesh	59.62
14.	West Bengal	61.62

*Source : Das S.K, 2001*

Table - 3

## Income and Expenditure under the Beedi Workers Welfare Fund

Year	(Rs. In lakhs)		
	Income	Expenditure	Balance
1976-77	-	-	696.82
1977-78	223.50	3.68	916.64
1978-79	216.55	31.82	1101.37
1979-80	77.73	77.29	1101.81
1980-81	0.90	91.96	1010.75
1981-82	5.55	110.45	905.85
1982-83	201.00	114.55	992.30
1983-84	417.25	180.36	1229.19
1984-85	406.07	210.14	1425.12
1985-86	311.13	266.60	1469.65
1986-87	416.98	323.82	1562.81
1987-88	1102.05	419.46	2245.40
1988-89	1198.90	659.86	2784.44
1989-90	1226.22	831.89	3178.77
1990-91	1205.40	582.28	3801.89
1991-92	1214.10	1091.19	3924.80
1992-93	972.57	1204.75	3692.62
1993-94	1328.20	1661.82	3359.00
1994-95	1246.09	2159.49	2445.60
1995-96	1470.27	2533.87	1382.00
1996-97	2120.70	2376.31	1126.39
1997-98	2190.00	2614.98	701.00
1998-99	2507.05	3141.56	67.38
1999-2000	4000.00	3784.22	283.16

Source : Das S.K, 2001

### Beedi Workers Welfare Fund Physical and Financial Performance during the Last Five Years

(Rs. in 000)

Sl. No.	Name of the Scheme	1995-96		1996-97		1997-98		1998-99		1999-2000	
		Physical	Financial	Physical	Financial	Physical	Financial	Physical	Financial	Physical	Financial
<b>I.</b>	<b>HEALTH</b>										
1.	Workers covered under GIS	1437877	2142	1460941	2319	1419008	7582	1730301	8850	1605179	6447
2.	Death Cases Settled	2142	-	2319	-	1907	6446	1880	5904	1895	5685
3.	Accident Cases Settled	-	-	-	-	5	30	10	250	19	475
4.	Patients treated in Dispensaries/Hospitals	2860176	13708	2793280	15016	2664097	26600	3036327	45173	3237038	59782
5.	Bed Occupation in T.B. Hospitals	95	343	218	671	20088	127	24302	8769	28102	9829
6.	Domiciliary treatment to T.B.patients	1165	1375	729	615	621	1079	570	1133	762	1423
7.	Treatment of Cancer	27	126	23	82	30	88	20	112	42	295
8.	Treatment of Mental Diseases	-	-	1	2	-	-	5	13	4	10
9.	Purchase of Spectacles	368	26	614	43	330	21	534	35	678	81
10.	Leprosy Relief	4	7	-	-	11	11	4	4	120	42
11.	Maternity Benefit Scheme	8167	2042	5188	1297	3317	824	4151	1031	3734	1317
12.	Add monitoring compensation for sterilization	127	7	176	9	176	10	162	9	193	33
13.	Hospital equipments	-	-	-	-	1	132	-	-	2	20
14.	Treatment of Heart Disease	5	17	3	19	6	23	4	13	10	66
<b>II.</b>	<b>EDUCATION</b>										
15.	Grant of Scholarship to children	149668	68132	188322	75905	195506	92714	194724	71630	228300	92201
16.	Supply of one set of uniform/text books etc.	60124	9613	81903	15101	75075	9244	67987	8384	67269	12478
17.	Percentage Incentive	2540	697	3984	1863	5906	2533	10061	3904	8697	3680
18.	Attendance Incentive	450	673	46549	9431	53489	10775	75441	15251	87621	17730

Sl. No.	Name of the Scheme	1995-96		1996-97		1997-98		1998-99		1999-2000	
		Physical	Financial	Physical	Financial	Physical	Financial	Physical	Financial	Physical	Financial
<b>III.</b>	<b>RECREATION</b>										
19.	Social/cultural/Sports activities	34	192	18	180	3	2	7	32	10	33
20.	Television Sets	2	20	-	-	2	20	2	20	-	-
21.	Exhibition of films	92	221	81	219	75	14	80	12	53	13
22.	Visiting of Holiday Home	2071	386	1645	628	4473	589	5262	1033	4453	1025
<b>IV.</b>	<b>HOUSING</b>										
23.	BYOHS (Loan)	2160	5334	1268	8247	1295	8475	1480	9389	1167	6185
24.	BYOHS (Subsidy)	974	1003	719	15841	1008	1633	827	1833	3988	44734
25.	EWS	4717	53217	5021	10493	3248	-	9361	21290	2795	14391
26.	Workshed/Godowns	13	1065	1	15	-	-	1	45	1	75

Source : Das S.K, 2001

**Table - 5**  
**Year Wise Breakup of Expenditure**

FUND - BEEDI

(Rs. in 000)

Sub - Head	1994-95	1995-96	1996-97	1997-98	1998-99	1999-2000
Administration	12455	12316	13852	18778	20470	24667
Health	84226	101655	106164	130251	152477	179275
Education	56135	77833	96125	101314	106085	128091
Recreation	685	933	1171	1062	1719	1744
Housing (Subsidy)	980	1003	1584	1633	2509	22393
Housing (Loans) (6250)	6912	5334	8247	8460	9386	7480
Grants-in-Aid to State Govt. (3601)	53815	53238	10493	--	21290	14697
Cons. Of Godown & Workshed (4250)	742	1065	15	--	120	75
<b>TOTAL</b>	<b>215950</b>	<b>253377</b>	<b>237631</b>	<b>261498</b>	<b>314156</b>	<b>378422</b>

Source : Labour Welfare Department, 2001

Table - 6

## Beedi Workers Group Insurance Scheme

(1.4.1992 to 31.3.2000)

S.No.	Region	Premium paid to LIC	Amount paid by LIC	No. of Beneficiaries	Claims pending with LIC as on 11.7.2000
1.	Allahabad	1,40,71,658	46,56,000	1,489	--
2.	Bangalore	9,28,040	3,00,000	79	--
3.	Bhilwara	21,20,308	16,56,000	550	--
4.	Bhubaneswar	29,50,316	16,20,000	495	39
5.	Calcutta	1,56,31,208	64,96,500	2,213	433
6.	Hyderabad	54,42,500	70,61,000	2,167	53
7.	Jabalpur	2,13,37,407	1,67,92,500	5,309	414
8.	Karma	55,53,900	9,45,000	306	81
9.	Nagpur	18,49,500	12,36,000	341	20
	Total	6,98,84,837	4,07,63,000	12,949	1,040

*Source : Das S.K, 2001*



## **Towards Empowerment: Experiences of Organising Women Workers**

**By Piush Antony**

### **Acknowledgments**

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# **I Women Workers and Organisations in the Unorganised Sector<sup>1</sup>**

## **1.1 Introduction**

An overwhelming majority of the Indian labour force works in the unorganised sector, of which women constitute the lion share. In the absence of security of employment and other social securities in the unorganised sector, these women workers, mostly from the poor socio-economic background, form the immediate victims of the vagaries of the market system. Hence, it has been argued that there exists a complex and multi-dimensional relationship between the labour markets in the unorganised sector and poverty (Jhabvala, 2000). This relationship has assumed further significance especially in the aftermath of new economic policies.

Taking cognisance of this relationship, many efforts have been made to address the vulnerability of women through interventions in the labour markets by state and non-state agencies. A deluge of literature pertaining to this, of direct and indirect attacks on women's poverty through various types of interventions in the labour markets, do provide many insights into the problem as well as highlight successful mechanisms of addressing it. In addition, they accord crucial linkages between the various facets of a woman's life to unravel the vicious cycle of poverty - low socio-economic status leading to poverty and poverty reproducing lower status. Of importance is the experience of various micro level interventions in the unorganised labour market with the pivotal theme of empowerment of women.

Organising the women workers in the informal economy has been in practice in several parts of the country with varying degrees of success. The purpose, origin, size, structure and modus operandi of these practices do vary. There are state-sponsored worker's co-operatives, government-NGO collaborations forming associations and trade unions promoted by political parties and NGOs. The purpose of formation include: providing employment security and social security; integrated approach to development and poverty alleviation per se; exclusively for the empowerment of women; and as a mechanism for class consolidation. According to the specific purpose, cooperatives, trade unions, associations, self-help groups for savings and credit etc. are formed and promoted. Hence, a mapping of the evolutionary process will provide a collage of do's and don'ts followed for organising women workers. Moreover, a general trend of change is observed among these organisations. That over the years most of them have drifted away from income generation and employment security or solely on organising women for advocacy purpose towards more comprehensive development focussed approaches with the aim of organising women for overall economic and political empowerment (Carr et al, 1996). Various reasons can be attributes to this. However, the significant ones that contributed to this trend are the following.

One, the realisation that improvement in economic status through income generation and increased work participation of women do not necessarily lead to economic and political empowerment and; two, the recognition of the limitations of the models of organising women without specific strategies and mechanisms of empowerment (Farrington, 1993)

These learnings have received further substantiation from the vast literature on gender and gender and development. Though it is established that economic and political empowerment are inextricably linked - each feeding into and off each other - and that human development index induces better gender development index, the experience of some high HDI states invalidates the causal relationship between improvement in economic status and economic and political empowerment. Of particular significance is the experience of Kerala State, where favourable development indicators such as high female sex ratio and literacy rate have not led to women's empowerment as a natural fall out.

## **1.2. The Concept and Practice of Empowerment of Women**

The term empowerment is widely used in the development literature to refer to a process by which marginalised groups recognise their powerlessness and address various deprivations and discriminations in their lives in individual capacities as well as through collective bargaining. When it is applied to women as a group, it implies that women as a group face powerlessness and consequent subordination and discrimination which can be addressed through processes that will empower them to overcome subordination in all spheres of life. Hence, the theoretical engagements concerning women's empowerment on one hand deals with causes of subordination at length and on the other hand, hammer out structural and attitudinal changes through conscientisation, rights assertion and collective bargaining that that can facilitate empowerment. In practice, causes of subordination may find a place only if conscientisation is one of the strategies adopted for empowerment. Otherwise, the most visible forms of discriminations that threaten their general well-being as individuals and livelihood issues that encumber them in performing their social roles are taken up for redressal. This is deliberate to minimise resistance from the larger society and maximise acceptance from the individuals as age old traditions and values that ascribe a subordinate position to women are deeply ingrained in the collective memory and through gendered socialisation, it is ensured that individuals internalise this subordination. Hence, practitioners often consider structural changes and attitudinal changes that are central to the process of empowerment as by-products. Theoretically, this approach has been thrashed out for its merits and demerits along with alternatives.

Nevertheless, the dominant idea of empowerment is addressing the most visible manifestations of discrimination in women's lives and most of the practitioners adhere to this, as there is no alternative. This is evident from a cursory analysis of organisations that have

been working for the empowerment of women. However, the differences in the approach should not deter or distort the fundamental spirit of the term. This is taken care in practice by compartmentalising the empowerment process analogous to the different spheres of life such as social, economic, political and personal. This compartmentalisation, however has the ultimate vision of 'overall empowerment' – a usage coined to encapsulate the fundamental nature of the empowerment process. Strategies to empower women usually take the form of organising them into formal or informal groups and these groups are further strengthened through specific agendas. As already mentioned since these agendas follow a projectised approach towards empowerment, 'overall empowerment' remains as a vision of the organisation. This is particularly so in projects that invokes changes in one sphere of women's life like political participation and economic development. In such cases empowerment tend to get restricted to gaining autonomy for women in certain specific roles/ activity such as control over income, independent and active participation in panchayat activities etc. This discrete approach ostensibly lacks the potential to penetrate the so-called private sphere of women's life, where attitudinal changes play a significant role. This can be brought out through an analysis of organisations that focus on economic empowerment of women. This will be taken up for further discussion in the later part of the study that deals with the analysis of case studies.

### **I. 3 Economic Empowerment as an Organising Principle**

Organisations that work for the empowerment of women tend to focus on the material conditions to which women are subjected to, and make conscientization central to their organising (Calman, 1992). Underlying this dominant model of empowerment is the premise that all women are economically productive, irrespective of whether their work fall under the conventional definitions of work, and they are either low paid or unpaid. Though this material reality of women's life is intrinsically related to other spheres of their life, the successful interventions by many organisations highlight economics of everyday life as an entry point with strategic advantages. Creation of economically productive activities and providing employment security and other social securities through collective action of organised women form the hub of activities undertaken by these organisations. It is also argued that the spin-off of such an empowerment process possesses the potential to initiate social and political empowerment. Further, in a pluralistic society like India, patriarchal traditions, norms and values impede structural changes in favour of women, and changes in the public sphere is hampered by the reinforcement of private sphere roles. Therefore, improvements for women in the work sphere through collective bargaining portend political and structural changes that can transgress the private-public dichotomy.

The successful models of organising women for economic empowerment show that it can serve to promote shared knowledge, mutual trust, self-help, reciprocity, and solidarity among

women, which in turn can lead to increase in women's participation and bargaining power in local institutions. In other words, most of the economic approaches to women's empowerment are political in nature and economic empowerment necessitates changes in the power relationships in the economic sphere as well as in the social and political spheres. This school of thought rephrases the motto of the women's movement to *economic is political* as any change in the economic transaction in the every day lives of women, either at home or in the work place implies structural or political changes (Carr *et al* , 1996).

This study is an attempt to understand and analyse these experiences of organising women workers for economic empowerment as there is a need for more scholarship on the practice that economic can be political. Such an understanding is envisaged to facilitate formulation of policies concerning women workers.

#### **1.4. Objectives**

The broad objective of the study is to evolve appropriate strategies and policy recommendations for the empowerment of women workers on the basis of the experiences of selected case studies of organised forms of women workers.

The specific objectives of the study are:

1. To map the types of women's member based organisations that exist in different regions in India from a review of secondary literature
2. To document the functioning of ten selected organisations in terms of strategies, outreach, impact, sustainability and linkages to public institutions.
3. To identify internal and external structural factors which inhibit or promote the formation and sustainability of women worker's MBOs and to delineate the synergies that have been established in collaboration with the state and other apex bodies and in creating a Public Voice
4. To understand the processes involved in economic empowerment and the specific strategies employed to effect social and political empowerment of women workers
5. To draw a matrix of best strategies and approaches adopted in the formalisation of public voice and for gaining sustainability.



## II Approach of the Study

The study focuses on understanding the empowerment of women facilitated through economic empowerment practices by the selected organised forms of women workers. The study necessitates a comprehensive review of literature to assess the initiatives and impact of women worker's organisations and to have sufficient understanding of the various typologies of such organisations. In addition, the study draws strength from the debates on economic empowerment and its relation to overall empowerment to formulate possible policy suggestions pertaining to women workers in the unorganised sector.

In spite of the increased proliferation of informal sector activities, organising women workers in this sector along the traditional trade union model possess certain inherent problems of feasibility and effectiveness, mainly because of the characteristics of work that these women engage in. The absence of a clear employer-employee relationship, non-existence of a common work place as in the organised sector, high incidence of under employment, multiple employers, absence of protective laws etc., form the major hurdles in organising these women workers in the unorganised sector. Recognising all these problems pertaining to the nature and composition of women's work, several alternate strategies of intervention have evolved over a period of time. A common feature of these interventions is that they form member based organisations such as trade unions, co-operatives, associations etc. that aim at creating opportunities for employment, social security measures, improvements in the work place conditions which will eventually lead to economic empowerment.

As the study focused on the specific experiences of organising women workers in the informal sector, certain criteria were followed in selecting the case studies. These are organisations should be (i) member based, (ii) registered bodies as trade unions, co-operatives or as societies (iii) of women workers and should have formalised the public voice.

These criteria do need justification and it is given below in the form of operational definitions of the key terms used for the study.

The study prefers to use an umbrella term of *Member Based Organisations* to restrict itself to those specific interventions in the unorganised sector aimed at organising women workers by forming a membership based registered group, that works for ensuring improvements in the economic status of women. This term thus incorporates any registered society of women workers - trade unions, associations, Self Help Groups etc.- that have been using collective bargain as strategy to influence changes in their work related issues, which can be broadly put under the category of economic empowerment programmes.

As most of the initiatives in organising women workers are being undertaken by the non governmental organisations and organisations of workers are understood within the traditional framework of trade unions, it is imperative to carve out the specificities implied by the term Member Based Organisations. It is better understood in relation to NGOs and trade unions, as MBOs in its simplest sense possess the strengths of both. NGOs and trade unions both representing civil societies and having a social agenda, differ mainly in terms of their constituency building, the processes involved, target group, organisational structure, source of legitimacy and resource mobilization. For trade unions, work place is the constituency. This constituency is, in turn defined by the membership of individuals, who come together in solidarity, consolidating a specific work identity. Democratic functioning is incorporated in the organisational structure through regular elections. Source of legitimacy is derived directly from the solidarity of workers and resources are mobilized mainly through membership fees. The articulation of public voice is primarily through collective bargaining and public protests, which yield tangible and immediate results. Since citizenship is built through awareness of workers' rights and, ownership through membership and elections, accountability of leadership and transparency of management are expected to be higher.

NGOs, on the other hand, represent an individual's or a small group of individuals' volunteerism to effect changes in favour of the larger interest of the society. The basic spirit of voluntarism evinced since its beginnings is drawn from charity, which of late is being translated into welfare. As inherent to its very form, NGOs tend to have a pyramid structure, with the founder member at the top, representing the chief functionary. The lower rungs of the pyramid are however, democratized through nominations and elections and the top is given a flattened look by the presence of board of members or governing body. NGOs draw their constituency mostly from the economically and socially disadvantaged groups of people in a particular geographical area. Livelihood issues and provision of basic needs constitute the priority list of the activities of these organisations. Accountability is often limited to public opinion, and transparency to the governing bodies and donor agencies. Since the canvas of social activities is as broad as social change, they have the advantage of flexibility in setting the agenda.

The few organisations that existed with an alternate framework and the paradigmatic shift that has happened in the development discourse vis-a-vis participatory development have contributed to many changes in the structure and functioning of the NGOs. Besides its democratic qualities, organisations, which are member based, have the advantage of an autonomous functioning and a focused action plan. Many NGOs have created membership based satellite organisations or have adapted a more flattened organisational structure. Since membership needs a commonality amongst the individuals, a social identity or an economic identity building is necessary for constituting a member-based organisation. Membership in organisations also ensures participation of stakeholders as well as equity in the distribution of tangible and intangible benefits.

As this study is designed to document the best practices in organising women workers and in the formalization of public voice, its imperative to look for more democratic structures which most of NGOs innately lack. Further, the objective also highlights the worker's identity as against any status-related identities. It is well documented that most of the established trade unions affiliated to political parties have both men and women as members and have separate women's wing. But the presence is felt mainly in occasional public appearances. Party based trade unions were excluded for these reasons.

The term *formalisation of public voice* evades a definitive description, as it is context specific. The manifestations and processes involved in it are determined by the nature of issues, strategies adopted and the socialscape within which it has taken place. Nevertheless, at the operational level, it can be gauged from (i) the political and social significance of the issue, (ii) interfaces with the public authorities, (iii) modes of lobbying and advocacy, (iv) public attention gathered and demanded during the bargaining, (v) networking and alliances with other civil society organisations, (vi) space created for negotiation with concerned authorities, (vii) their impact on the policies and on the lives of women and ultimately, (viii) the recognition that the organisation gained for representing the public voice which is manifested in its representation in formal decision -making bodies and consultations on similar issues.

As for focusing exclusively on *women workers' organisations*, the justification is drawn from the available literature on women's participation in social movements and trade unions. Irrespective of the differences in perspectives, they categorically point out that women members mostly contribute to the bulk of mass protests and often employed as a ploy to highlight the severity of livelihood issues than actual participation in planning and decision making. Moreover, it is being increasingly recognised that a common platform for men and women does not provide adequate space for addressing the gender issues. A common dais is even more constraining to address the strategic gender needs. Further, for a deeper understanding of the question of economic empowerment as an entry point and its spread effect to other spheres of women's lives, it is but a natural choice to restrict to women's organisation. The insistence on registered bodies is made based on the premise that it is a necessary pre-condition or an enabling factor in the process of formalisation of public voice.

Apart from these criteria, an attempt was made to represent the various geographical zones of the country vis-à-vis South, West, North, East, and North East. As the study had to be completed within a short duration allotted for the study, we could not find suitable organisations from the states of Uttar Pradesh and Himachal Pradesh, Punjab or Haryana.

Based on these above criteria, MBOs are selected and are studied in detail through personal visits to their activity centres. Formal and informal discussions with the office bearers and

members of the MBOs, community representatives, elected people's representatives in the concerned area and family members of the members of the MBO are conducted to capture a holistic picture of the functioning and impact of the organisation. In each case study, details of programme specific strategies, organisational structure, processes of decision-making processes, impact, decentralisation and devolution of power are systematically analysed. However, attention was given to represent the spectrum of initiatives undertaken by various organisations.

The number is limited to ten because of the short duration of the study. The purposive selection has also taken care to include a variety of institutional arrangements. Out of the ten organisations, two are registered societies, three are cooperatives, three trade unions, one trust and the other is an ILO experiment to empower women informal sector workers through existing unions.

The organisations thus selected are:

1. Bangalore Gruha Karmikara Sanga, Bangalore, Karnataka
2. Kagad Kacha Patra Kakshakari Panchayat, Pune, Maharashtra
3. Self Employed Women's Association- Madhya Pradesh
4. Sramjibi Mahila Samiti, West Bengal
5. Ama Sanghattan, Orissa
6. Wahingdoh Women's Industrial co-operative Society and Nontuh Women's Multi-purpose Co-operative society, Shillong, Meghalaya
7. Ankuram, Sangamam, Porum, Mutually Aided Co-operative Society, Andhra Pradesh
8. Shakti Mahila Vikas Swavlambi Sahayog Samiti, Bihar
9. Annapurna Mahila Mandal, Mumbai, Maharashtra
10. Trade Union Collective, Tamil Nadu

### **iii Voice to Women Workers in the Informal Economy: A Photograph of MBOs**

One of the most disheartening finding in attempting a mapping exercise of MBOs of women workers is that they lack documentation of any kind. This is more so if they are promoted by NGOs or under certain state sponsored development schemes. In such cases, one may find a partial mentioning of the formation of MBOs in the annual reports in actual numbers. For example, it is often reported as ' certain number of co-operatives are functioning under this programme'. If the legal status to be ascertained, it is even more a difficult task. An exhaustive mapping which was initially planned for this study was found impossible for these above said reasons. Lack of documentation leads one to count more on social networks. The information gathered through such sources was grossly scattered for it to support an illustrative mapping. Therefore, what is attempted here is a photograph of various trends in the formation of MBOs of women workers in the informal economy.

Conventionally, workers are organised into unions where labour rights are safeguarded through collective bargaining. In India, unionism is conceived as a characteristic feature of the organised sector. The very terms organised and unorganised sectors refer to the presence of unions in the former and the absence of it in the latter. By virtue of this association of unionism with the organised sector and as unions guarantee securities of income, employment and other social securities by way of protectionism, organised sector workers are also referred as protected labour. Though there are efforts of varying nature in organising the informal sector workers since long, these efforts remain as exceptions due to the ever-increasing magnitude of workers in this sector,. The only exception being the state of Kerala which heralded unionisation of informal sector workers under the leftist government. This resulted in institutional arrangement of welfare funds providing social protection to workers of certain occupational groups.

However, the 1970s seem to have sown the seeds of unionisation of the informal sector across the country. Many initiatives of diverse nature and pertaining to a range of occupational categories within the informal sector came up during this period. These initiatives preceded two other related happenings in the Indian polity. The crisis of governance experienced during this decade giving rise to institutionalised forms of voluntarism and disillusionment of many committed individuals with the leftist ideology especially with the labour movements. It is said that the mushrooming of voluntary organisations in the 1970s and 1980s is best understood in terms of the latter than any other political or social factors. This is evident from the fact that the founding members of many of the established voluntary organisations came from the background of leftist parties and labour movements. The initiatives in organising the informal sector workers in general and women workers in particular, to a large extent share the same genesis and evolutionary path.



The second wave in organising women workers in the informal sector was induced by the recognition of the success gained by SEWA and WWF in the 1980s. These organisations besides heralding a movement of women workers in the informal sector established a strong link between lack of organisation in the informal sector and poverty. Recognition of this by the state resulted in many direct and indirect programmes for the women workers. State also merged these efforts with the empowerment approach it adopted during the same time. Important programmes in this regard would be centrally and state sponsored schemes and programmes. Mahila samakhya, a programme for rural women's empowerment implemented in four states since 1987, women's development programme (WDP) in Rajasthan and special programmes such as DWCRA since 1983 are cases in point.

One of the significant learnings of the earlier experiences of organising women workers have been that interventions to provide women with access to credit can have multiplier effect and by itself can be a strategy for organising. The response of the state has been positive in this regard by initiating several favourable policies and institutions to facilitate access to credit. Rashtriya Mahila Khosh is an example. Tamil Nadu Government's Mahalir Thittam and Andhra Pradesh's *Podupulakshmi* are also worth mentioning.

Against this background, what is the pattern that one can observe about women worker's organisations?

The role of women in traditional party affiliated trade unions are well documented and seldom evinced positive roles and marginalisation of women workers and leaders in the trade unions has been articulated from many perspectives in various fora. Consequently, there have been efforts to address this, but the trend remains almost the same as the larger political sphere continues to be patriarchal. However, the few successful efforts taken by the trade unions to incorporate the interests of women workers in the informal economy are worth mentioning. The Hind Mazdoor Kisan Panchayat has formed co-operative societies for women mat weavers in Kodungallur and for potter women of Aruvacode in Kerala. Similarly, Belgaum district Bidi workers union and Chikodi Taluka Kamgar Mahasangh in Karnantaka haveorganised 7000 women workers in Nipani with extension activities like *savali* –(a trust for devadasi women) and a consumer co-operative society for the members. Studies pertaining to such efforts report that with all its working class base, the leadership is still in the hands of middle class men who draws a lot of support from the informal networks around him for setting up these initiatives. While this has helped in the success of these efforts, in the absence of second level leadership and the leader growing ambitious in politics, many portend un-sustainability of these efforts. It would be interesting to recall the origins of WWF and SEWA in this context. Both the initiatives were begun by women trade union activists in the broader framework of a trade union, but specifically to address the exclusions of the traditional trade unions vis a vis informal sector women workers.



The inability of the established trade unions to organise informal workers and the dismal plight of these workers belonging to lower social and economic cadres of the society gave enough space for the NGOs to intervene in the informal economy. However these interventions have been largely welfarist, carried out through the delivery of various development schemes. The move towards participatory development and rights approach including that of empowerment led many NGOs to address the issues of women workers rather than of a 'helping poor women'. Almost all the NGOs work directly with women and have organised them for various activities. This range from self-help groups, income generation, health and nutrition programmes, social forestry, watershed, and agriculture development, to decentralised governance. However, very few attempts have been made to organise workers into member based organisation. Those who have attempted like YIP in Andhra Pradesh and DISHA in Gujarat formed mixed unions of a specific category of workers. Their efforts to bring in women into leadership positions have witnessed varying degrees of success depending on their efforts to alter the traditional leadership in the villages.

Compared to the large numbers of NGOs working in the country, very few have formed MBOs of workers and even fewer numbers can be found for women workers. One of the main reasons often quoted is the aid bureaucracy that influences the programme orientation of the NGO and this mostly favours welfare programmes with direct beneficiaries and with quantifiable impacts. Many NGO interventions to generate alternate income have resulted in the formation of co-operatives and even registered companies. MEADOWS in Dharmapuri (Tamil Nadu) a registered company of watchstrap processing unit of Titan Company is in fact a member based organisation of women workers promoted by MYRADA (an NGO working in South India for the past twenty years). However, different NGOs seem to have varying preferences for certain structures of MBOs, the most favoured being co-operatives.

Most of the MBOs of women workers exist in certain specific sectors of work. More number of MBOs can be found in programmes that have a definite agenda of involving women like social forestry, watershed, minor forest products collection etc. State governments seem to play a major facilitative role in many such attempts. The Bankura experiment of organising women workers to take up land regeneration is one such example. The ILO sponsored INDISCO programme has been facilitating the formation of MBOs among the tribal women workers for economic self-reliance. Co-operatives have been a dominant model for forming MBOs for women involved in diary development, Handicrafts, minor forest product collection etc.

There are many legal and bureaucratic hurdles in the registration of MBOs. Some state governments have very favourable policies towards registering the MBOs while some has time-consuming procedures. Societies have an easy way compared to the registration of co-operatives and trade unions because of which many successful interventions that can be

actually referred to as MBOs lack the status of MBOs. Kutch Mahila Vikas Sanghathan an Imphal Market vendors association are examples of this.

In the wake of liberalisation and globalisation policies, there is an increased attention on the social security issues of the informal sector workers. Many NGOs have started initiatives towards providing alternate social security arrangements. In such a move one can possibly expect an enhanced attention towards forming MBOs.

#### **IV Case Studies- A Brief Profile**

Though the information was collected through a structured checklist, only very few organisations could furnish all the details. Some organisations have poor documentation facilities and some others suffer from informal administrative and management practices. Relatively new organisations seem to be focussing more on administration than on the process documentation even when they could afford it with the available financial and human resources. Some others work in a very restricted manner compared to other older organisations, which have spread their activities quite substantially. Due to these limitations in the fieldwork, a standardised format for documentation is not followed in the case study description.

However, the processed information about the case studies is provided in the Appendix and significant features of each, critical to our analysis are discussed in this section.

Out of the ten case studies, we have three registered trade unions- BGKS, KKPKP and SEWA – MP and three co-operative societies and one Trust. SMS, though a registered society functions as a union and we have information about other ten trade unions as part of the ILO's pilot project. Case studies are clubbed together according to their organisational status for easy reference.

##### **1. Trade unions**

###### **(I) Bangalore Gruha Karmikara Sangha - Bangalore, Karnataka (BGKS)**

This is a registered union of domestic workers in the city of Bangalore. Formed by an NGO called Women's Voice in the year 1986, it is the first registered union of domestic workers in the country. It has 2000 members and draws its constituency from the Mahila Mandal units of the support NGO in the selected areas of the city.

The structure of the union is fairly simple with area committees and representatives of this committee constitute the executive committee. The president of the union is elected from the

executive committee. Resource mobilisation is limited to the collection of membership fee, which is 25 paise per month. The salaries of the president and that of the general secretary are met by the support NGO. Participation of members is ensured through the monthly area meetings and through the development programmes undertaken by the support NGO in the field areas. Rotation of office bearers also enhances participation

The main activities of the union can be classified under three categories: Awareness building and education activities; Union activities addressing the specific needs and problems of domestic workers; mobilising social and developmental programmes; and network and alliance building. All the activities are supported by 'Women's voice', not only financially but also in the form of providing appropriate resource personnel to support the activities.

The union faced a series of hurdles for registration, however, it was able to submit the first charter of demands by May 1986. The union has demanded that a commission to be constituted for fixing minimum wages, bonus and gratuity for domestic workers. It has also demanded that labour department register all domestic workers of Karnataka and that welfare board for them. It has also demanded extension of ESI and maternity benefits. Finally BGKS highlighted that domestic workers work for 365 days of the year, without sick leave or holidays. In Sept 1987, a national convention of domestic workers was organised. Since domestic workers do not come under the category of industry, the Minimum Wages Act related to industry can not be applicable to the domestic workers and hence the domestic workers union made recommendations for a regulatory or tripartite body consisting of the government, employers and employees to work out rules and regulations pertaining to domestic workers and the employer such as rights and duties, responsibilities, terms and conditions, minimum ages, issuing of identity cards etc.; that the government should fund the tripartite body to the extent those benefits which are not affordable by the middle class employers; and part time domestic workers to be included as workers and minimum wages be worked out on hourly basis

The struggle of BGKS for including domestic workers under the schedule of Minimum wages Act was ongoing for a long period. In 1992, domestic workers were included in the schedule. But in the very next year i. e 1993, government has removed the domestic workers from the schedule without even fixing minimum wages. BGKS took up the issue for inclusion of domestic workers in the schedule of minimum wages act. The memorandum to the government highlighted that the wages suggested by the Minimum Wages Advisory Board of Karnataka was less than that of the poverty level at the household level!

At the public hearing on the 27th Nov 2000 at Bangalore, BGKS has reiterated the demand of needs-based minimum wages. However, it put forward a demand for hourly wages of Rs.15 per hour, as most of the domestic workers are part time workers.

Networking is an important function of BGKS, which is aimed at strengthening the bargaining capacity of the domestic workers and poorer sections of the society. It is a member of National Centre for Labour, which is an apex body of informal worker's unions and has submitted a detailed memorandum to the 2nd national labour commission. At the national level, BGKS is also part of National Alliance of Women's Organisation and National Dalit Women's Federation. Locally BGKS has alliance with organisations like, AWAS an NGO working for housing programme in urban slums and Karnataka Slum Dwellers Federation in their struggle to avail basic amenities. BGKS also works in close relationship with a sister organisation of construction workers union, which addresses issues of migrant, informal sector labourers.

The success of BGKS has to be viewed from two angles viz., organisational activities focusing on worker's rights and programmes aimed at members' empowerment. Locally and nationally this union has achieved recognition. It is an active partner of many of the national alliances of worker's unions, women's organisations, Dalit organisations etc. At the state level, BGKS has gained representation in state commission for women and Minimum Wages Board. Further the labour department and women and child welfare department involve representatives of BGKS in many of their consultative meetings. Locally the police departments involve the union members in case presentation and in inquiries pertaining to domestic workers. Initially, this practice was restricted only to the union members but over the years in any case involving domestic workers or even slum women, the local police personnel consult BGKS.

From the point of view of members, dignity is the first gain through the union. The identity cards issued by the union serves a multitude of functions such as a sense of freedom from vulnerability at the hands of employers and police, security of life and work. Further, regular meetings provide a space for articulating their grievances, A feeling of being reckoned by the government while mobilising government welfare programmes, asserting the rights in public meetings and protests, a feeling of their voices being heard etc, also constitute the experiences of members. The union members are articulate. They accompany their fellow workers (when needed) to the police station. They are not afraid of police personnel and engage in negotiations with employers. Their personal aspirations have also undergone changes, from one of pessimism before the union to absolute optimism. This optimism is extended to the union demands and to the future of their children.

## **ii. Kagad Kach Patra Kashtakari Panchayat, Pune, Maharashtra (KKPKP)**

KKPKP is a registered trade union of waste pickers in the city of Pune. The idea of unionising these workers emerged out of the education programme for the waste-picking children undertaken by the Department of Adult and Continuing Education, SNDT Women's University, Pune. In course of time their mothers came forward with a demand for the access to

segregated garbage so that less time would be required for scrap collection. Initially the department began working with about 50 women. When a group of entrepreneurs wanted to take control of certain garbage dumps in the city, SNTD department encouraged the women to stage a protest march. Following this the department encouraged these women to take up other issues affecting them.

As more scrap-pickers joined them, they registered trade union in 1993 to ensure that the government and society recognized waste picking as meaningful work. The membership fee was Rs.13 per annum (Rs.1 per month + Rs. 1 entrance fee) during the early years. Presently the fee is Rs.15 per year. Photo identity cards were provided to the workers at a price of Rs.5. The union began with 1500 members. Now it has gone up to 4594. Out of these 3343 are women (2781 waste pickers + 562 itinerant buyers) while 1251 are men (233 waste pickers + 1018 itinerant buyers). A majority of their members are women since they mostly do scrap collection. They are working in 70 slums in Pune and 10 in Pimpri Chinchwad.

The organisational structure is democratic with the members electing their group leaders. These leaders are responsible for taking care of the issues and problems in their respective areas. They report to a management staff, which initially had strength of 16 people to go to the slums, interact with the women and educate their children. Today it has been reduced to 7-8 people.

The union holds meeting on the 16th of every month for the group leaders and on the 10th of every month for all the members.. The members themselves make the decisions in the association such as the issues they would like to work on, the amount of surcharge to be paid, etc. The women members were found to have sufficient knowledge about the funds generated the management of salaries, etc.

During the initial years the union took up issues like police harassment of waste-pickers, cases of accidents in garbage collecting, instances of retail scrap traders closing shop without paying the workers, etc. Many morchas, dharnas, protests and court cases were held to this end. In addition, certain processes came up over the years such as child labour, access to credit, retail trade, violation of rights etc., which they are taking up in a systematic manner. Through the years the association has been fighting for the workers' access to garbage, the provision of identity cards for them and ensuring that the municipal corporations endorse these cards. In 1996 the Pune and Pimpri Chinchwad municipal corporations officially recognized the association and endorsed the photo identity cards of the members.

The main activities of the union consist of protection and assertion of workers rights, community development activities and education and institutional programmes. The union



has been lobbying for the application of the already existing Maharashtra Hamal Mathadi and other Unprotected Manual Workers (Regulation of Employment and Welfare) Act to wastepickers. The association has documented the rag pickers' work. The image they have projected is not that of 'poor scrap pickers who need sympathy' but have emphasized on the necessity of their work for society. For instance, they have quantified the costs these workers save the Transport Corporation and have stressed on their importance for the recycling industry. In this way they have argued for the improvement of working conditions and the retaining of the activity as a productive one.

The union has put pressure on their members to stop the practice of child marriage. Since they sought the help of the police in this endeavor and discussed the issue with other groups too, their efforts have made some impact. Community marriage celebrations have been organized since 1998 as another strategy to address the issue.

The Unions' institutional programmes include credit cooperative, group insurance, a cooperative store and self help groups. In 1997 they registered a Credit Society. This credit programme has 1370 members. The association has started a Group Insurance Scheme in 1998, together with the Life Insurance Corporation of India.

In 1995 the union has started a shop (co-operative scrap store) in one of the slums they work in, to sell the collected scrap. The setting up of the cooperative shop has been one of the strategies adopted to give the women members bargaining power by demonstrating that it is possible to generate profits in the scrap trade using fair business practices and possible to provide contributory provident fund.

The union is represented in various decision making bodies such as Part of Collectors Child Labour Committee (state inducted), Mahila Dakshita Samiti for violence against women (state inducted), Apex Committee on sanitation (Pune Municipal Corporation), Joint Action Committee on primary education (Pune Municipal Corporation), Advisory Committee on domestic workers act

In addition, they also network with a number of other organisations such as Member of Forum of women's organisations, Action for the rights of the child (an NGO network), Action Committee of unorganized sector trade unions, and Central Committee of central trade unions. The union also possesses consultative status in various fora for formulation of women's policies and agitation against price rise, globalization.



### **(iii) Self Employed Women's Association – Madhya Pradesh (SEWA)**

SEWA, a registered trade union of self employed workers, was formed by Ela Bhatt in Ahmedabad (Gujarat) in 1972. It has set up a Mahila Sewa Bank for women workers, as moneylenders who charged them high rates of interest were exploiting them. Subsequently, industrial cooperatives of Kutch embroidery, furniture and milk cooperatives have been started.

Over the years SEWA has spread to six states – Gujarat, Madhya Pradesh, Uttar Pradesh, Delhi Bihar and Kerala – and has 3 lakh members all over India. SEWA Bharat, the national federation of all the SEWA units in the country, was registered in 1983 to facilitate work the national level and provide the possibility of expanding the membership base to new states.

In Madhya Pradesh, SEWA works in 11 districts with 80,000 members in the state. The majority of their members are beedi workers, tendu leaf collectors and agarbatti makers and a few are basket weavers and broom makers.

Began in 1985 among the beedi workers in Indore, SEWA has been able to register a trade union in 1988. It extended to other home-workers like those producing agarbattis, ready-made garments, papads, etc. as well as to service sector labourers like tendu leaf collectors. There are 4 registered bodies of SEWA in the state – Union, Credit Cooperative Society (registered in 1989), Public Trust (registered in 1991), and Industrial Cooperative (registered in 1995). Each of these has it's own separate structure, audits and executive personnel. SEWA's work starts from the grass-root level and is based on decisions made by the women members themselves. The members of each level elect those of the next one. There is an annual general body meeting.

The aim of the union is to organize women workers engaged in different informal sector occupations. Rights awareness is one of the important activities of the union. For example, access to minimum wages, identity cards and welfare benefits (housing, free medical health, educational scholarship, etc.) Act and Beedi Workers Welfare Fund Act are addressed through the union. Awareness camps are organized for this purpose, where government officials are invited to talk to and interact with the members.

Campaigning for effective implementation of various Acts takes the next priority. Negotiating and lobbying with state authorities as well as with employers, hence, is an important function of the union. These efforts have had results such as rise in minimum wages, workers' names in the employers' registers, distribution of identity cards to workers. To some extent, benefits under the welfare schemes such as insurance claim, scholarships and provident fund have also been extended to workers.

The activities of the cultural group are equally significant. There are about 27 cultural groups which puts up plays, street theatre and songs (prepared by the women themselves) about the poor condition of women workers, the activities of SEWA and their demands. The objective of forming these groups was to spread awareness among more and more women workers and to provide a means for them to voice their demands. SEWA concentrates not only in creating a demand generation system but also extends services to the people to avail benefits that are due to them.

The credit cooperative emerged from the union initially as an informal saving fund to which each member had to contribute Rs.2. Today there is one credit cooperative bank in Indore and another one being stated in Chattarpur. The bank functions at the district level with savings between Rs.70, 000-80,000.

Self-help groups have been formed among the credit cooperative members belonging to the different trades that SEWA covers. There are 90 SHGs in 6 districts – Indore, Ujjain, Khandwa, Devas, Ratlam and Sagar. Each one contains 15-20 members. These groups have taken loan from banks and started commercial production and direct marketing of their products. The members have savings of Rs.30-50 per month. SHGs are being started in the other districts too. In some areas where members have saved money through SHGs, SEWA has formed industrial cooperatives. To become a member of this cooperative a woman has to take a share of Rs.100. It works towards finding possible production work and available markets for various items made by the members, besides organising exhibitions to sell these products.

Income-generation groups have been formed in Indore district and SHG members were given training in stitching, making pickles, masala powder, food items and artificial ornaments. SEWA tried to form the SHG members into income-generation groups by giving them training in alternative employment. Local organisations such as Shramik Mahila Vidyapeeth and Shramik Shiksh Kendra trained the women in these groups.

Various welfare activities for women members and their children in the fields of employment, health, and education are carried out by the public trust of SEWA. Groups of women sort out family problems of members such as drunkenness, violence, etc. by putting collective pressure on the parties concerned. In an attempt to reduce alcoholism, some groups pressurized a number of illegal liquor-shop owners to shut down their establishments. These groups also impart basic literacy to the members.

Networking is an important function of the organisation. It collaborates with a number of local and national NGOs working in a variety of fields. Depending on a purpose, it contacts the relevant organisation. For instance, it worked jointly with Manasi Health Center (Indore) and Lion's Club (Ujjain) to carry out a survey of health problems among beedi and agarbatti

workers. It took the help of Shramik Mahila Vidyapeeth in training members for various income generating activities. The District Cooperative Development Society helped the organisation in cooperative development training. It also took the help of the ILO on its survey of beedi workers in Sagar.

SEWA is represented in a number of decision-making bodies. At the national level it is a member of bodies such as the National Center for Labour, the National Alliance for vendors, and the home net of the SAARC countries. Some of its governing body members like Manorama Joshi (general secretary) and Shikha Joshi (state coordinator) are members of the Minimum Wage Committee. The latter is also part of the Child Labour Committee. Further, SEWA is invited to various consultations, for example, by the central labour ministry for a draft-bill discussion on social security among home-based workers.

**( iv) Trade union collective in south India, Chennai, Tamil Nadu**

This is a collective of ten trade unions in southern states selected for an ILO pilot project for promoting participation of women members in formal workers organisations. This project, known as "Workers' education for integrating women members in formal workers organisations in India" was launched in December 1996 at Chennai.

The first part of the project activities concentrated on building partnership alliances with the selected organisations through a series of consultative meetings, working out the terms of reference and logistics of the project. The second part consisted of training of field workers and key personnel of the organisation.

The activities of the second part of the project boosted the membership enrollment and participation of members in the union. The women coordinators facilitated the increase in membership and this has contributed to an increase in union resources. The third part of the activities consisted of implementation of income generating programmes. This was envisaged to improve the income levels of women members and economically empower them through entrepreneurship and skill development to manage their own endeavors. It was also to tackle the growing dissent, though very benign from the elder members of the community about the opportunity cost of union activities by the women members. In practice it was found that day to day activities of the programme involved many of those who are out of the workforce Besides, such alternate employment opportunities can facilitate occupational mobility which in turn can effect social mobility as many of the members belong to the socially marginalised groups.

The project began with self-help groups. All the unions took up SHG formation and their efforts are met with varying success levels -from very well functioning ones to yet to pick up momentum to large number of groups to small number of groups. These groups have been

able to gain recognition from the government that some of the development programmes are being routed through these groups. Most of the groups are accessing loans from the Banks. Moreover, all groups have managed to arrange an office space for meetings and a member as the full-time worker. These unions who could develop SHGs into independent functional groups were asked to take up income generation programmes and a lumpsum grant of Rs.150, 000 was made available for the programmes. However, only 7 unions came up with proposals for the full grant. The income generation activities taken up by the unions are Dairy, Tailoring training, and Brick making. As the amount granted being minimal to take up any major activity that involves rigorous training, infrastructure and high capital requirement, these activities were found viable, as most of the members are familiar with these skills.

All the seven unions have been able to implement the identified activity in their concerned areas and are being rated as successful. The sustainability of these projects have less threats compared to the sustainability of the institutional arrangements created for women's enhanced participation in the unions. After the withdrawal of the project, the future of the full time women's committee in each union is at stake on two counts. Firstly, it depends on the unions' financial capacity to retain the full time women workers as part of the union. Secondly, as the intervention could not make sufficient inroads into the patriarchal structure of the union, independent women leadership is yet to happen. Women are at the second rung of leadership and under the patronage of the male head of the union, they are unlikely to ascent the offices in future but will be utilized for increasing the membership and in the monitoring and expansion of income generation activities.

The activities that were evolved and prioritised by the collective as part of enhancing the participation of women workers in these mixed unions offer learnings and warnings.

Within the male gendered structure of the mixed unions, especially with politically active male head who uses his political patronage as an organisational strategy, can one hope to create space for women members? If yes, without addressing any of the structural discriminations or the gendered structure of the union, do such interventions perpetuate the existing gender ideology? Finally, if women workers are to be organised, is it an inevitable strategy to initiate IGP for sustainability? How are we to understand this inevitability of income generation? Is it because of the fact that women are less political and their primary identity being familial, rights need to be translated into solutions of their immediate needs?

Answering these questions in affirmation or negation depends on the vantagepoint. However it is pragmatism that solves many of the ideological problems.

## **2. Societies**

### **(i) SRAMAJIBEE MAHILA SAMITI, West Bengal (SMS)**

SMS has evolved from an organisation of agriculture labourers called Paschim Banga Khet Majdoor Samiti (PBKMS), which in turn was supported by an NGO, Jan Sangati Kendra (JSK). SMS function as a trade union of agriculture labour of women.

Though there were women members, active in the union, since its inception, it was increasingly felt that the union does not provide adequate space to raise any gender-related issues. Concerns emerging on these grounds gave rise to the idea of a separate union for women. Thus in June 1990, a working women's union (SMS) has been initiated. SMS join hands with PBKMS on class issues while taking up gender issues autonomously. Both the unions are supported by JSK and the support includes, financial, infrastructural, training and etc.

As of now it covers around 4 districts in the southern part of Bengal- South 24 Pargnas, North 24 Pargnas, Nadia and Midnapur. At present it has a total membership of 8644.

In the initial phase, SMS has followed a loose and flexible structure of convenience. Over the years, it has gained a structure that is genuinely followed but still allows flexibility to accommodate specificities of each field areas. The SMS has six committees, viz., village, gram, anchal, block, district and state. Every two years union (SMS) holds conferences at all levels and elections are conducted. Membership is fairly open to all women agriculture workers in the work area and the annual membership is Rs.2. The support organisation JSK owns an office and residential premise at Madhyamgram. This premise includes a diary farm, a training centre, residential villas and a mess. Stake holder participation in management is assured through the community living. Most of the full time workers of both the unions reside here. The provision of a mess and a child care including that of pre primary education by the organisation saves women full-time workers of the burden of the chorus related to household and care economy.

A Women's fund has been created through village level resource mobilisation, especially during the harvest and festival season through contributions from village members (in cash or kind). About 40 self help groups have been created in 40 villages. One of the major achievements has been their success with the Employment Assurance Scheme (EAS). Along with PBKMS and with other like-minded unions SMS was fighting for the implementation of EGS (Employment Guarantee Scheme) in tune with what is being implemented in Maharashtra. In 1997, the West Bengal government has agreed for EAS and implemented in few districts as a pilot project. Now EAS is being implemented in all the



**districts of the state.** When the EAS scheme was implemented SMS took up an awareness creating camp about EAS at the gram panchayat and block levels. However, in March 2000, SMS has organised a dharna in front of the Zilla Parishat in protest against the non-issuing of identity cards in south 24 Pargana district. The ZP president has issued a circular following this. In many other areas SMS members have done the survey to identify the eligible for the EAS cards and have volunteered to prepare the cards at the panchayat level.

Under JRY( Jawahar Rozgar Yojana), one third of public works are reserved for women, which was not practised in panchayats, instead women were made to sign on papers in most panchayats. Similarly tractors and tillers are being used by the panchayats which has replaced the women labour. These two issues have been taken up by SMS along with other unions with the block level authorities. SMS has realised the low level of or no employment for women labourers in Government's programmes. When the JSK was funded by CAPART for undertaking relief and rehabilitation work in Nadia district, SMS insisted and ensured on having employment for women during lean season, a condition for farmers availing relief and rehabilitation support.

One of the important initiatives of SMS has been Khula Manch (open platform). This is aimed at enhancing civil society actions, and Khula Manch attracts the representatives from political parties and the discussions centre around development issues of local areas. One of the important issues that gave SMS respect in villages especially the reputation of a non-political people's group is the revamping of traditional arbitration system called "shalishi". This was traditionally a male dominated institution. SMS revamped the system by involving their village level activists and by carrying out arbitration without any political bias. Before the "shalishi" they inquire into both the families and for the "shalishi" community is invited and the solution is decided whether divorce, union or compensation at that instance allowing transparency in the process. A committee is also formed to follow up the smooth adherence to the solution. This has been an extremely successful programme of SMS as of now they receive 80-90 applications every month.

SMS is part of a larger network of women organisations called "Maitri" which constitute 40 women's organisations. Along with them, SMS has been taking up several sexual harassment cases.

SMS has been able to bring up the issue of leakage in mid day meal scheme and ICDS scheme. They have been able to get dismissal of personnel involved in corrupt practices in ICDS. Other than infrastructure development, SMS has been functioning as monitoring agency of PHCs. SMS has been able to get development works for panchayats like road repair etc. SMS has taken up the issue of equal wages. Sustained campaigning, dharnas and public action has resulted in increase in wages for women labourers. The empowerment strategy of SMS is to help women occupy more space in the political arena at the village



level. It is a deliberate choice from the part of the SMS to be away from the party politics, within the specific context of West Bengal politics. Over the years SMS has been able to create village level women leaders whose presence in the public space is more than visible. More importantly women members of SMS presently deal issues of marital discord, which were handled earlier by men.

What is most striking about this union is its democratic functioning and impressive second level leadership. Women have come to leadership positions even in PBKMS (male union). Revamping a traditional system "shalishi" in favour of women and by the women members have gained good will of the society at large of being a non-political organisation in a highly politicised state. While union workers are empowered in terms of awareness of rights, social taboo against working of women still persists in traditional upper caste Hindu communities and among Muslims. The organisation is yet to identify a culturally accepted strategy to counter this gender problem in the areas of their work. As high unemployment and underemployment among men is a persistent problem the issue of women's right to work is receiving inadequate attention. However, the major challenge for the organisation seems to be addressing the economic status of the members. The organisation has a large group of right-conscious women with them who are not gainfully employed in agriculture or in any other activity. Implementation of minimum wages, equal remuneration and EAS appear not very close in the future.

While the organisation has mobilised women workers and has been able to build their social awareness and rights, the workers feel that the organisation need to pay attention to their economic situation as well. Sooner or later, the organisation has to address this issue by taking up income generation activities or by providing alternate employment opportunities.

#### **(ii) Ama Sanghatan, Orissa (AS)**

Ama Sanghatan is a registered society of tribal women workers who are engaged in the collection and sale of minor forest produce in the state of Orissa. Though it functions as a cooperative, the organisation did not register under the Cooperatives Act, as it wanted to avoid political interferences. This organisation grew out of the efforts of a voluntary organisation, "Agramee" which has been working in the Kashipur taluk since 1981. In its efforts to empower the tribal community through capacity building and people's organisation have enabled the tribal communities especially women, to raise their voice on several issues including minimum wages, proper delivery of government programmes, rights over land, water and other natural resources. However, the need for institutionalisation and formalisation of people's organisation resulted in the tribal villagers forming groups of Mahila mandals and yuvak sangathans. Women leadership was actively promoted at the village and panchayat levels and savings groups were formed for them. The panchayat level mahila mandals took initiative to federate at the block level. This block level federation drawing strength from the

women's groups at the village and panchayat levels take on that would increase the scope of the smaller groups. Ama sanghatan is one such block level federation of mahila mandals in Kashipur block of Rayagada district.

The membership of this organisation is open to any tribal women of the 17-gram panchayats (where the support NGO is actively functioning) which consists of 412 villages. The membership fee is Rs.11. In 1996 when Ama Sanghatan was formed the membership was 124 but by 1998 it became 536. AS networks with 17 mahila mandals of different panchayats of kashipur block. Nevertheless the origin of Ama sanghatan and its role as an apex organisation, can also traced to a struggle that met with a victory. Women of Kashipur block have been successful in gaining the control over the procurement, processing and marketing of minor forest produce (hill brooms in this case) after a long battle facing numerous atrocities from various quarters (contractors) including government (TDCC). This restoration of rights of the tribals over minor forest produce has resulted in the organisation developing institutional mechanisms to retain the control and ownership of the tribals. Ama Sanghatan which was formed as the apex level organisation of SHGs at the block level, seized this opportunity and took up the lease of hill brooms at the block level, there by supporting the tribals in realigns better price for the products.

The origin of AS can explained from an angle of its empowerment approach. As part of the empowerment programme Agramee identified the strategy of raising awareness on various kinds of exploitation that the tribal women are subjected to. Since all the women members are engaged in collection of minor forest produce as well as in shifting cultivation, a major form of exploitation through middlemen who provide very low prices for their MF products and high prices for the grains. The first major activity of the mahila mandals was to address this. Collectives of women, in the form of Mahila mandals (Mandibisi gram panchayat in Kashipur block) and several self help groups have since long been demanding the right to procure and undertake value addition to the products and market the same for the benefit of the tribal women. Through negotiations between the government (TDCC) and various other departments, the women were able to secure rights of collection, procurement and value addition of products like hill brooms. While such an activity has been going on for few years, during 1996, local forest contractors, government functionaries, especially TDCC, has illegally confiscated the stocks of the mandibisi mahila mandals and the police harassed the members. This incident has snowballed into a major controversy and with sustained pressure from the civil society activists, judicial activists, media and others including few government functionaries has resulted in an amicable settlement and also restoration of right of procurement and value addition. Ama Sanghatan has taken up the lease of procurement and processing of hill brooms in 1997.

AS has undertaken several development activities, which include training support to members, procurement, marketing and value addition of Minor Forest Products and issue

based advocacy. It has started grain banks for community members in order to reduce the household vulnerability. Promotion of savings groups among the tribal women has also been aimed at developing economic strength among the tribal communities. In order to improve agriculture practices, Ama Sanghatan has taken up initiatives like compost pit, nursery raising etc. In the social sphere, health awareness stands as important intervention. Activities taken up: Ama Sanghatan has taken up several development as well as issue based interventions. The general body members educate/orient the members in functioning of various village committees, formation of savings groups, ensuring public distribution system and government programmes. Member education for unity and brotherhood are also important components of trainings.

AS has also initiated mobilisation for implementing minimum wages for coolie labour who are the poorest of the poor. In tribal areas all the construction work normally is taken over by the non-tribals and most of the tribals work as labour. Adherence to minimum wages (Rs.30) is hardly seen and most often women are paid not even 50% of the minimum wage prescribed by the government. In this situation, Ama Sanghatan has taken up awareness building and has also ensured that employers and village committees who have taken up construction work on contract basis from the government pay minimum wages. Another important issues that the Ama Sanghatan taken up is related to alcoholism.

One important economic intervention by AS is taking up lease of procurement of MFP (hill brooms) in the Kashipur block. During the year 1997 Ama Sanghatan has taken up the lease jointly with TDCC but in the subsequent year, it took the lease on its own by depositing an amount of Rs. 69,575. Not only the members of the Sanghatan, but all the tribal community in the block have benefited by this, as they could get good price for the products that they bring to the market. Market linkages have been developed to reach to far off places so that Amas Sanghatan is able to deliver better price to the tribals.

What else can be a better model of empowerment of a marginalised community of tribals than the right to procure, process and market the MFPs. An institution for the same for the women who are the primary collectors, by the women as it is an MBO initiated with the share capital of the members complete the model appropriate and with replicable potential.

It has to be noticed that though registered as a society, it functions on the principles of a co-operative. We were told that this was a deliberate choice by the organisation to avoid political and non-tribal interference. It also executes the functions of a trade union as it protects the interest of the workers in many ways. This multi functionality is possible due to the support NGO that has a rights approach to the issue of tribal.

The support NGO is in the network of many NGOs. However, formalisation of public voice for AS has to be seen separately. Though there is an organic link between AS and AS cannot

function without the support of Agragamee, mainly in terms of management of the processing unit, it has gained the identity of an autonomously functioning organisation. This is mainly through the independent partnerships it had developed with many of the state departments. Moreover, the good will it has gained vis a vis the state agencies has to be attributed to the efficient functioning of the processing unit.

However, one of the major problems that this model has is the lack of market linkages. As the processing being done in the locality of the members to cut down the cost of procurement, it forms a major hurdle for marketing. Quite far from the nearest main town with minimum facilities to commute, along with the instability in production, marketing of processed dal, mustard and turmeric are in a serious crisis. Unless this is addressed, a steady income for these tribal women to alleviate their poverty stricken existence cannot be achieved.

### **3. Co-operatives**

#### **(i) Co-operatives in Meghalaya**

In Meghalaya the state has been favoring cooperatives through various policies and inter-departmental programmes. Meghalaya is the first state to establish a Women's Apex Bank. The women's apex bank is managed entirely by women staff and has special credit schemes for individual as well as group entrepreneurs.

There are many successful co-operatives in all the districts, most of them are either weaving or bamboo craft societies with low scale production and linkages with the local market. Of late the multipurpose societies are diverting from these traditional activities. One such example would be Mookhaiah transport co-operative society, which runs taxies and buses between two towns. However, it is noticed that very few exclusive women's co-operatives are registered and are functioning. One of the main reasons pointed out by the office of registrar of co-operatives is that most of the women members are unable pursue the activities of the society as full time workers due to their other commitments to land related work, domestic chores, and other regular employment. Another argument put by the women members of those societies that have failed to take off are that women lack the skills to gain market linkages and technical support.

The cooperative societies that we have studied in and around Shillong town are the only two women cooperative societies functioning in the district. Since both are small in terms of membership and in the scale of operations, we have decided to include both. Wahingdoh Women's Industrial co-operative society was formed in 1995 by a group of women entrepreneurs who are mostly retired workers. The main motivation for them was to have an additional income and also to provide employment opportunities to younger women in the

area. It consists of 38 members who paid a share capital of Rs.100 and pays Rs. 10 as monthly fees. It has a managing committee of 10 members elected every two years. The main motivation of initiating a co-operative society was to generate supplementary income for the member and provide employment opportunity for women in the locality. With this intention the society is running a tailoring unit. The national Co-operative Development Corporation gave the financial aid. This aid consisted of a working capital, which is repayable, and managerial subsidy, which is a grant. With the grant money the society bought sewing machines and rented out a show room in the main market place. It has employed 4 full time workers and in the first three years itself, the working capital was paid back. The unit produces ready-made garments and also undertakes stitching orders. Readymade garments contribute to the profit margin during the Christmas and New Year season and during the cooperative society fair, which is held twice a year. Due to their contacts in the local area, the members have been able to mobilise bulk stitching orders besides the regular orders they obtain from the neighbourhood. Bulk orders are mostly from the primary schools in the areas for uniforms.

The local governing body (Durbar Shnong Wahingdoh) has acknowledged the success of this co-operative society, which negotiate many bulk orders for the unit. Under the MLA scheme, the society has been recommended for allocation of land by the Durbar. The managing committee plans to expand the unit in terms of a training unit and by increasing the production capacity so that many more women can be employed. Though it has not taken up any other issues, the society provides informal social security for women. The society has born the medical expenditure of a worker is a case in point

Umsning Women's Co-operative society is also a small co-operative society with 15 members of young women who are housewives and are engaged in petty business. The society received Rs. 60000 as grant under the EAS schemes of the government. This grant was utilised for buying chicken, minimum infrastructure of a farm. The farm is functioning in the household premises of a member for whom a monthly honorarium is paid. Since its operations are at the household level and customers being the individual families in the area, they have not been able to generate profits. The society has a savings account in the women's Apex Bank. This society is faced with the classic dilemma. To upscale the present activities and to take newer enterprises, it needs full time workers. It is unviable to employ full-time workers at this point of time, as their profit generation is very low. And the managing committee is trying to deal with this dilemma, by obtaining a bigger loan amount or grant to start a new project. The Umden poultry incidence has been particularly scary for this society.

Two things emerge from these. One is the imitative nature of entrepreneurship in the rural areas. This is applicable both to the tailoring unit and the poultry unit. This imitative nature produces major problems in the marketability of the product. Most of the women think these two are the only entrepreneurial activity that the women can up. Secondly, women's co-



operatives are not successful in comparison to the mixed unions even in overtly friendly government policies. The main reason being that women members are not been able to work full time because of their regular job and due to the involvement in land related activities and in domestic chores.

## **(ii) Ankuram Sangamam Porum, Andhra Pradesh**

ASP is a cooperative movement focusing on the upliftment of dalits. ASP is designed to meet the specific needs of Dalit women. The basic structure of ASP is women SHGs at village level that is Ankuram. All the SHG members are members of agriculture labour union, which is called APVVU. Sangamam is aimed at promoting micro enterprises among them. This is also a strategy to increase their capacity to absorb credit. Porum supports enterprises based on leather, as most of the dalit communities are traditional leather workers. Under this skill upgradation, entrepreneurship skills, escort services are provided for the members. All the three structures are federated at the mandal and district level. This three-tier structure is created following the three-tier model of the APVVU. There is also a state level federation of ASP. These federations are registered under AP Mutually Aided Co-operative society Act. In all Mandals, sangamam and Porum are active.

There are seventy registered MACS at the Mandal level, five registered district federations and one at the state level. The structure of MACS allows the autonomy of a society with all other characteristics of a co-operative society. In all these, there are 10,000 SHGs consisting of one and a half lakh members. Monthly savings per member is Rs.30 and across these SHGs the individual savings accounts amount to 4.5 crores. As of now, ASP is mobilising credit from SIDBI, commercial banks, DRDA, DWCRA, SC Corporation and NABARD. The share capital at the mandal level is lent out at 24 per cent at diminishing rate, in which 11 per cent is given as dividend for the share capital and the remaining 13 per cent is taken for administrative charges.

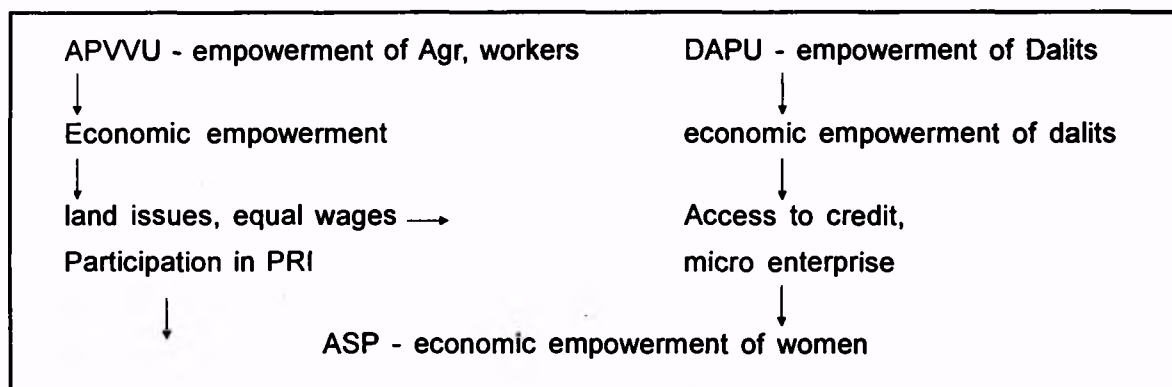
For the trade union, all the members pay an annual membership of Rs.20 and the local level union meetings are held separately by the village representative. The major issues that are being taken up by union are land issues and equal wages. One of the accomplishments of APVVU is that they have been instrumental in redistributing 60,000 acres of revenue land by the state to the landless agricultural families. The struggle for equal wages is going on. The key personnel represent the union in many formal bodies. Formalisation of public voice is at three levels, at the union level representing the voice of agricultural workers, at the DAPPU level, representing the voice of Dalits, and at the ASP level representing the specific needs of dalit women.

The various protest forms that the APVVU had adopted prior to the land distribution gave them visibility and credibility vis a vis state and non-state agencies. The formation DAPPU-



coming together of 100 dalit NGOs - itself is testimony of the credibility they have gained over the years. In the beginning it was only four organisations that were involved with the union. For the union, the first step for formalisation is solidarity building from among other NGOs to effect a unanimous voice of the civil society. From this deep conviction, DAPPU has emerged. Given the limited human and financial resources, networking of this kind provides a larger geographical spread effect and a politically strategic voice consolidation. However, a skewed trend towards stabilisation of SHGs is being noticed in the union as well as in DAPPU and ASP. This is evident if we map out the present activity line of these three organisations and especially that of ASP.

**Chart 1**  
**Activity Line of Organizations Associated with ASP**



The major focus being on economic empowerment and ASP going for SIDBI evaluation along with programmes to increase the credit absorption capacity of the members, all other activities of the organisation seem to be kept in the back burner. The grand plans for empowerment of women and an appropriate structure created at three levels to facilitate these processes are at the moment are lacking attention. Local leadership promoted by APVVU as well as by ASP has generated a community monitoring system. Women have gained assertiveness through participating in various demonstrations of the union and in the protest march against dalit atrocities in the state by Dappu, and also through various capacity building trainings by ASP. This is manifesting in a vigilant community monitoring system for efficient delivery of services in the sectors of health, education, housing and PDS. An important point to be noticed is that the members are not only active in ASP or APVVU activities but also in other state driven programmes like Janmabhoomi and Grama sabhas. After having worked for forming a large mass of women who are articulate and assertive, it is indeed very disheartening to see that they are reacting to certain life situations of gender oppression in a manner that is not emancipatory. However, the discussion with the field staff indicate that gender conscientisation is something that even they can remotely connect to.

### **(iii) Sakti Mahila Vikas Swavlambi Co-operative Society**

This co-operative society was started by an NGO- Sakti Mahila Vikas Swavlambi Sarkari Samiti- working in the Muzzafarpur - Madhubani area of Bihar. The main objective of this NGO is empowerment of women through self-reliance. Since most of the women in these areas possess the skill of a traditional art form of Mithila Painting, the organisation formed a co-operative society under the revised co-operative society act of 1997.

The co-operative society has 180 members who are involved in mithila painting, Applique work , paper toys and carpet making. Carpet Making is a new activity for which the training was organised by the NGO. The success of this co-operative society can be attributed to the linkage it has been able to establish with HUDCO. The support of HUDCO is being received at three levels- training in production, loan for production, and in marketing. Paintings and carpets are being bought by the HUDCO for their own buildings. The formation of a co-operative society is one the activities of the support NGO. Other activities through which it is inculcating self-reliance among the members include SHGs and health and nutrition awareness programmes. The members have formed six SHGs of 11 members each and all the seven groups have established linkages with financial institutions. They have accessed loans from HUDCO at nine per cent interest. All the groups have a savings account with the Canara Bank.

Since the members of the cooperative society are active in the support NGO activities, their gains go beyond a mere increase in income. Other than forming cooperatives and SHGs, the organisation undertakes health and nutrition programme. It focusses on children of 0-5 age group. Besides awareness camps that the NGO organises with the help of health personnel in the area, it also does growth monitoring of children. Selected women members are trained for this activity. Citizenship building activities are perceived as a major strategy for empowerment. This is primarily through creating a demand generation system. The support NGO avails various government welfare schemes for the members and arranges meetings to discuss the scheme and identify the beneficiaries. These discussions about the modalities of being a beneficiary is used as an appropriate forum for creating a demand generation system and a pressure group to counter many of the unhealthy trends in the society. For example, the prevalence of child marriages in this area is taken up by the organisation. The members of the co-operative society undertook a household visit and had discussions with the parents about the need to educate girl children. However, many other visible forms of gender oppression in a semi-feudal rural society of Bihar need to be identified by the organisation for direct action, for which capacities of the staff are found to be grossly inadequate. Deplorable status accorded to widows is a glaring example. Age at marriage also needs to be taken up.

The income levels of the members have gone up and the co-operative society has provided the members a feeling of employment and income security. However, the autonomy in the domestic sphere is a far out dream. Partnership with the state agencies is one of the major strategies that the MVSS has employed for formalisation of public voice. Partnership with NGOs, with the departments of rural development, social welfare, women and development are paying rich dividends to them as it enhances the credibility and sustainability of the organisations.

Though the cooperative society fulfills all the criteria of a member based organisation structurally, due to its evolution and functioning as one of the activities of an NGO (forming a cooperative), it is yet to acquire the vigor of a women's member based organisation. Issues related to worker's rights, women's rights and citizenship seem to lack attention. In terms of second level leadership too, it is yet to graduate from group leadership.

In this sense, focus on enterprise management through cooperatives, seem to limit an MBO from transcending its activities across other agendas of concern such as gender, class, caste and citizenship.

#### **(iv) Trust and Society**

##### **i. Annapurna Mahila Mandal, Mumbai**

The origin of Annapurna Mahila Mandal has to be traced to the discontentment of women workers who precipitated in the Bombay textile industry union struggles in the 1970s. Specific demands that the trade unions made in favour of the women workers were not honored and the women workers were thrown out of the jobs. Bombay textile mills had the age old practice of women bringing food for other co-workers who are migrant workers living in the city without their families and are in need of cheap food. Women who lost their jobs continued this practice as a means for survival. However, continuation of this practice without their jobs made them dependent on moneylenders who charge exorbitant rates of interest. Prema Puro who was part of the textile union felt the need for credit facility for these women. Through her husband, who is the secretary of the All India Bankers Union, she managed a scheme with differential rate of interest for a group of women. These women formed groups consisting of ten women to access credit support. And in 1975, Annapurna Mahila Mandal was formally registered as a charitable trust and society.

Today there are over 2 lakh members all over Maharashtra – Mumbai, Navi Mumbai, Latur, Kolhapur, Usmanabad, Pune and Shirwal – as well as in Goa and Belgaum. Of this 75,000 members are in Mumbai. Annapurna works in 60 slums here. There would be 10,000-15,000 borrowers at a time. While earlier the members were only engaged in cooking and serving

food (khanawalwalies), today they are also involved in selling fruits, vegetables, fish, flowers, bangles and grain as well as in stitching and beading.

Though functionally AMM is a member based organisation (membership granted while availing the loan), structurally it is not so. It has a pyramidal organisational structure with president, secretary and management staff consist of the upper portion of the pyramid. The lower portion has office staff, area leaders, group leaders and the bottom most consist of members. Area leaders and group leaders are elected one person each for each slum separately.

The management staff meets the members when a loan is given and then as and whenever the women have a problem. Group leaders have meetings with their members once a week. All the group leaders meet once a month at the Annapurna office in Dadar during which they are given leadership training. However AMM encourages the educated daughters to join the organisation and provides training. Most of the women working as staff of Dadar and Vashi (Navi Mumbai) are daughters of the Annapurna members.

AMM's primary activity seems to be its micro-credit programme. The Annapurna Cooperative Credit Society was formed in 1986 to provide an easy credit facility for income generating activities. To apply for a loan, a group is formed consisting of a minimum of 10 women belonging to the same locality. A group leader is chosen from among them depending on initiative taken by her to organize the group and leadership potential shown by her.

Rs.2000 per person is fixed as the first amount to be given to each chosen group, which has to be paid back in 20, equated monthly installments. Each person has to save Rs.50 per month, which is included in the monthly installment. To ensure that the members pay back loans, the organisation has involved their families by making them signatories on the loan application forms and holding joint meetings with them before giving loans. On repayment of the first loan a member is entitled to another loan of Rs.3000. In this way the loan amount increases in proportion to the member's savings.

Through the credit programme AMM gathers women to make them aware of their rights and duties and take up issues like family planning, health, education, domestic violence, child marriage, etc. Educational camps are organized among the members to give them basic literacy and make them aware of their rights. Health camps are conducted to raise awareness about hygiene, sanitation and other health related issues.

Apart from its credit programme, AMM has set up food processing units. There is a catering unit, fast-food counter and department store located in Dadar, a few kilometers away from the Annapurna office.

Along with the rehabilitation centre a working women's hostel is functioning which is aided by the central government's department of women and child development. The rehabilitation

center for destitute women is also available at AMM. At present there are 40-50 women living at the center. Most of them have been there for the past 10-11 years, some even for 20-25 years. They are either victims of domestic violence or are physically or mentally handicapped. By taking up residence at the center these women automatically became members of Annapurna.

Together with such income generating activities, women are counseled and given legal and medical aid. If a woman leaves home due to domestic problems, the organisation tries to resolve the problem over time by bringing the conflicting parties together to work out a compromise. In cases where such an intervention doesn't succeed, the woman remains at the center. As a rule she is allowed to keep only one child. Young children are admitted to Annapurna's crèche while older ones are admitted into government schools. The cost of their education is paid for by the organisation. Sometimes marriages of women or their daughter are arranged; for instance recently, a few marriages for the daughters of prostitutes were arranged.

Besides the above-mentioned activities, AMM has established two cooperative housing societies in Mumbai. One, set up at Airoli, is for the families of Annapurna's office staff and the other, which is low cost housing, is basically for class IV government employees.

Annapurna Mahila Mandal does not really network with other organisations as they prefer to work independently. At times it collaborates with some local organisations in the areas covered like Latur, Belgaum, Kolhapur, etc. These organisations also work in micro-finance and support functions. It is also trying to set up a processed food division as well as a medical research centre at Shirwal. The later will aim at providing medical assistance (especially gynecological) to the villages in the area.

In terms of representation in decision-making bodies at the national, state and local levels, Prema Purao is the only person in the organisation who is also a member of other committees. These include the advisory committee – Industrial Training Society (girls) – and the Aryan Education Society, both in Mumbai. In New Delhi she is part of the Rashtriya Mahila Kosh (Department of Women and Child Development), Swadhar Foundation, and the Independent Commission for People's Rights and Development. She is a member of the India Collective for Micro-Finance.

Though AMM started groups of women to access credit and subsequently set its aim at the empowerment of women, the activities have been largely restricted to the provision of a better livelihood through credit and employment. AMM is yet to take up gender issues and women's problems are handled from a moral point of view. For instance the domestic violence are sorted out by putting community pressure on the individual and by raising his moral conscience.



For AMM Absorbing women into the staff of the organisation is addressing the larger question of social mobility. And one may find it difficult to understand the concept of 'Annapurna family' as it implies all the gender constraints of a generous patriarchal family. There is no political conscientisation and therefore the members seem to be a political in their life. The AMMs single point agenda of expanding the business on behalf of the women and for the women have resulted in pushing aside the other concerns of the women's life into the oblivion.

## **V Analysis - Commonalities and Distinctions**

Search for common features among the case studies can be in terms of legal status of the organisation, origin or motivational aspect that preceded the formation of MBOs, and constituency of workers (whether it is drawn from a single occupational category or multiple, or from a social or ethnic group).

According to the Legal status or type of the MBOs, our case studies consist of three trade unions, two societies, three co-operatives, one trust and a short-term project involving 10 trade unions. Among the two societies, while one works as a co-operative and the other one functions as a trade union. Ama sangattan did not register as a co-operative as the structure of a co-operative invites political interference's of varying kinds and Sramajibi Mahila Sangattan could not get registration as a trade union due to legal hassles. The Co-operative in Meghalaya differs from the other two as ASP is a MAC and MVSS is registered under the new co-operative society's Act. AMM, originally a registered trust, has later developed a credit society and functions more as an NGO. The ILO project works with 10 traditional trade unions involving plantation workers and agricultural labourers.

The activities, perception of the problems of women workers and approach towards workers' rights do vary with the purpose, strategy and process of organising followed by each type. Moreover, each type of MBO reflects not only the ideology behind organising but also the objectives, strategies and goals of a particular form of intervention.

There are MBOs that are not structurally an MBO. Annapurna Mahila Mandal is an example. Similarly, there are MBOs, which are structurally unions as there are societies that are functionally unions or co-operatives. There are societies that function as co-operatives also. These distinctions arise from the specific political context of the state, pragmatic approach of the support NGO, Flexibility of certain organisational structures etc. At the same time, there are MBOs that perform multiple functions.

The formation of a particular type of MBO can also be understood from the formation or motivational aspect of each of them. In the specific context of our study, one common feature is that most of them originated as an activity of an NGO. These NGOs, referred to as the support NGOs- presence or absence of it - do play a significant role in the functioning of the organisations



Sl. No:	Name	Type	Formation	Category of Workers	Main Activity	Objective
1.	BGKS Karnataka	Union	Support NGO-Women's Voice	Domestic workers physical and social security	Demand for minimum wages and	Social Protection of Domestic Workers
2	ASP Andhra Pradesh	MAC	Support NGO-DAPPU	Dalit agricultural workers	SHGs and micro enterprises	Empowerment of Dalit women
3	AS Orissa	Society	Support NGO-Aragamee	Tribal MFP collectors	SHGs, society for processing MFP	Empowerment of Tribal Women
4	SMS West Bengal	Society	Support NGO-JSK	Agricultural workers	Demanding Minimum and equal wages, EAS	Empowerment of Agricultural workers
5	KKPKP Maharashtra	Union	SNDT	Scrap collectors	Demand to be notified, co-operative society for procurement	Empowerment of waste pickers
6	SEWA Madhya Pradesh	Union	SEWA Bharat Ahmedabad	Self employed (Beedi workers)	SHGs	Empowerment of self-employed women workers
7	SMVSS Bihar	Co-op. Society	Support NGO-	Handicraft workers	SHGs, employment generation	Empowerment of handicraft women workers.
8	Co-op. Shillong	Co-op. Society	Group Initiative	entrepreneurs	tailoring unit	Alternate income and employment generation
9	AMM Maharashtra	Trust and Society	Individual Initiative	Tiffin makers	Access to credit, employment generation	Empowerment of women
10	Trade union collective Tamil Nadu	Alliance of ten trade unions	Institutional Initiative	Plantation and agricultural workers	enhancing participation of women members and IGP	Integrating women members in rural workers' organizations

It can be discerned from the above table that most of the selected MBOs have the institutional and financial backing of the support NGO. While BGKS forms an activity of a women's organisation working for the empowerment of poor women, SMS and Ama Sanghathan grew out of the long years of work of the support organisations in the concerned area. ASP is also an activity of an alliance of organisations as is the case with MVSS. KKKPKP grew out of the community development activities of a university department. Sewa-MP is an offshoot of the success of Sewa in Gujarat.

The motivation for forming MBOs by these NGOs needs to be understood in its political context. In the 1970s many of the NGOs began as people's movement and by the 1980s with the institutionalisation of many of the NGO groups, it was alleged that many of the movements have become institutionalised. Globally too, this coincided with the Dilemmas of Institutionalisation versus civil society that dominated the discourse on development for quite some. According to the support NGOs and the MBOs in the study, the formation of MBOs was 'need of the times'. As being articulated quite strongly from the NGO sector in India, donor driven agenda is the most constraining part in prioritising the agenda of rights of the people. Service delivery being the first priority of many of the donors, forming a member-based organisation with specific agendas of addressing violations of rights was found to be an alternative. Moreover, the political positions that the MBOs take up during the course of their activity can be independent of the NGO and the MBOs do not have to engage in the financial management (as they do not receive any direct financial support) which may affect the pace of their activities.

Due to the organic link that exists between the MBOs and the support NGOs, these MBOs possess functional autonomy, and hence has the potential to address various rights related issues. Their constituency is already identified and a sense of solidarity exists among the members because of the long years of work of the support NGO. This is an added advantage that these MBOs have over others. Moreover, they tend to be in a more comfortable financial position than the other MBOs, especially if they are trade unions as they do not have to entirely depend on the membership fees. The flip side of this would be that their activities can be constrained and sustainability is at stake by the financial constraints of the support NGO. Overall, it is being increasingly felt that NGOs should not limit themselves to service delivery and rights based approach should be adopted to development. In this sense, formation of MBOs is a positive step towards participatory development. In addition, these MBOs have the flexibility of taking up activities and programmes to address the specific needs and problems of members which amounts to an integrated or a multi sectoral approach towards women's empowerment.

Occupational characteristics or the social and economic status of the members also shape the organisational forms and influence its later developments. As can be gauged from the case studies, casual wageworkers have formed unions while traditional or family based

occupations and group entrepreneurship preferred co-operatives. There are three trade unions- one for the domestic workers, one for the scrap collectors, and the other for the self-employed, mostly beedi workers. Shillong co-operative society is formed by a group of women entrepreneurs. Even AS and AMM, though one is a society and the other a trust, both function as cooperatives. The former constitutes of tribal women who procure, process and market MFP and the latter functions as a credit co-operative society for the khanawalis.

Occupational characteristics also affect the level of internal resources that an organisation can mobilise and the availability of external resources. While the labour status determines the membership fees or share amount, the type of economic enterprise promoted and the economic sector influences the internal resource generation capacity. The main external resources being state policies and other civil society organisations, internal resources in turn affects the availability of external resources.

The resource base and the resource generation capacity vary across the MBOs. While all the trade unions primarily depend on membership fees, this fee varies from Rs.1 to Rs.16 per year. Co-operatives function with the share capital and the margins they create through economic enterprises. Co-operatives tend to be in a better position in generating external resources as many state governments have favourable policies of grants and loans to co-operatives. The main source for societies is also the various grants that they generate for their activities. However, it is noticed that external resource mobilisation presupposes rapport with the state agencies as well as with the larger civil society through networking and alliances.

## **V. Sustainability factors**

All the MBOs by the very structure of it claims sustainability. Sustainability has to be understood in terms of financial as well as institutional. NGO supported MBOs possess the tendency to be financially unsustainable. Similarly co-operatives depend on the fortune of the enterprise and efficient management of the share capital and trade unions on the membership renewal and expansion, charismatic leadership and committed grassroots workers. However, it is interesting to note that many of these are addressed with innovativeness. Institutionalisation is one of such unfailing sustainability tips. Establishment of credit societies is a case in point. Formalisation of public voice is also another strategy wherein the larger community works as a pressure group for continued performance. Second level leadership is as significant as any other strategy in this regard. But very few organisations are making deliberate efforts towards this though there are adequate attention in developing local level leadership. Nevertheless, various institutional structures are presumed to provide the gap filling in terms of any leadership crisis. Institutional assets which are self sustaining in turn provide sustainability to the institutions. Networking and alliances with other organisations and state agencies also prove to be the key elements of

sustainability. With this understanding of the MBOs we can move on to an analysis of their organisational activities. Another pertinent observation from the above table is that of the objectives of the MBO and main activity. Though most of the MBOs have a more or less similar objective of empowerment of women, the main activities across the MBOs are aimed at economic empowerment. And, formation and consolidation of SHGS form the most commonly practiced strategy for economic empowerment.

## **VI Organisational Activities through a Gender Lens**

As the specific objective of the study is to understand the strategies and processes involved in organising women workers in the informal sector, an analysis of the same through a gender lens needs explanation.

Workers get organised based on their rights accrued to them by being a "worker". In other words, the motivation for organising emanates from the realization of exploitative nature of production and labour relations. Therefore, workers unionise, in its conventional sense of the term, against class exploitation where the dichotomies of - capital /labour, bourgeoisie/ proletariat, employer /employee- are indicative of the exploitative labour relations based on class. Based on this understanding of workers' unions, the success or effectiveness of a union is assessed in terms of the awareness of labour rights, solidarity, and collective bargaining through various forms of protest and negotiations for better work conditions and labour relations. In addition, within the democratic framework, members' participation in the affairs of the union and awareness of their political rights are also important pointers towards successful unionisation. Nevertheless, these indicators are applicable to unions who have a single point agenda of addressing class exploitation. The class-caste nexus in Indian society precludes redressal of caste exploitation of certain category (occupational) of workers, who are mostly engaged in caste specific, menial occupations. In such unions, caste based identity assertion also occupy equal attention along with class identity as workers.

Against this background, what are the basic ideological underpinnings (premises) of a union of women workers? As we have already discussed, unions by the very nature of it, attempt to address inequity in certain established dichotomies. In this sense, unionising women workers involves, preempting the dichotomy of private /public sphere and cultural sanctions related to work participation of women. Women's work is culturally accepted in the private sphere of homes. Organising invariably is a public sphere activity, which questions the existing gender ideology in a very overt form. Therefore organising women workers connotes breaking multiple barriers of exploitation viz., class, gender and caste.

Caste exploitation assumes significance along with gender and class, as it is established that within the wide range of informal sector activities a majority of women come from the lower strata of economic class that coincides mostly with the lower caste groups. As class

and caste exploitations vis a vis work are quite established in the academic as well as political circles and have been addressed in various forms depending on the political ideologies since long, this necessitates no further substantiation. More over, it is evident also from the fact that since the early part of 20th century Indian labour history is replete with caste and class struggles. Though women formed part of it like in any other social movements of this period their participation was mostly limited to participation in various forms of protests.

Though the party affiliated unions did/do have women's wing, there is nothing much to say about it. The ornamental functions that they perform have also been well documented. The earliest attempts of organising women workers in India for addressing specific problems of women workers coincided with several historical conjunctures which highlighted the plight of women workers in terms of their double days work and generated a discourse on recognising domestic work and home based work performed by women. The best examples as we have already discussed in the earlier sections of such efforts during this period are SEWA and WWF.

The embryonic forms by which feminist ideologies are incorporated into these movements necessitated mostly the incorporation of those needs of women workers, which can be classified under the practical needs of gender. However, the Indian women's movement has come a long way by questioning the reinforcement of the gender ideologies in almost all spheres of life, from family planning/reproductive rights to political participation. One would expect, therefore that the evolutionary trajectory of these efforts to be in tandem with the epistemological advancements of the feminist movement.

The term empowerment, a resultant of the engagement of women's movement with the development discourse connotes a process of gaining power within the social construct of gender and has gained recognition from the state as well as amongst non state agencies, working directly or indirectly with women. This is to the extent that it would not be an untrue statement that today we witness an inflational use of the terms gender and empowerment. This is however not to undermine the potential of gender as an analytical category to understand certain hurdles in our social and economic development.

Within the context of organising women workers, gender plays a crucial role. The genesis of a separate space for women workers emerged because of the felt need that the existing gender ideology disadvantages women in the work space as well as in the community and homes. This includes a series of disadvantages ranging from lack of equal wages, lack of political space for articulation of needs, lack of recognition of work, lack of care services like maternity benefits, crèche etc at work, sexual harassment at work place, domestic violence, lack of access to credit and productive assets, casualisation of female workforce and feminisation of low skilled and less remunerative work etc. Gender rights being embedded



in the rights of women, a study of this nature necessarily have to focus on organisations' efforts towards addressing workers' rights and gender rights as complimentary to each other.

To reiterate, overlapping yet discrete identities confluence our case studies- they represent informal sector, constituting of workers who are women bearing identities related to poor class, lower caste, and a disadvantaged gender. The problems inherent to the informal sector, such as low wages, lack of income, employment and social security, poor work conditions, further disfavours women because of various other manifestations of gender constructs in the labour market. The low wages for certain activities that are feminised is a case in point. Right to better working conditions of women workers cannot be therefore separated from their right to equal remuneration. Similarly, addressing the occupational hazards from a gender point of view has to necessarily address the issue of sexual harassment at work place. Attempts to provide security measures to workers of this sector include provisioning of maternity benefits and crèche for women workers. Implementation of minimum wages, which is lacking in many of the informal activities, can no longer be oblivious to the issue of equal remuneration.

Thus, the standard strategies of organising workers such as rights awareness, conscientisation, developing solidarity and leadership qualities, and creating space for democratic participation and protest cannot be undertaken for women workers without recognising the gender issues. This include cultural muteness of women, subordinate gender roles and position in the family, lack of access to and control over resources including their own earnings, and freedom of mobility faced by women even when they are workers. However, indicators of gender empowerment in the organisations of women workers from a rights perspective tend to be complex. First of all, the legal status of organisations varies and the socio-political contexts of the geographical work area of the organisation also do vary. The social and economic status of the women workers across the spectrum of activities or within a specific sector also differs. Thus worker's rights become context specific, as do the gender. For example, right to work itself is an issue where there are social and religious taboos preventing women from entering the labour market. Similarly, right to livelihood takes the priority as issues in some cases it is intrinsically linked to women's access to natural resources, collection of minor forest products for example. Access to credit freedom from exploitative middlemen and freedom from harassment of law enforcing authorities also gain priority in certain other circumstances. . And, we see that most of the organisations have prioritised one issue over the other for strategic or pragmatic reasons. However, to analyze the case studies with a set of common parameters that can retain the specificities of each, certain broader themes are identified against which, we direct our analysis in this section. These themes relate to work, citizenship and gender. In an attempt to understand the organisations in a much more detailed manner, the analytical discussion focuses on these themes. The table below provides a matrix of activities that are undertaken by the MBOs under each theme



**Table 2**  
**Activities of the MBOs under Selected Themes**

<p><b>1. Work</b></p> <ul style="list-style-type: none"> <li>• Articulation of work specific exploitation at work place and with regard to main economic activity</li> <li>• Awareness of legal rights like minimum wages, equal remuneration etc</li> <li>• Demand generation systems for specific state intervention</li> </ul>	<p><b>3. Citizenship</b></p> <ul style="list-style-type: none"> <li>• Citizenship building and consolidation of solidarity through participation in public meetings, collective bargaining for civic rights and basic needs.</li> <li>• Participation in decision making and planning of the organisation</li> <li>• Development of leadership qualities amongst the lower cadres of the members</li> <li>• Position of women leaders in the structure of the organisation</li> </ul>
<p><b>2. Economic Empowerment</b></p> <ul style="list-style-type: none"> <li>• Access to credit</li> <li>• Formation of savings and credit groups</li> <li>• Training for skill upgradation</li> <li>• Training for alternate employment opportunities</li> <li>• Implementation of income generation programmes</li> <li>• Technical and financial support for entrepreneurial activities</li> </ul>	<p><b>4. Gender Empowerment</b></p> <ul style="list-style-type: none"> <li>• Awareness of the existence of gender ideology vis a vis discrimination of women in the immediate context of their work, community and family</li> <li>• Realisation and resistance building against some of the most overt forms of gender discrimination</li> <li>• Changes in the personal attitude and behaviours</li> </ul>

From the above table, the activities under each theme are analysed for its intended objectives and impacts. This has been brought out with the help of input-output-outcome (logframe) mode of analysis.

#### **Activities related to work and identity building**

From the profile of selected organisations it is evident that each one has identified a constituency of workers. It can also be discerned that the organisational form that is developed, the design of strategies and priorities of activities largely depend on this constituency building of the MBO. More specifically, the interpretations of material context of women's lives play a critical part in this. However, as most of the MBOs work with lower income groups of women engaged in the informal sector and belonging to socially disadvantaged groups, invariably, the starting point of all MBOs was to address their low income levels.

Though socio-political context and the specificities of a constituency determine the activity line of the MBO, there seems to be a linear sequencing that can be applicable across the different MBOs. This linearity can be expressed as follows. Citizenship building through a demand generation system runs throughout the activity line and therefore not included.

**Chart 2**  
**Linear Sequencing of Activities**

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*Identification of constituency → understanding and interpretation of material reality → identifying the main cause → Awareness creation about the same → formulating solidarity for action → launching of various protests, campaigns, advocacy etc → formation of SHGs → lending of loans for consumption and production needs → support for entrepreneurial activities → implementation of income generation programme*

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However, it has to be noticed that not all MBOs have adopted a rights based approach in organising women workers and therefore lacks activities geared towards building workers identity. MBOs like societies and cooperatives may or may not have it depending on the strengths of and consensus on other identified strategies. The strategy of building workers identity precedes all other strategies in the case of trade unions while economic empowerment through SHGs and IGPs form the overriding concerns of societies and cooperatives. If one needs to assess the potential of this strategy, it necessarily involves a debate on ideology versus pragmatism and prioritising poverty over all other inequalities and exploitations.

Articulating worker's rights is found to have comparative advantage of easy shift to other rights, namely women's rights and citizen's rights. Because of which in our case studies, unions have fared better in terms of gender awareness. The discussions on equal remuneration, minimum wages, Employment Guarantee Scheme (EGS), Employment Assurance Scheme (EAS), welfare boards, social protection etc. facilitated by the unions have a wider canvas of related issues for further discussion and action. However, the actual implementation of many of the rights that these unions are demanding are yet to materialise as they do not form the political priorities of the state, unions in the long run face a challenge of efficacy. In fact, unions in the case studies are already facing this challenge. BGKS and SMS are examples. SMS fighting for minimum wages, equal wages and implementation EAS in favour of women have a large number of women who are well aware of the significance of the struggle. While they are willing to continue the struggle through the union, lack of employment opportunities and low wages in the off season are serious matters of concern for these women members which they want to be addressed by the union. Sooner or later, these unions have to pay attention to this demand of creating employment or income generation for the members.

Most of the co-operatives and societies address the poverty of the members on a priority basis. Since there exists a very narrow distinction between the poverty stricken existence and the their plight of being informal economy workers, an inevitable overlap of this can cause a major deviation in the outcome of the activities undertaken. In many cases it was noticed that the identity of being poor was the overriding spirit of the members. It is important to notice that this identity of poor was articulated in a non-gendered way and a total dismissal of gender problems by attributing immutability to the gender hierarchy was also visible. The classic chicken or egg dilemma pervades the situation. First poverty then gender or first gender then poverty. Though most of the MBOS claim a simultaneous effort towards these, obviously, in many cases gender has taken a back seat.

**Table 3**  
**Input-Output Analysis of Activities under Broad Themes**

<b>Broad theme</b>	<b>Input / objectives</b>	<b>Activity</b>	<b>Output/Outcome</b>
Worker's identity  (BGKS, KKPKS, SEWA SMS, AS, MAC)	Awareness and solidarity building about an identified issue	Conducting meeting, workshops and trainings Use of street theatre and songs Training materials developed, events held for asserting Solidarity  Issue of identity cards to the members	discussion, leadership qualities among the members. Solidarity demonstrated on various issues like struggle for minimum wages, equal wages and implementation of EGS, EAS etc. use of identity cards for availing other legitimate rights
Citizenship building  (BGKS, KKPKS, SEWA SMS, AS, MAC, SMVSS)	Demand generation system and enabling participation of women in local level governance	Developing local level leadership. Trainings on PRI Training on government welfare schemes, programmes on health, hygiene and nutrition  Interface meeting with government and development of partnership in the implementation of development schemes  Increase in the awareness of members resulting in	Increase in the awareness about government schemes and about functioning of local level bodies  More people availing the schemes Increase in access to PDS, PHC Increase in child immunisation and nutritional levels  Increased enrolment in formal and non-formal schooling  Second rung leadership for various negotiations Economic empowerment
BGKS, KKPKS, SEWA SMS, AS, MAC, SMVSS AMM, Co-op Shillong ILO project) Formation and consolidation of SHGs Income generation programmes	Training in group formation and in managing savings and credit  No of SHGs functioning with formal linkages with banks	Enhancing the skill base of the community through training and exposure visit Facilitating technical, institutional and financial support for entrepreneurial activities and other alternate income generation activities  Demonstration of Managerial capacity Increase in access to credit, establishment of a co-operative society  Increase in HH income, supplementary income for women, new employment opportunities and solved, number of sensitive women, who can negotiate and engage in arbitration for amicable settlement, decline in alcoholism of spouses.	Gender empowerment (BGKS, SMS, SEWA, KKPKS, SMVSS)  taking up issues of domestic
violence through building community pressure and creating sensitivity through group meetings also, issues like alcoholism, child marriage, girl child	education are also taken up  'Special meetings training of local level leaders to handle reported cases  Legal literacy on women's rights More cases of domestic violence being reported		

## **Citizenship building**

Whether the priority is given to poverty or workers rights, weaving the rights of a citizen along the activities runs across the type of MBOs. Demand generation system for better delivery of services, infrastructural improvements and stakeholdership in development planning have had wider impacts. However, the MBOs need to take care not to fall into trap of imposing the identity of beneficiaries than that of citizens.

## **Economic empowerment**

Economic empowerment means access to credit for meeting their needs for consumption and production, involvement in economically productive activity, control over income, access to and control over productive assets like land and autonomy over personal choices. MBOs address all these dimensions through the dominant model of SHGs and income generation.

However, self help groups or the credit models exhibit certain obvious lacunae as it only links women to credit and productive activity. For Example, if women are taking loans for their men to invest on land for which they share no rights and over the products they have no control of, then economic empowerment through this model has limited potential. Some argue that this dependency of men on women for credit needs is a good beginning of gender role reversal. In a similar vein, income generation programme, if they are designed to provide alternate employment opportunities to women were the products and market linkages are not directly under their control, it fails to stand the test of economic empowerment. A more radical view regarding alternate income generation programmes is that it reinforces gender stereotypes through promoting certain types of activities, which will not provide women with skills or status.

It is true that economic empowerment as a strategy for gender empowerment is signifier to the many vulnerabilities that women face vis-a-vis gender. Most of the activities intended for economic empowerment by the MBOs have indeed raised the income levels, through collective bargaining, group enterprise, alternate income generation activity and by providing access to credit for consumption needs.

## **Gender Empowerment**

The concept of gender was introduced into the feminist discourse in the early 1970s. By making a conceptual distinction between sex, as a biological and gender as a cultural (social, historical, psychological) category to avoid biological determinism which was and is still used to explain the oppressive, exploitative, unequal relationship between men and women. This new concept was immediately accepted, not only by feminist of the English speaking world but also by many organisations, the media, the state etc. It was also introduced into the

development discourse and replaced a number of other concepts. This has altered drastically many of the policies and programmes of development as gender became accepted as an analytical tool and as a social category. In other words, among various other exploitative and iniquitous social orders, gender was recognised as one that disadvantages women as a social group. The discourse generated on gender (in) sensitivity of various state policies especially the incorporation of women into the development programme brought out many pertinent points. Of significance was the need to recognise and include women in their own right and not in their socially ascribed roles of mothers or of wives. The empowerment approach in development was a result of this rethinking in the development discourse that perpetuate gender by relating to women in terms of their gender roles. While gender empowerment is conceived as a process by which women overcome many of the gender hurdles vis-a vis education, work status, employment opportunities, social security, physical security, economic empowerment is identified as a logical beginning for this as economic dependency on men formed the hub of many disadvantages and oppression. Economic self-reliance is assumed to give self-confidence and autonomy to women and act as a scaffold to build empowerment in other areas of their life.

Politics has been the prerogative of men as public sphere was a culturally prohibited and socially inaccessible space for woman. Involvement in activities to improve the economic status of women has indeed provided opportunities to interact in the public sphere. A world beyond home and concerns other than of domestic chores, being with other women sharing common problems, planning redressal and alternatives, definitely provide an enriching new world of experience for many women. Many of their everyday problems had been attended to by creating a demand generation system. This included, demanding efficient functioning of PHC, availing ration cards and demanding village roads. Demonstrations to the concerned offices, regular meeting for action plan, invariably provided them a feeling of citizenship.

Activities aimed at gender empowerment are very few. At the grassroots economic empowerment is equated with gender empowerment. Gender awareness is undertaken by taking certain overt manifestations like domestic violence. But it is found that even in the case of domestic violence or marital conflict, there is less of gender and more of household prosperity and other moral values. Some have taken up sensitisation of child marriages and importance of girl child education. Nevertheless, gender empowerment is one theme where in less number of activities is taken up by the MBOs.

### **Conundrums of ideology and pragmatism**

A separate forum was created for women workers in the traditional trade union model, as the mixed unions did not provide adequate space for articulating the gender problems of women. This separate space has enabled articulation of many of the problems that women face and also provided them with a space in the public sphere. Moreover, the gender structure of these



separate unions or organisations itself was assertion of women in the public sphere. However, the sin of omission of men has advantages and disadvantages. . Addressing gender issues necessitates alteration in the existing gender ideology, which manifests in the everyday practices in the private sphere as well. Involving women in public sphere and economic empowerment activities do not alter these everyday practices, as it excludes the private sphere and men, though they form the immediate perpetrators of gender oppression. This is established in the gender literature as women are burdened by their new responsibilities along with their domestic and gender responsibilities.

Women are allowed to participate in the activities of MBOs as it is found beneficial to the household in general. If one has to take a critical look at it, the various sacrifices that women do in their personal capacities in the private sphere are to subsidise the household economy. This is done through fewer personal needs, less quantity and inferior quality of food, provisioning of fodder and fuel and supplementary diets etc. These sacrifices are now transformed into organised group efforts in the public sphere to improve the status of the household with little improvement in their own status. Gender empowerment meaning capacitating women to understand tackle and overcome gender oppression cannot be limited to asserting space in the public sphere. It is, indeed, a pragmatic and strategic goal but cannot be an end in itself. Gender empowerment has a larger objective of addressing the power relationship in public and private spheres or transcending this dichotomy. This would necessarily involve activities to be taken up on the basis of exclusive grouping of women. However, various other issues do need a common space to impact the larger community / society in general and households in particular. To address structural discrimination, the main objective of gender empowerment, separate space is only a means. Grouping of women as a category of workers is undoubtedly an efficient strategy to achieve certain objectives of gender empowerment. But it is important to note that this focuses on just one of the facets of women's life/oppression viz., work sphere. Concomitant effects of the changes in the private sphere can not be expected to be natural since a natural order is attributed to the value codes and expected role behaviors that govern the private sphere

Another related dilemma comes in the form of ideology Vs pragmatism at work. Though the underpinning of gender ideology remains largely accepted, the praxis and possibilities are still a contested terrain in organising women workers in particular, and for women in general. From their long years of experience many organisations tend to argue that taking up gender issues with poor women when their immediate economic needs are to yet be met is next to impractical. This pragmatic approach has proven its strength, since many organisations have made significant and visible impacts on the status of women through this approach. For the same reason, one would expect this pragmatic approach to take a natural progression to its original ideological commitment to gender empowerment. The basic premise of this pragmatic approach is that their material poverty has to be addressed for them to relate to

themselves as women. Amongst the multiple roles that women play, familial roles do dominate all other identities. Since this approach has been in practice for quite some time now and has gained considerable success is it time to take up some of the ideological questions pertaining to structural oppression? Has the time ripe enough to address the gender issues, or to move from manifestations to causes?

In this context, it is also important to know the hurdles that organisations face in progressing to gender empowerment, besides the priorities and varying degrees of ideological commitment of the organisations. It is noticed that organisational capacities are one of the major hurdles that impede this much-anticipated natural growth of organisation. Most of the organisations have identified specific work related problems of women workers but are yet to identify specific gender problems. Though many has begun this exercise by identifying domestic violence and alcoholism, it is not taken up from a gender perspective but more from a moralistic approach of household prosperity and peace, community's responsibility to protect its women folk etc. It was observed that this was not deliberate. The field level workers or the local leadership that the organisation has generated are not capacitated to deal with this issue in any other form than by raising the conscience of men to be 'good' and community responsibility to safeguard the welfare of all. This reveals that even if gender empowerment activities are taken up by organisations capacity building of the lowest rung of leadership is a must to begin with.

Over the decades the evolutionary path or the processes that preceded the success of many women workers organisations reveal a pattern of a replicable model and an agenda of action. What is lacking in terms of gender empowerment is precisely this. On the one hand there is no collective thinking or common action point for strategy formulation and process consolidation that has the potential of replicability to address the gender issues at the grassroots level. On the other hand, there is a plethora of literature and training material available on gender, gender sensitivity and gender approach. This knowledge pool seems to be presently inaccessible institutionally as well as in terms of form and content. Collective efforts are needed to bring this corpus of knowledge in more accessible forms and agendas, for wider dissemination so that there is avoidance of cross currents and reinventing the wheel.

## **VI. Formalisation of Public Voice**

The term public voice refers to the articulation or consolidation of larger interest or common interest in the public sphere. While larger interest reflects the values of a moral society, common interest indicates the well being of a majority. However, the usage of the term public voice reflects an agency and the recognition of it by the civil society. Organisations of workers, as representative of the common interest of the workers as well as of the larger

interest of the society hence, constitute a public voice. Formalising the public voice, therefore, has been inseparable to the strategies of the organisations. In many a cases, this forms a strategy as well as a goal.

Both as a strategy and as a goal, formalisation of public voice is of utmost importance to the MBOs representing the informal sector workers, especially women workers. The masculinised public space and the gender constructs of a public voice have been traditionally dominated by formal sector male workers. The few cases wherein this hegemony of public voice is displaced underscore the significance of formalisation of voice as a strategy and a goal. Thus, in the recent years, it is considered as a natural growth for an organisation to take up formalisation following their efforts of articulation of public voice. While *articulation or formulation* of public voice pertains largely to civil society, formalisation involves civil society and the state. In this sense, formalisation means involvement with the state and non-state agencies in the form of formal linkages, representations in formal bodies, and consultative status by other agencies in matters concerning the constituency that the organisation is representing in particular, or people's interest in general. Though these can be the commonly found modes of formalisation, an attempt is made to understand these processes in the MBOs we have studied.

As the purposive selection of case studies were from the successful ones, formalisation has taken place in all of them in varied extent and in multiple ways, which is evident from the following table.

Table 4

Processes and Strategies Followed in the Formalisation of Public Voice

Process/ Strategy	BGKS	KPKP P	SEWA A	TUC	SMS	AS	ASP	SMVS	WCS	AMM
Infrastructure	*	*	*	*	*	*	*	*	*	*
Identity Cards	*	*	*	-	*	-	*	-	-	*
Strength Demonstration	*	*	*	-	*	*	*	-	-	-
Protest Forms	*	*	*	-	*	*	*	-	-	-
Govt. Partnership	*	-	*	*	*	*	*	*	*	*
Enterprise Management	-	*	*	*	-	*	*	*	*	*
Community Development Programmes	*	*	*	*	*	*	*	*	-	*
Publications	-	*	-	-	*	-	-	-	-	-
Representation in Formal Bodies	*	*	*	-	-	*	*	*	-	*
Consultative Status	*	-	*	*	*	*	*	-	-	-
Second Level Leadership	*	*	*	*	*	*	*	*	-	*

As the above table reveals MBOs have attained diverse degrees of formalisation, vis a vis public voice. Most MBOs have created infrastructure to carry out their activities efficiently. Having an office for the MBO at different levels of the organisational structure bestows physical presence of it in the operational area and can act as a guarantee for the continuity of efforts. Even at an SHG or unit level, the MBOs encourage the groups to have some infrastructure however minimal it is. Besides the functional utility and convenience of having such infrastructure, physical presence of an organisation brings in recognition and visibility to the activities and issues that are taken up by the groups.

Provisioning of identity cards also gives visibility to the organisational activities in the area along with the identity of workers. Visibility is also gained through demonstration of strength in various occasions, which need not be always confrontational. Celebrations of national or international days of importance and cultural events undertaken by the MBOs or by the support NGOs are cases in point. Almost all the MBOs barring AMM and co-operatives in Shillong engage in such demonstrations. However, most of them have also demonstrated strength using various forms of protest. Dharnas, Marches, gharos, road blocking, mass arrest, rallies are employed at various points of time. The issues taken up during these protests include notification and implementation of minimum wages and welfare measures, implementation of EGS and equal remuneration Act, withdrawal of a policy or an enactment etc. These have gained them the credibility that is crucial for public voice. Another common strategy followed is to enter into partnership with various state agencies, which may eventually provide them with a space in the formal bodies of decision making. When representation is not given in formal bodies MBOs are able to negotiate with the authorities based on their proven strength.

Formalisation, besides bargaining for a space in decision-making bodies, it also provides space for advocacy and lobbying. It is found to be an enabling factor for sustainability. However, the ideology behind formalisation seems to be giving credibility and visibility to the workers as stakeholders in decisions concerning their lives. The agency often employed for this is the credibility of the key person of the MBO or the support NGO. On account of this credibility the organisation lobby for the key person to be a member of the decision making bodies. It can be seen that the key persons in most of the MBOs we studied are members of various committees set up by the government. The key persons (mostly the founder member or president) have been representing the organisation continuously for a long period of time. In the long run this may work against the principles of democracy and can develop a weak spot in the formalisation process, that is, lack of second level leadership. Though many MBOs have developed second level leadership in the day to day functioning, only one of the MBOs (Ama Sanghatan) has been able to put up a grass-root leader for representing the organisation in state level committee. In some other cases, the lack of second level leadership is very conspicuous.

Enterprise management, government partnerships and community development programmes are the most widely practised interventions to create public voice. MBOs have taken up need based community development programmes like education, health and micro credit for enterprise development. Government partnership is an important ingredient in the work of these MBOs in these fields to enhance credibility. However, as the matrix reveals, more ways of formalisation and conscious efforts contribute to a qualitative difference in the process of formalisation of public voice. Larger the canvas of issues with maximised stakeholderhip, more candid the process of formalisation.

## **VII Significant Learnings and Issues**

The significant learnings and issues that emerge from the above discussion can be summarised as follows:

The gendered structure of the MBO with women at the helm of affairs as against the dominant models is a positive step which has the potential to take up various issues related to worker's rights, citizenship etc. This separate forum aimed at bringing together women as a social group recognising them as workers and organised to demand their legitimate rights is to be understood as an exigency of the time. Forming member-based organisations in this regard guarantees democratic functioning and ensures participation of members.

As these MBOs have organised women workers in the informal economy, by virtue of the social and economic problems that these workers encounter, the activities of these organisations have to focus on a three point non-negotiable agenda of addressing the existing exploitative relationships vis a vis class, caste and gender. Preoccupation or negligence of one may lead to the partial success and may hamper the long-term objectives of the organisation.

Bringing women workers to the public sphere, which is characterised by the social exclusion, is invariably a right step towards mainstreaming gender. This is also an incredible accomplishment as this exclusive space created for women constitute of workers in the informal economy, who largely belong to the socially and economically marginalised groups.

The very nature, structure and ideology of MBOs can facilitate participatory learning and provides an ideal space for gender conscientisation process, which is integral to the larger goal of empowerment.

The presence of a support NGO in the activities of MBOs is found to be advantageous in adopting an integrated or multi sectoral approach towards the issues. It also proved to have multiplier effect in terms of its impact beyond the constituency of the MBOs. In this sense,



the strategy of NGOs to create or support MBOs of women workers has to be acknowledged as a welcoming change from the welfarist model to rights-based approach and from the dominant practice of limiting women's participation in development to conduits of poverty alleviation. However, a word of caution is appropriate here. That the support NGO has to make a conscious decision and create conditions for the autonomous functioning of MBOs it has created, without which formation of MBOs would defeat the very purpose of it.

MBOs that function as trade unions possess more potential in building worker's identity and therefore, can address issues related to rights - as workers, as citizens and as women. However, quite unintentionally, a linearity of priorities or a sequential preference in the aforesaid manner, seems to beset the activities of the organisation instead of a synchronized approach. This sequential preference (in activities) is found across the categories of MBOs, but with variations determined by the core strategy of the organisations. In fact, this is more pronounced in those MBOs that employ economic empowerment as strategy.

The anatomy of a cross-section of MBOs- societies, co-operatives, trade unions- reveals that while some are structurally MBOs, their functioning eludes the characteristics of MBOs. This is particularly so, in the case of co-operative structures where in enterprise development is the sole agenda. Such MBOs do not seem to transcend their activities to empowerment related goals like gender justice.

Citizenship building and political empowerment are often woven into the main agenda of the MBOs. Activities that are oriented towards workers' rights and economic empowerment involve building up of a demand generation system from among the community through which citizenship is constructed. The flip side of this approach can be that the concept of citizenship may get reduced to that of a 'beneficiary' whose overriding concern is to maximise benefits from government programmes.

Political empowerment in its broader sense refers to a process by which a specific section of a population takes appropriate steps to gain visibility and legitimate space in the public spheres including that of different levels of governance and in political parties. Thus, the decentralised governance and the 33 per cent reservations provide an excellent opportunity for this. However, it was found that due to the political interference in the gram panchayats, which are constitutionally non-political in nature, most of the MBOs keep a safe distance in terms of encouraging the members to contest in the elections. Their engagement with the PRIs is mainly in terms of partnerships in development programmes, demand generation at the village level and in ensuring the functioning of grama sabhas. As a best practice, most of the MBOs follow the rule that the members have to resign their membership from the MBO when contesting for the elections.

The strategies followed and activities executed for economic empowerment by the MBOs have been successful, as there is visible improvement in the economic status of the members. Candid admissions of such an impact by the members was witnessed in the focus group discussions. Nevertheless, there is an increased demand for economic activities to be taken up by the MBOs. This is more so for MBOs who are yet to make direct economic interventions.

The dominant model of economic empowerment, through the formation and consolidation of SHGs and by the promotion of income generation programmes, is feared to be leading to a dead end. The natural growth progression of economic empowerment to overall empowerment or gender empowerment is yet to take off in many cases. One of the main reasons behind this is the assumption of natural spin offs and therefore, the conspicuous absence of specific strategies to address the gender problems. Unless the ongoing symptomatic efforts are complemented with strategies to address the structural discrimination, empowerment may remain as a utopia. One needs to critically look at the economic empowerment programmes to fathom the impacts carefully as it is showing tendencies of 'middle classisation' without effecting changes in the gender relations inherent to the process of empowerment. In this sense, the dominant model of economic empowerment can be best described as curate's egg.

The recognition of the catalytic role of formalisation of public voice is evident in varying degrees amongst the selected MBOs. Some have adopted it as a core strategy through various mechanisms of gaining visibility and credibility with the state and non-state agencies. It was found that even in those cases where it was not consciously followed, formalisation has happened as a natural outcome of many other activities. However, a qualitative difference is worth mentioning. In cases where formalisation is followed as a strategy, it has contributed to the sustainability potential of the interventions of the MBOs. This is a significant point as formalisation of public voice also endows the MBOs with the potential to grow further. Moreover, it has to be noted that formalisation of public voice is an inevitable condition, if the MBOs are aiming at their long term goals of addressing the structural discriminations.

The execution of programmes through an exclusive forum of women with all its advantages may not give adequate leverage for the MBOs to address the gender problems effectively. Gender empowerment has to involve men as it necessitates a de-learning or a re-socialisation process for both men and women. While retaining the advantages of women workers' organisation, the MBOs need to create a common platform or participate in such fora to push the agenda of gender empowerment either through alliances or networks.

The activities undertaken for gender empowerment are limited to the manifestations of certain overt forms of gender oppression and hence, can serve as a starter. However, it is to be noted that even these issues need to be addressed from a gender perspective for long-term effects, for which the capacities of the MBO at present are found to be inadequate. This is one area that needs a lot of concerted efforts. Bereft of this, even formalisation of public voice will not be able to serve any purpose beyond addressing practical needs of women.

All the MBOs practice leadership development among members. But the practice of it, however, ranges from developing group management skills to second level leadership. Though the latter is desirable for the sustainability of organisational interventions, not many MBOs have made strategic moves towards this. In most cases, even after a decade of work, the founder member/ president remains the sole representative while engaging in negotiations and advocacy. In this sense, leadership building remains at the level of operational and managerial delegation of work and not for representation in concerned fora. Ideally, MBOs should aim at developing leadership from among members and the articulation and representation of public voice should be through such leaders. Institutionalised efforts need to be made towards this.

Many MBOs have experienced and still face difficulties in registration. Such difficulties stem from the rigidities in the existing laws related to the formation of MBOs, inflexible interpretations of the legal provisions and non-conducive political environment and bureaucratic apathy. There is a need to review the policies and procedures of registration of unions for workers in the informal sector.

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## Appendix

### 1. Trade Unions

#### (I) Bangalore Gruha Karmikara Sangha (BGKS), Karnataka

Bangalore Gruha Karmikara Sangha was formed during the course of activities of a non-voluntary organisation called Women's Voice. Started in 1980 by a few women activists, it focused on the problems of poorer women in the urban slums of Bangalore city in Karnataka. It is being conceived as a movement of the informal sector -workers who are basically service providers residing in over 800 slums with a population of 10 lakhs. Bangalore, being one of the fastest growing cities with rapid industrialisation and urbanisation, absorbs a large number of lower class women as domestic workers. In the initial interaction with the slum dwellers, organisers found that a majority of the women in the slums work as domestic workers. Many of them could articulate the problems that they face such as low wages, long working hours, absolute lack of holidays, harassment by the employers and police (in case of alleged thefts) etc. The initial interventions of the organisation to help these women workers from police cases and health problems made it necessary to organise them to form a union to protect their basic rights as workers and as women. Thus, in 1986, union was formed and the first charter of demands requesting redressal of grievances of domestic workers was submitted to the minister for labour, Karnataka.

It was registered as a trade union in the same year after overcoming a series of hurdles for registration. Though Pune Domestic workers union was formed before them, this is the first registered union of Domestic Workers in the country. The union draws its constituency from the Mahila mandal units established by the support NGO in the selected areas of the Bangalore City namely, Ulsoor, Indiranagar and Jayamahal. As of now it has 2000 members who pay a monthly membership fee of 25 paise. Since it is part of the national Centre for labour, the members have to pay an additional fee of 50 paise.

The structure of the union is retained simple as there is minimal scope for internal resource mobilisation. It has area specific committees, which work in tandem with the Mahila mandals of the support organisation. The representative of this committee, mostly nominated, report to the main office at Ulsoor. It also has a branch office in another locality called Lakshmipura. Meetings are held every month in the areas as well as of the office bearers. The executive committee from among the representatives of the units elects the president of the union. The salaries of the President and that of the General secretary are met by the support organisation.

The support NGO, apart from forming BGKS, work towards providing basic amenities in the slums and various other programmes for the overall development of women such as

awareness building, literacy programmes, health programmes, leadership building etc. It has also formed a Muslim Women's Forum

Though there is an organic link between the union and the support organisation, the union has developed separate management practices. The president herself is a domestic worker. The conflict management is open discussion with few office bearers and with the representatives of the NGO. The only mode of resource mobilisation is through collection of membership fees, and all other additional expenses of training, cultural programmes, protest demonstrations, maintenance of the office etc, are met by the support organisation. Participation of members is ensured through the monthly meetings in the areas and through the development programmes of the support organisation in the area. Leadership building programmes and rotation of office bearers also enhances participation.

The main activities of the union can be classified under three categories:

- Awareness building and education activities
- Union activities addressing the specific needs and problems of domestic workers
- Mobilising social and developmental programmes
- Network and alliance building

All the activities are supported by 'Women'sVoice', not only financially but also in the form of providing appropriate resource personnel to support the activities. Awareness building and education programmes are taken up during local unit meetings, which also identifies various issues from time to time. Specific training programmes are also being conducted for awareness building. For example, leadership building, role of unions, primary health care, Minimum Wages Act etc are included in the trainings conducted for the union members. Participation of members in rallies, protests and demonstrations and in other public meetings, organised by other unions and organisations also enhances the awareness building process.

BGKS submitted its first charter of demands in May 1986. The union has demanded that a commission to be constituted for fixing minimum wages, bonus and gratuity for domestic workers. It has also demanded that labour department register all domestic workers of Karnataka and that a Welfare Board is created for them. It has also demanded extension of ESI and maternity benefits. Finally BGKS highlighted that domestic workers work for 365 days of the year, without sick leave or holidays. Following this in the month of August 1986, a statement was given by police commissioner that all employees should register the names and addresses of domestic workers with photographs with the concerned police station, on account of the increased thefts in the city. BGKS organised protest meetings in 16 areas in the city against this move. Due to this the government withdrew the orders of the police commissioner. In September 1987, a national convention of domestic workers was



organised. Since domestic workers do not come under the category of industry, the Minimum Wages Act related to industry is not applicable to the domestic workers and hence, the domestic workers' union made the following recommendations:

- a regulatory or Tripartite body consisting of the government, employers and employees to work out rules and regulations pertaining to domestic workers and the employer such as rights and duties, responsibilities, terms and conditions, minimum ages etc
- the government should fund the tripartite body to the extent of those benefits which were not affordable by the middle class employers
- Part time domestic workers to be included as workers and minimum wages be worked out on hourly basis

The struggle of BGKS for including domestic workers under the schedule of Minimum wages Act was ongoing for a long period. In 1992, domestic workers were included in the schedule. But in the very next year i.e., 1993, government has removed the domestic workers from the schedule without even fixing minimum wages. BGKS took up the issue for inclusion of domestic workers in the schedule of minimum wages act. It is also observed in the memorandum that wages suggested by the Minimum Wages Advisory Board of Karnataka was less than poverty level at the household level. BGKS is a member of National Centre for Labour, which is an apex body of informal worker's unions. During its 1997 consultation, NCL has demanded that minimum wages should be need based as against the proposition of Minimum Wages Act Board contention of poverty level wages.

In its detailed memorandum to the second national labour commission at the public hearing on the 27th November 2000 at Bangalore, BGKS has reiterated the demand of needs-based minimum wages. However, it put forward a demand for hourly wages of Rs.15 per hour, as most of the domestic workers are part time workers. Another demand that BGKS has been consistently advocating is to set up a Tripartite board of government, employers and union members to effectively enforce laws for domestic workers, which include registration of domestic workers and their employers, issuing of identity cards, and regulate the rates and payment of wages.

BGKS with the support from Women's Voice has taken up several initiatives aiming at addressing basic amenities of the poor women who are domestic workers. Creating access to several government programmes and welfare schemes formed part of its campaign activities. Provisioning of ration cards, education and health care programmes, pension for the aged and widows, vocational training for adolescent girls etc are the other activities that BGKS has been focussing on.

Legal awareness and support is another important activity that BGKS has engaged in. Every Thursday, it organises grievance cell to receive complaints from the members and assist

them in legal support and fact finding. BGKS has also addressed various community level issues like atrocities, caste and communal violence etc. It has set up Watchdog Committees for peace and communal harmony in Bangalore City and other places. Other activities of the union include education support to selected 15 girl children of the union members, community TV, and health aid for women.

Networking is an important function of BGKS, which is aimed at strengthening the bargaining capacity of the domestic workers and poorer sections of the society. Being part of NCL, it has been able to mobilise the support of a vast section of unorganised workers to struggle and campaign for their rights. At the national level, BGKS is also part of National Alliance of Women's Organisation and National Dalit Women's Federation. Locally, BGKS has alliance with organisations like, AWAS- an NGO working for housing programme in urban slums- and Karnataka Slum Dwellers Federation in their struggle to avail basic amenities. It also works in close relationship with a sister organisation of construction workers union, which addresses the issues of migrant, informal sector labourers.

While BGKS fulfills all the requirements of a trade union in its functioning, it goes beyond the conventional limits of a trade union. Its agenda is not limited to wage fixing and non-payment but extends to social and political issues. The processes that preceded the formation of the union exemplify this. Started with awareness building on the need for unionisation and imparting the identity of women as well as of workers in relating to their everyday problems, it moved on to formulation of demands. It also strengthened the union by building leadership from amongst the members through a series of training and has launched an ongoing struggle for minimum wages and for a tripartite board. Further, with multi-faceted development programmes, it has come a long way from a union to a movement of domestic workers.

BGKS identifies women's empowerment as a process and therefore, engages the members not only in union activities, but also in the activities of the support NGO, in the activities of slum development and in the activities of other informal sector workers' organisations through alliances. While union activities provide the members with awareness on labour rights, activities of Women's Voice provide them with solidarity of women workers to jointly address the issues of atrocities by the police, harassment at work place etc. Involvement in development activities of the slum invokes the spirit of citizenship. Alliances and networking with like-minded informal workers' unions reinforces the collective bargaining capacity and solidarity.

The success of BGKS has to be viewed from two angles viz., organisational activities focusing on worker's rights and programmes aimed at members' empowerment. Locally and nationally, this union has achieved recognition. It is an active partner of many of the national alliances of worker's unions, women's organisations, dalit organisations etc. At the

state level, BGKS has gained representation in State Commission for Women and Minimum Wages Board. Further the labour department and women and child welfare department involve representatives of BGKS in many of their consultative meetings. Locally the police department involves the union members in case presentation and in enquiries pertaining to domestic workers. Initially, this practice was restricted only to the union members but over the years in any case involving domestic workers or even slum women, the local police personnel consult BGKS.

From the point of view of members, dignity is the first gain through the union. The identity cards issued by the union serves a multitude of functions- a sense of freedom from vulnerability at the hands of employers and police, and security of life and work. Further, regular meetings provided a space for articulating their grievances. A feeling of being reckoned by the government while mobilising government welfare programmes, asserting the rights in public meetings and protests, a feeling of their voices being heard also constitute the experiences of members. The union members are articulate. They accompany their fellow workers (when needed) to police station. They are not afraid of police personnel and engage in negotiations with employers. Their personal aspirations have also undergone changes, from one of pessimism before the union to absolute optimism. This optimism is extended to the union demands and to the future of their children. While addressing the practical needs of women, crèche was one of the essential needs. The department of women and child welfare approved establishment and support of crèche in one of the areas. The support provisioned was Rs. 500 per manager and Rs. 75 for *Ayas*. BGKS found it economically unviable and an unfair deal to the workers and did not take it up. But the union is working out the modalities of establishing one in the near future. Though many welfare programmes are implemented as part of the activities of the support NGO, specific economic programmes are yet to be taken up by the union. Access to credit through savings and credit groups is on the agenda of Women's Voice, for the members of BGKS. Equally important is to provide alternate employment or income generation for women who fall out of the workforce.

As the demand for minimum wages is yet to be materialised, BGKS is not expanding the membership or activities to other areas. This is one of the formidable challenges before the union as this first and foremost demand is yet to be accomplished. Provisioning of crèche facility is also an urgent need of the members. Nevertheless, the impact of the workers union is also conspicuous in the higher wage rates of workers in the operational area of the union, compared to the other areas of the city.

#### **(ii) Kagad Kach Patra Kashtakari Panchayat (Wastepickers Association, Pune)**

In 1989, department of Adult and Continuing Education of SNDT Women's University, Pune, started conducting classes for children. Who are waste-pickers. Over time, the interaction

with these children and their families grew beyond the classes and the mothers of these children articulated the demand for segregated garbage so that less time would be required for scrap collection. Addressing this issue, the department began working with about 50 women. However, when this was in progress, a group of entrepreneurs wanted to take control of certain garbage dumps in the city. The department encouraged the women to undertake a protest march similar to that of the 'chipko' movement. The women gheraod these dumps thereby prevented the outsiders from accessing it. Following the success of this, the department encouraged these women to take up other issues affecting them and as a beginning, interaction with other women waste pickers living in other slums of the city was facilitated.

As more workers joined this initial group, articulating their demands, a trade union was registered in 1993, primarily with the aim of ensuring that the government and society recognized waste picking as a meaningful work. The membership fee was Rs.13 per annum (Rs.1 per month + Rs. 1 entrance fee). Recently it has been increased to Rs.15 per year. The union provided photo identity cards to the members at a price of Rs.5. Began with 1500 members, the union has grown with a membership of 4594. Out of these, 3343 are women (2781 waste pickers + 562 itinerant buyers) while 1251 are men (233 waste pickers + 1018 itinerant buyers). Women constitute the majority since they mostly do the scrap collection. The union covers 70 slums in Pune and 10 in Pimpri Chinchwad.

The organisational structure is simple with members electing their group leaders. The system of elections began in 1995-96 before which group leaders used to be nominated. One slum usually has one or two leaders, who are removed from the position in case of inefficiency. As of now, there are about 150 active leaders in the union. They are responsible for their respective areas. They report to the management, which initially had a staff of 16 people to visit the slums, interact with the members and educate their children. The union has tried to operate with very low funds. There has been a cutting down on infrastructure and a narrowing of the management structure over time. Of late, it has been reduced to 8 to reduce the administrative cost. This includes the union's founder-president, a general secretary, joint general secretary and a representative of SNDT University. Dr. Baba Adhav, a famous trade unionist in Maharashtra, is the advisor for this union. Being an established leader, his name has given them credibility with the government in availing approval of government activities and programmes.

The union started monthly meetings in 1994. Earlier meetings used to be held in every slum. However, this practise was discontinued, as it requires a large staff, which is economically unviable. At present the union meets on the 16th of every month for the group leaders and on the 10th for all the members. These meetings take place at the union center, which is the Hamal Panchayat (union of informal sector workers) office. In the meetings, members discuss the issues that they would like to work on, the amount of surcharge to be paid, etc.



Group leaders discuss the same with the staff for an action plan, which need to be agreed by the members. Therefore, decisions are both top-down and bottom-up. Due to the functioning of the union as MBO in its true sense of an organisation run by members, there has not been any conflict of interest between the members and the staff. Transparency in the day to day functioning of the organisation is quite striking and in the focus group discussions it was found that women members have complete knowledge about the funds generated, the management, salaries, etc.

During the initial years, KKP concentrated on issues like police harassment of waste-pickers, cases of accidents in garbage collecting, instances of retail scrap traders closing down of shops without paying the workers, etc. Many marches, dharnas, protests were held and court cases filed to this end. Over the years, it has extended its activities to issues that concern the every day life of the workers. This includes child labour, lack of access to credit, loss in retail trade, violation of various basic rights discrimination of girl children, domestic violence, untouchability, etc., While addressing these issues, at times the union has to take action against the members, for which the majority shows solidarity. The union puts pressure on their members to stop the practice of child marriage. There are cases where in the help of police was sought. And community marriage celebrations have been organized since 1998 as another strategy to address this issue. Many women members like to marry their children in this way, as it is cheaper. Due to all these, the incidence of child marriages has come down drastically.

The union has been lobbying for the inclusion of waste pickers under the existing Maharashtra Hamal Mathadi and other Unprotected Manual Workers (Regulation of Employment and Welfare) Act and for the implementation of provisions of this Act for these workers. It organized a State level rally on 25th March 1999 (women workers' struggle day). Following this, every year, KKP carries out protest march, and puts up street plays on this date. Similar activities are undertaken on other public occasions like Independence Day. Training programmes are also conducted on such occasions

However, the major struggle has been for gaining complete access to garbage and provisioning of identity cards by the municipal corporation. The struggle met with success in 1996 when the Pune and Pimpri Chinchwad municipal corporations officially recognized the union and endorsed the photo identity cards of the members.

The union not only has agitational programmes but also institutional programmes like credit cooperative, group insurance and a cooperative store. Since 1995, self-help groups were also started. There are 70 groups all over Pune. Each group has between 10-20 members and each member contributes between Rs.10-20 per week. Loans are given at the interest rate of 2-3% per month. In 1997, a Credit Society was registered with a programme

membership of 1370. Being more centralized, the rules are not made flexible. The members have to pay Rs.30 per month, have to meet on fixed days, etc. So far 850 loans have been disbursed at the rate of 2 per cent per month (1.5% as loan interest + 0.5% as social security surcharge).

In 1998, the union started a shop (cooperative scrap store) in one of the constituent slums to sell the collected scrap. In the first year, the margin was Rs.20,000 that was invested in renting a premise. In 1998, the Pimpri Chinchwad municipality granted land and a bigger shop was constructed. There are 20-30 women members involved in selling scrap. On an average, they earn between Rs.20-25 per day and a bonus of about 5-8 per cent depending on the quantity they sell. Half of their earnings are given to them while the other half is put in a provident fund account. They enjoy one month paid leave and other social security benefits. Besides these women, there are two skilled labourers engaged in the shop to tie the scrap and one educated storekeeper to do the accounting. Each of them gets as much bonus as the women members. The setting up of the cooperative shop has been one of the strategies adopted to empower the women members. It increased their bargaining power with the larger society and enhanced confidence by demonstrating that it is possible to generate profits in the scrap trade using fair business practices. On the basis of this demonstrative model, the union plans to intensify their demands to the scrap industry as well as for the provisions under the Mathadi Act.

The union has been successful in initiating a Group Insurance Scheme in 1998. The Life Insurance Corporation of India granted this scheme for members on payment of Rs.25 per annum. The insurance amount in the case of natural death is Rs.5000, accidental death is Rs.25,000, and disability is Rs.12,500. Credit takers are automatically insured. In the first year itself, 400 women were insured and 7 cases settled. In the current year 825 women have been insured.

One of the major accomplishments of the union has been the documentation of rag pickers' work. The image is not that of 'poor scrap pickers who need sympathy' but the document emphasizes the inevitability of their work for the society. For instance, it has quantified the costs these workers save the Transport Corporation and highlights the importance for the recycling industry. And hence, argues for the improvement of working conditions and for retaining the activity as a productive one.

The union started a non-formal education programme for the children of scrap-pickers, which lasted for a period of 3 years. It was discontinued so as to introduce children to formal education. As a follow up of this, the union networked with NGOs working for children's education in Pune and have managed to distribute exercise books to these school-going children. The union tried to encourage the educated children to take up works other than scrap collection. As a result of these efforts, 10 children are absorbed in the retail outlets of the Goenka run chain of foodstores called 'Foodworld'.



The union so far has not sought external funding of any kind. Bonus for members is a part of profits generated by the shop set up by them while the membership has increased from activities. The union savings have gone up substantially over the years. Total cooperative savings are Rs.9 lakhs and union savings are Rs.4.5 lakhs. Since there is no external funding, there has been no pressure on them to finish programmes that are unviable and having an unsuccessful future.

In future, KKP plans to lobby more strongly for the Mathadi Act. So far, the demand to scrap traders has ever reached a cutting edge. The highest level of bargaining has not come in direct contact with rag pickers and the recyclers are too far removed from them. Indirectly, it has to impact the trader's lobby for which it has to lobby with the state government for favourable policies towards the workers. Though self-employed status exists in rag picking, the workers are called self-employed. Therefore, concerted efforts are needed by the union to bring out the employer-employee relationship in this trade. The union would also like to lobby with the moneylenders by putting pressure on them to negotiate settlements with lower rates of interest.

The organisation publishes a newspaper for its members once in every two months. It contains general news as well as specific information about the activities of the union. It is represented in various decision making bodies such as Collector's Child Labour Committee (state inducted), Mahila Dakshita Samiti for violence against women (state inducted), Apex Committee on sanitation (Pune Municipal Corporation), Joint Action Committee on primary education (Pune Municipal Corporation), Advisory Committee on Domestic Workers Act. In addition, it networks with a number of other organisations such as Federation of Women's Organisations, Action for the Rights of the Child (an NGO network), Action Committee of unorganized sector trade unions, and Central Committee of central trade unions. The union also possesses consultative status in the fora for formulation of women's policies and in agitations against price rise, globalization etc. Dr. Baba Adhav, advisor of KKP, holds several positions of importance such as a member of Mathadi board, President of federation of Maharashtra Hamal Panchayat, and Member of Second National Labour Commission board. Another member of the advisory board, Mohan Nanavare is director of Mahatma Phule Backward Class Development Corporation and Member of Dalit Swasthya Yojana.

However, it is to be noted that second level leadership largely remains at the group level. A representative of the union from among the members in a larger forum is yet to be materialised.

In the focus group discussions, all the members were unanimous about the improvement in their economic status. Most of these women have been part of the union for the past 8-9 years. After joining the union, and with the interventions of the union, their conditions of work have improved. For example, previously they were involved in street collection of garbage

while now many do door step collection. Apart from collecting scrap, some women have been given a contract by the corporation to sweep certain market areas (through which they earn about Rs.1,300 per month) while some others have also taken up part time domestic work.

The identity of a union member, has helped the members to access many public services more easily than in the past. For instance the provision of medical care at dispensaries. This has resulted in a definite attitudinal change among the women members. Earlier, other than for the purpose of scrap collection, they remained primarily housebound, whereas today they have the confidence to come for union meetings and actively participate in union activities. They have also become more aggressive in coping with domestic problems like drunkenness, violence, etc. They have gained functional literacy and are signatories of the credit union.

Most of the members would like to continue with scrap collection but have ensured that their children do not engage in it by educating them. Daughters also have been educated. Many of their children attended the non-formal education programme conducted by the union and are at present attending formal schools. The long-term goals of the union include sanctioning benefits like pension, paid leave, etc. for the workers by getting the Mathadi Act passed for the scrap collectors.

### **(iii) Self- Employed Women's Association – Madhya Pradesh**

SEWA was started by Ela Bhatt in Ahmedabad (Gujarat) to improve the poor condition of women workers, since most other organisations worked with male workers. It was registered in 1972 as a trade union of self employed women workers, overcoming a deluge of legal hurdles. The registration of such a union was a landmark in the history of informal sector workers organisations. It began its work with the vegetable vendors and was successful in getting them a license from the city municipality. Following this, SEWA set up a Mahila Sewa Bank for women workers, as moneylenders exploited them with exorbitant interest rates. Sooner, it was able to start Industrial cooperatives of Kutch embroidery and furniture along with milk cooperatives.

Though started in Ahmedbad, SEWA soon became a movement of women workers in the informal sector. SEWA has extended to six other states, namely, Gujarat, Madhya Pradesh, Uttar Pradesh, Delhi Bihar and Kerala and has 3 lakh members all over India. In 1983, SEWA Bharat, the national federation of all the SEWA units in the country was registered to facilitate work at the national level and provide the possibility of expanding the membership base to new states. The members of SEWA Bharat are drawn from all the states covered by the organisation. It has a Chairperson, Vice-President, General Secretary and Secretary. The

General Secretary is Manorama Joshi, who is the Head of SEWA Madhya Pradesh. Every state has a separate governing body and autonomous financial management.

In Madhya Pradesh SEWA works as a union. Began in 1985, among the beedi workers of Indore, it was able to register as a trade union in 1988. By 1992, it has spread to Budelkhand area and then to Ujjain. At present, it works in 11 districts (Indore, Bhopal, Ujjain, Khandwa, Sagar, Damoh, Chhatarpur, Teekamgarh, Ratlam, Mandsoor and Devas) with 80,00 members in the state. The majority of members in the state are beedi workers, tendu leaf collectors and agarbatti makers. A few are basket weavers and broom makers. Membership was boosted up with the practise of providing an incentive of Rs.10 for those who attend the meetings. Many more joined when SEWA undertook activities like health camps and issued identity cards from the labour commissioner's office. The membership fee for the union, however, continues to be Rs.3 per annum.

Four registered bodies of SEWA function in the state – Union, Credit Cooperative Society (registered in 1989), Public Trust (registered in 1991), and Industrial Cooperative (registered in 1995). Each of these has separate structure, audits and executive personnel. The levels of authority in the union, which consists of 80,000 members, are as follows –

1. Governing Body
2. State Level Coordinator
3. State Level Committee – includes representatives from all the districts SEWA works in. They meet once every 3 months.
4. District Coordinators – 1 coordinator per district
5. Organizers – depending on the size of membership in the district, their number varies between 4-6 per district.
6. District Level Committee – depending on the size of membership, the number of committee members varies between 15-30 per district. This includes representatives from the different occupations SEWA covers. They meet once a month.
7. Group Leaders – are chosen by the women members themselves – 1 leader for a group of 30 women. Group leaders of all areas meet in Indore every 3 months.
8. Members – groups of members at the grass-root level are formed in such a way that they consist of women belonging to the same occupation, social status and locality. This is because women of the same socio-economic strata share common problems and can work together easily without the issue of inter-caste and class hostilities arising. Weekly meetings are held of each group and monthly meetings in the larger areas.

The decision making process in SEWA starts from the grass-root level by the women members in the meetings which are further taken up by representatives. The functioning of different organisational structures are retained democratic with members of each level electing those of the next one and the general body meets annually.

The structure of the credit cooperative society (2,500 members) is as follows-

1. Executive Committee – consists of 9 members (president, vice-president, treasurer and 6 members) who meet once a month.
2. Shareholders – meet once a year

The shareholders elect members to the executive committee.

The public trust consists of a board of 5 trustees, one of them being the Managing Trustee, who meets once in 6 months.

The industrial cooperative (40 members) has the following structure-

1. Executive Body – has 9 members who meet once every 3 months
2. Shareholders – meet once a year

The executive body is elected by the shareholders.

One of the characteristic features of SEWA is that even after years of successful intervention and functioning, it works with low costs. The maximum honorarium that a SEWA worker can receive is Rs.4000. Professionals are not usually employed. Instead members, who have a better knowledge and understanding of the local situation, is preferred at all levels of the organisational structure. Moreover, SEWA works through members' contributions and government loans. It hardly takes grants as that may hinder the autonomous functioning and might influence the organisational agenda to suit the donor. Also, official visits to review the progress would disrupt the lives of the people. However, some government grants have been taken for the training of non-working women members. These were taken from the Labour Ministry for skill training of 20 girls in handicrafts (batik and tie-and-dye).

The aim of the union is to organize women working in different informal sector occupations. Organising women is preceded by substantial preparation, which include socio-economic survey and an understanding of the economic, educational and social infrastructure and ambience of the area as well as the potential for employment. Following this, SEWA staff engages in home visits to interact and make people aware of the programmes. An action plan is prepared based on this. Awareness camps are often organized separately for people belonging to different occupations like beedi workers, agarbatti workers, sweepers, etc. This is because each group is characterized by a different socio-economic condition with unique problems that need to be tackled. These camps last between 2-8 days depending on the requirements of the particular area, with 6-8 hours spent per day. Towards the end of this camp, groups are formed and leaders are chosen. It then takes up specific issues for which members are imparted knowledge about their rights under labour laws, for example the access to minimum wages, identity cards and welfare benefits (housing, free medical health, educational scholarship, etc.) Act and Beedi Workers Welfare Fund Act. Awareness camps are organized for this purpose, where government officials are involved to talk to and interact with the members.



SEWA has campaigned for the implementation of such provisions by organising seminars, conferences, mass meetings, rallies and dharnas. It has also negotiated with employers and middlemen as well as sought legal remedies. In each district, the district committee and organizers constantly meet the district collector and labour commissioner to appraise them of the situation of workers in different trades. Surveys are also undertaken to this effect for appraising the concerned authorities of the socio-economic, educational and health conditions of the workers. SEWA's two newsletters –Anasuya (national level, published in Bhopal) and SEWA Darpan (State level, published from Indore) are also distributed to the departments. Posters and booklets are also employed for information empowerment and have been put up at various public places. These efforts have resulted in a rise in minimum wages, employers registering the names of workers and the distribution of identity cards to workers. To some extent, benefits under the welfare scheme such as insurance claim, scholarships and provident fund have been extended to workers.

In 1998, a group of women members started a cultural group which puts up plays, street theatre and songs (prepared by women members) about the poor condition of women workers, the activities of SEWA and its demands. These are held at various public events including seminars and conferences that SEWA is invited to as well as on occasions like International Labour Day. These groups also travel across the villages for performing plays. There are about 27 such cultural groups. The objective of forming these groups was to spread awareness among more and more women workers and to provide a means for them to voice their demands.

Apart from campaigning for the implementation of Acts that are beneficial to the workers, SEWA provides support services to its members. For availing various government schemes such as SGSY, the union tries to ensure that these provisions reach the needy by contacting the concerned officials, filling in forms and completing other formalities for the beneficiary. It also undertakes the work of sending application to the town municipalities for water supply, hand pumps, electricity connections, roads, sanitation, etc.

The credit cooperative emerged initially as an informal saving fund to which each member had to contribute Rs.2. Exploitation of money lenders and the rigidities of the formal banking system made it inevitable for these poor women to initiate some thing of their own. Currently there are two credit cooperative banks in the state- one in Indore and another one being started at Chattarpur. The bank functions at the district level with savings between Rs.70,000-80,000.

Self-help groups have been formed among the credit cooperative members belonging to all the different trades that SEWA covers. There are 90 SHGs in 6 districts – Indore, Ujjain, Khandwa, Devas, Ratlam and Sagar. Each one contains 15-20 members. These groups have taken loan from banks and started commercial production and direct marketing of their

products. The members have savings of Rs. 30-50 per month. SHGs are being started in other districts too. In some areas where members have saved money through SHGs, SEWA has formed industrial cooperatives. To become a member of this cooperative, a woman has to take a share of Rs.100. It works towards finding possible production work and available markets for various items made by the members, besides organising exhibitions to sell these products.

Equally important was to enable women to manage their enterprises. Towards this, income-generation groups were formed. . 10 groups have been formed in Indore district and they are given training in stitching, pickle-making, masala making, food items and artificial ornaments. SEWA tried to form the SHG members into income-generation groups by giving them training in alternative employment. Local organisations such as Shramik Mahila Vidyapeeth and Shramik Shiksh Kendra trained the women in these groups. There has been an attempt to start some alternative employment in Chhatarpur too.. Here SEWA is in the process of trying to involve beedi rolling women in making medicines from the surrounding forest plants and resources. The income generating groups have been integrated into the union's savings and credit programme so that in future they can raise their own capital to start commercial production.

SEWA believes that economic empowerment is not enough and that overall empowerment is necessary for women. Further, the union cannot fight alone and needs support groups. Various welfare activities for women members and their children in the fields of employment, health, education, etc. are carried out by the public trust. For example it was responsible for setting up 30 primary health centers and 55 balwadis in different districts. It also held training camps to teach members how to write their names, fill logbooks etc.. Periodic training is also give to community leaders and a few study tours have been organized for them. Health workshops are organized on the occupational health issues of members. Medical camps are held for immunization of children, sanitation awareness, etc.

Groups of women sort out family problems of members such as drunkenness, violence, etc. by putting collective pressure on the individual concerned. In an attempt to reduce alcoholism, some groups pressurized a number of illegal liquor-shop owners to shut down their establishments.

Since 1998 SEWA is making efforts to campaign at the state level for which it wants to extend activities to at least 20 districts of Madhya Pradesh. A state level campaign for implementing beedi worker's Welfare Act and for a policy change in favour of tendu leaf collectors are on the agenda of the union. Further, the union plans to increase and strengthen the self-help groups and to extend the credit cooperative society to every district. Further, it plans to work more in the area of occupational health and to set up hospitals together with contributions from members and the government. It would also like to work at the national level regarding the problems of home-based workers.



SEWA is represented in a number of decision-making bodies. At the national level, it is a member of bodies such as the National Center for Labour, the National Alliance for vendors, and the home net of the SAARC countries. Some of its governing body members like Manorama Joshi (general secretary) and Shikha Joshi (state coordinator) are members of the Minimum Wage Committee. The latter is also part of the Child Labour Committee. Further, SEWA is invited to various consultations, for example by the central labour ministry for a draft-bill discussion on social security among home-based workers. At the state and district level, the organisation is a part of various committees such as the Housing Welfare Committee. It is a trustee of the Kasturba Trust and Environment Trust. At the local level it is part of the city corporations in different districts. SEWA organizers are invited by government agencies for training during the panchayat elections.

Networking is an important function of the organisation. It collaborates with a number of local and national NGO's working in various fields. For instance, it worked jointly with Manasi Health Center (Indore) and Lion's Club (Ujjain) to carry out a survey of health problems among beedi and agarbatti workers. It took the help of Shramik Mahila Vidyapeeth in training members for various income generating activities. The District Cooperative Development Society helped the organisation in cooperative development training. It also took the help of the ILO on its survey of beedi workers in Sagar.

The focus on poverty and worker's rights has had positive impacts in the constituencies. It has an impressive array of second level leadership at the unit levels. However, the increasing demand for income generation activities and marketing of the products are formidable challenges before the union. At the same time, moving more closely towards the gender problems of a semi-feudal rural society is no less a challenge.

#### **(iv) Trade union collective in south India, Chennai, Tamil Nadu**

This trade union collective in south India is conceived for promoting participation of women members in formal worker's organisations by the ILO as a pilot project. This project, known as "workers' education for integrating women members in formal workers organisations in India" was launched in December 1996 at Chennai to cover a selected 10 organisations in the four southern states. The project is directly implemented by the ILO through a project coordinator at Chennai with an active support of a sector secretariat at ILO office, New Delhi. For the field level activities, two full time women workers from each organisation are selected. Apart from these 20 field workers, each organisation constituted women's committee as part of the project. The project activities were limited to certain specific geographical working areas of the organisation to retain focus of the activities and for stronger and better effect and impact.

The main objectives of this project are,

- To enhance women's' participation build leadership skills in the collective of partnering unions
- To meet the needs of the women in agriculture
- Capacity building of the organisation to protect the interests of women workers and
- to facilitate effective participation of women members
- create a core team of women activists to improve women's participation in rural workers organisation

The first part of the project activities concentrated on building partnership alliances with the selected organisations through a series of consultative meetings, working out the terms of reference and logistics of the project.

The second part consisted of training of field workers and key personnel of the organisation. Various training programmes were conducted in a series of one day, three-day and ten-day seminars. Topics covered are ILO conventions, international labour standards applicable to rural workers, plantation workers and women workers; occupational hazards, health and safety, child labour regulation and prohibition Act, government and social welfare schemes, legal literacy and laws related to women and women workers, income generating activities, self help groups and linkages with financial institutions, communication skills including role play, street theater, puppetry, leadership qualities and trade union laws, women and child health, Aids awareness, naturopathy and herbal medicine etc. And a total number of around 18000 people have been trained under the project.

The trade unions in this collective are:

1. AAALLU-All Andhra Agricultural Labourers Union.
2. APVCASS-Andhra Pradesh Vyavasaya Cooleela Abhyudaya Seva Sangam
3. HRPEU-High Range Plantation Employees Union.
4. INRLF-Indian National Rural Labour Federation
5. KIPLU-The Karnataka Industrial and Plantation Labour Union.
6. NDEWU-Nilgire District and Plantation Labour Union.
7. NPWU-Neelamalai Plantation Workers Union.
8. NUF-National Union of Fishermen
9. RWO-Rural Workers Organisation.
10. UNIFRONT-United Front for Rural Plantation and Construction Workers.
1. AAALU-All India Labourers Union.

The activities of the second part of the project boosted the membership enrollment and participation of members in the union. The actual numbers provided by the unions as increased membership are very impressive. The increase in membership is facilitated by the women coordinators and this has contributed to an increase in union resources. The third part of the activities consisted of implementation of income generating programmes. This was envisaged to improve the income levels of women members and economically empower them through entrepreneurship and skills to manage their own endeavors. It was also to tackle the growing dissent, though very benign from the elder members of the community about the opportunity cost of union activities. In practice it was found that day to day activities of the programme involved many of those who are out of the workforce Besides, such alternate employment opportunities can facilitate occupational mobility which in turn can effect social mobility as many of the members belong to the socially marginalised groups.

The project began with self-help groups. It was necessary to make the women members feel confident that they can generate savings and they are creditworthy. The training provided for forming SHGs covered all the managerial aspects of SHGs. All the unions took up SHG formation and their efforts are met with varying success levels -from very well functioning ones to yet to pick up momentum to large number of groups to small number of groups. These groups have been able to gain recognition from the government that some of the development programmes are being routed through these groups. Most of the groups are availing loans from the Banks. Moreover, all groups have managed to arrange an office space for meetings and a member as the full-time worker. Plantation areas where the traditional mode of saving in the form of chit funds are popular found it extremely difficult to sell the idea of SHGs and in these union areas SHGs are few in number compared to other union areas. The independent functioning of SHGs in the union areas was in fact a litmus test for introducing income-generating activities.

After the initial consultative meetings on the prospects, and viability of such an activity being taken up by the unions, those unions who found it viable were asked to submit proposals of feasible activities. A consultant recruited for this was available for them for guidance. A lumpsum grant of Rs.1, 50,000 was made available for the programmes. However, only 7 unions came up with proposals for the full grant. Two organisation withdrew from this proposition of setting up income generating activities in their areas. Another union used only 50,000 as they bought only sewing machines.

The income generation activities taken up by the unions are Diary, Tailoring training, and Brick making. As the amount granted being minimal to take up any major activity that involves rigorous training, infrastructure and high capital requirement, these activities were found viable, as most of the members are familiar with these skills.

All the seven unions have been able to implement the identified activity in their concerned areas and are being rated as successful. In one case, the government has recognised it as

a successful programme and has provided infrastructure for marketing and few other unions received grants from the government to further the activities by including more members and by increasing the production. This is already taking place as one of the unions has started a neem oil extraction unit employing 32 more women members. Diary projects are being successfully run by four of the unions.

The sustainability of these projects have less threats compared to the sustainability of the institutional arrangements created for women's enhanced participation in the unions. After the withdrawal of project, the future of full time women's committee functioning in each union seem to be at stake on account of the following. One, it depends on the union's financial capacity to retain the full time women workers as part of the union. Two, as the project intervention could not make sufficient inroads into the patriarchal structure of the union, induction of women leadership is yet to happen. Hence, the development of a second rung of leadership of women under the patronage of the male head of the union is unlikely to ascent the offices in future but will be utilized for increasing the membership and in the monitoring and expansion of income generation activities. Nevertheless, the activities that were evolved and prioritised by the collective as part of enhancing the participation of women workers in these mixed unions offer learnings and warnings.

Within the male gendered structure of the mixed unions, especially with politically active male head who uses his political patronage as an organisational strategy, can one hope to create space for women members? If yes, without addressing any of the structural discriminations or the gendered structure of the union, do such interventions perpetuate the existing gender ideology? Finally, if women workers are to be organised, is it an inevitable strategy to initiate IGPs for sustainability? How are we to understand this inevitability of income generation? Is it because of the fact that women are less political and their primary identity being familial, rights are to be translated into solution for their immediate needs? Finally, as the defenders would argue, has the fundamental nature and concept of unions changed from rights assertion to group bargaining of benefits?

These questions evade definite answers and affirmation or negation depends largely on the perspective. Nevertheless, it is pragmatism that solves many of the ideological problems.

## **2. Societies**

### **(v) SRAMAJIBEE MAHILA SAMITI (SMS)**

SMS was initiated in the year 1990. Prior to this, it existed as a part of the Paschim Banga Khet Majdoor Samiti (PBKMS), an independent mass organisation of agricultural labourers, small and marginal peasants and village artisans. This in turn was promoted by Jan Sangati Kendra (JSK), a voluntary organisation formed by few individuals disillusioned by the leftist ideology in 1980s.

JSK was started in 1987, by a group of committed individuals driven by the increasing poverty, unattended by the state. A mass organisation for rural workers emerged as a strategy to address poverty. The first issue that JSK has taken up was that of minimum wages. Though it started initially in one village, it caught up with other adjacent villages very soon and in 1998, it was able to organise a state level conference of workers and formed PBKMS. Since 1994, the union is trying for registration as a trade union. But, quoting the union Act applicable in the formal sector, (minimum 10% of the total workforce), the application was rejected. The total agriculture workers in the state being 55 lakhs in West Bengal according to 1991 census, the union was asked to have a membership of 5 lakhs. In September 2000, the union has filed a case against this in the court.

Though there were women members, active in the union, since its inception, it was increasingly felt that the union does not provide adequate space to raise any gender-related issues. Concerns emerging on these grounds gave rise to the idea of a separate union for women. Thus in June 1990, a working women's union (SMS) has been initiated. SMS joined hands with PBKMS on class issues while taking up gender issues autonomously. Both the unions are supported by JSK and the support includes, financial, infrastructure, training and etc.

As of now it covers around 4 districts in the southern part of Bengal- South 24 Paragnas, North 24 Paragnas, Nadia and Midnapur. At present it has a total membership of 8644. Though the minimum wage rate is Rs.62.10/- the current wage rate ranges from Rs.30-35/- . In Nadia, it is as low as Rs.25/-. This district is also known for several market places where labour can be hired for daily wages. Migration to Calcutta during the off-season for agriculture is common in this district

The present organisation structure of SMS is evolved over a period of time. In the initial phase, SMS has followed a loose and flexible structure of convenience. Over the years, it has gained a structure that is genuinely followed but still allows flexibility to accommodate specificities of each field areas. The SMS has six committees. viz., village, gram, anchal, block, district and state. Every two years union (SMS) holds conferences at all levels and



elections are conducted. The last elections held in 1999-2000. The state committee members should get 50% of the votes in the conference. At the district, block and Anchal level, people who are willing to take responsibility will be elected or nominated as committee members.

A general rule is that there should be at least three Anchal committees to form a block committee in the absence of which Anchal committees are merged. The similar rule applies to the district committee.

Membership is fairly open to all women agriculture workers in the work area and the annual membership is Rs.2. The union has a pro-poor and pro women agenda nevertheless the management practices reveals deeper ideological underpinnings that combines Marxian notion of class solidarity and Gandhian ideal of community living. The support organisation JSK owns an office and residential premise at Madhyamgram. This premise includes a diary farm, a training centre, residential villas and a mess.

Most of the full time workers of both the unions reside here. The provision of a mess and a child care including that of pre primary education by the organisation saves women full-time workers of the burden of the chorus related to household and care economy. Initially everyone drew equal salary, which subsequently transformed to a need based family pattern. As of now, the organisation takes care of the food, accommodation, education of children, health needs of the family members etc of the full time workers. The community living is practiced at the field areas too. The SMS owns land at three places where full time workers of the concerned region lives in a commune. Worth mentioning is the characteristic of the commune to pool the resources to distribute amongst the members on need basis.

Stake holder participation in management is assured through this community living. In organising women the first step was to get women out of the patriarchal barriers to participate in village level meetings. This was done through village level workers' constant interaction with the household members especially with the older women and male members of the family. Initially women members were from the families of male union members. These initial women union workers were in charge of creating village level units in their respective areas. Each village unit consists of a minimum of 20 members. The strategy at this stage was to help women to understand patriarchy in their own lives through village meetings. At this stage, SMS made arrangements to provide accommodation to women who wanted to become activists and also made efforts to interact with the family members of these activists. The second strategy was discussion at the village level (with both men and women) convincing them that addressing women's issues will ultimately help the community. Actually these discussions preceded the formation of SMS. In the later stages of expansion, it was noticed that attention span of women were short in meetings there fore while entering into new areas (villages) various other techniques were employed like songs



and street theater. Even in meetings that aimed at providing conceptual clarity to women the discussions were always supplemented with visual cards. The third stage was aimed at reducing the dependency on old timers (members). Trainings for new members have become an essential strategy. The old timers in terms of special meetings or independent assignments give these trainings. External trainers from other organisations were also formed part of the training programmes. For all the workers who become Anchal committee members there is compulsory three-day training on gender, class organisation structure and activities. Besides this, there are need-based trainings for example; the zilla committee members are given training on the functioning of panchayat raj institutions.

There are many illiterate women in the state committee and SMS gives importance to social education. Old timers (full time women activists) get Rs. 300 as salary apart from food and accommodation at the campus. There are 14 old timers who work for 25 days a month in their allotted villages.

A Women's fund has been created through village level resource mobilisation, especially during the harvest and festival season through contributions from village members (in cash or kind). About 40 self help groups have been created in 40 villages. After the recent floods, only 10 of the 40 SHGs are functioning properly. Efforts are being made to revive SHG promotion vigorously by SMS. Another major activity is to fight for community facilities at the panchayat level for example, ensuring proper implementation of government schemes.

One of the major achievements has been their success with the EAS. Along with PBKMS and with other like-minded unions SMS was fighting for the implementation of EGS in tune with what is being implemented in maharashtra. A series of Dharnas' rallies, signature campaigns took place in the early 1990s. In 1997, the West Bengal government has agreed for EAS and implemented in few districts as a pilot project. Now EAS is being implemented in all the districts of the state. When the EAS scheme was implemented SMS took up an awareness creating camp about EAS at the gram panchayat and block levels. However in March 2000, SMS has organised a dharna in front of the Zilla Parishat in protest against the non-issue of identity cards in south 24 pargana district. The ZP president has issued a circular following this. In many other areas SMS members have done the survey to identify the eligible for the EAS cards and have volunteered to prepare the cards at the panchayat level.

Under JRY, one third of public works are reserved for women, which was not practised in panchayats, instead women were made to sign on papers in most panchayats. Similarly tractors and tillers are being used by the panchayats which has replaced the women labour. These two issues have been taken up by SMS along with other unions with the block level authorities. SMS has realised the low level of or no employment for women labourers in Government's programmes. When the JSK was funded by CAPART for undertaking relief

and rehabilitation work in Nadia district, SMS insisted and ensured on having employment for women during lean season, a condition for farmers availing relief and rehabilitation support. It is to be noted that there is tremendous social taboo of women working in public sphere, in the Nadia district. Thus SMS has attempted to break the social barriers and supported women's productive employment in the informal sector. SMS union members also took up anti-liquor and anti-gambling campaigns, sensitising the community members and poorer sections.

One of the important initiatives of SMS has been Khula Manch (open platform). This is aimed at enhancing civil society actions, and Khula Manch attracts the representatives from political parties and the discussions centre around development issues of local areas. For example Kulpi, South 24 Pargana district, a port is being planned which would result in displacement of people. This issue has been discussed at the Khula Manch organised by SMS, which was attended by all parties except the CPM. The net result of this Khula Manch has been that people are aware of the proposed port and the environmental and human consequences of such a move. Similarly atrocities against women is an issue that has been discussed at the Khula Manch where all parties have attended and addressed the issue. One of the important issues that gave SMS respect in villages especially the reputation of a non-political people's group is the revamping of traditional arbitration system called "shalshi". This was traditionally a male dominated institution. SMS revamped the system by involving their village level activists and by carrying out arbitration without any political bias. Before the "shalshi" they inquire into both the families and for the "shalshi" community is invited and the solution is decided whether divorce, union or compensation at that instance allowing transparency in the process. A committee is also formed to follow up the smooth adherence to the solution. This has been an extremely successful programme of SMS as of now they receive 80-90 applications every month.

ICRAW has asked SMS to document the intervention "Shalishi". As part of the study, which is in progress as of date, SMS has identified key 25 cases for detailed documentation and a survey of 200 women who have been helped through "shalishi" during 1998-99. The sampling is done in such a way that it represents the magnitude of the problem across religion and classes and the impact of such an intervention on the overall society. SMS has been invited to provide gender training for the police-training institute. It has trained police personnel at the sub-inspector and inspector level. SMS has used theater effectively for this training. Two plays have been developed especially for this viz., "bandhni" (depicting status of women in Bengal) and "One day in prison" which throws light on sexual harassment of women in custody prison.

SMS is part of a larger network of women organisations called "Maitri" which constitute 40 women's organisations. Along with them, SMS has been taking up several sexual harassment cases.

Other than the membership fee, which is collected soon after the harvest, there is paddy collection, once a year and market place collection in every month. JSK supports salaries of 8 old timers. SMS has purchased land at three places with the help of community donations. SMS has been able to bring up the issue of leakage in mid day meal scheme and ICDS scheme. They have been able to get dismissal of personnel involved in corrupt practices in ICDS. Other than infrastructure development, SMS has been functioning as monitoring agency of PHCs. SMS has been able to get development works for panchayats like road repair etc. SMS has taken up the issue of equal wages. Sustained campaigning, dharnas and public action has resulted in increase in wages for women labourers. The empowerment strategy of SMS is to help women occupy more space in the political arena at the village level. It is a deliberate choice from the part of the SMS to be away from the party politics, within the specific context of West Bengal politics. While this is strategic, ideologically SMS believes that electioneering is co-opting. Over the years SMS has been able to create village level women leaders whose presence in the public space is more than visible. More importantly women members of SMS presently deal issues of marital discord, which were handled earlier by men.

What is most striking about this union is its democratic functioning and impressive second level leadership. The role of chief functionary of the organisation in all the discussions was that of a translator and the second level and third level leadership is visible throughout the discussions. Women have come to leadership positions even in PBKMS (male union). Revamping a traditional system "shalshi" in favour of women and by the women members have gained good will of the society at large of being a non-political organisation in a highly politicised state. While union workers are empowered in terms of awareness of rights, social taboo against working of women still persists in traditional upper caste Hindu communities and among Muslims. The organisation is yet to identify a culturally accepted strategy to counter this gender problem in the areas of their work. As high unemployment and underemployment among men is a persistent problem the issue of women's right to work is receiving inadequate attention. However, the major challenge for the organisation seems to be addressing the economic status of the members. The organisation has a large group of right- conscious women with them who are not gainfully employed in agriculture or in any other activity. Implementation of minimum wages, equal remuneration and EAS appear not very close in the future. While the organisation has mobilised the women and build their social awareness and rights, the workers feel that the organisation need to pay attention to their economic situation as well. Sooner or later, the organisation has to address this issue.

#### **(yl) Ama Sanghatan (AS)**

Ama Sanghatan is a registered society of tribal women workers who are engaged in collection and sale of minor forest produce. Though it functions as a cooperative, the organisation did not register under cooperative Act as the organisation was apprehensive of

interference of government and political interests. This organisation grew out of efforts of a voluntary organisation, "Agragamee" which has been working in the kashipur taluk since 1981. Agragamee has been working in the seven tribal districts of Orissa. In its efforts to empower the tribal community through capacity building and people's organisation have enabled the tribal communities especially women, to raise their voice on several issues including minimum wages, proper delivery of government programmes, rights over land, water and other natural resources. However, the need for institutionalisation and formalisation of people's organisation resulted in the tribal villagers forming groups of Mahila mandals and yuvak sangathans. These groups are in turn registered and further strengthened the organisational base by federating at the panchayat level. This panchayat level collective took up local level issues like functioning of PDS etc. Women leadership was actively promoted at the village and panchayat levels and savings groups were formed for them. The panchayat level mahila mandals took initiative to federate at the block level. This block level federation drawing strength from the women's groups at the village and panchayat levels take on that would increase the scope of the smaller groups. Ama sanghatan is one such block level federation of mahila mandals in Kashipur block of Rayagada district.

The membership of this organisation is open to any tribal women of 17 gram panchayats of 412 villages with a membership fee of Rs.11. In 1996 when Ama Sanghatan was formed the membership was 124 but in 1998 it became 536. AS networks with 17 mahila mandals of different panchayats of kashipur block. Nevertheless the origin of Ama sanghatan and its role as an apex organisation, can also traced to a struggle that met with a victory. Women of Kashipur block have been successful in gaining the control over the procurement, processing and marketing of minor forest produce (hill brooms in this case) after a long battle facing numerous atrocities from various quarters (contractors) including government (TDCC). This restoration of rights of the tribals over minor forest produce has resulted in the organisation developing institutional mechanisms to retain the control and ownership of the tribals. Ama Sanghatan which was formed as the apex level organisation of SHGs at the block level, seized this opportunity and took up the lease of hill brooms at the block level, there by supporting the tribals in realigns better price for the products.

The origin of AS can explained from an angle of its empowerment approach. As part of the empowerment programme Agragamee identified the strategy of raising awareness on various kinds of exploitation that the tribal women are subjected to. Since all the women members are engaged in collection of minor forest produce as well as in shifting cultivation, a major form of exploitation through middlemen who provide very low prices for their MF products and high prices for the grains. The first major activity of the mahila mandals was to address this. The Orissa government constituted tribal development cooperative corporation, which has taken lease of procurement and processing of several minor forest products. The monopoly of the government over minor forest products has resulted in government sub-letting the rights to powerful businessmen who continued the exploitative



practices. Thus exploitation continued even when technically government was the sole procurer of the MFPs.

Collectives of women, in the form of Mahila mandals (Mandibisi gram panchayat in Kashi pur block) and several self help groups have since long been demanding the right to procure and undertake value addition to the products and market the same for the benefit of the tribal women. Such moves have always received severe resistance and women groups. Through negotiations between the government (TDCC) and various other departments, the women were able to secure rights of collection, procurement and value addition of products like hill brooms. While such an activity has been going on for few years, during 1996, local forest contractors, government functionaries, especially TDCC, has illegally confiscated the stocks of the mandibisi mahila mandals and the police harassed the members. This incident has snowballed into a major controversy and with sustained pressure from the civil society activists, judicial activists, media and others including few government functionaries has resulted in an amicable settlement and also restoration of right of procurement and value addition. Ama sanghatan has taken up the lease of procurement and processing of hill brooms in 1997.

The organisation has president, vice president, secretary, joint secretary and treasurer as key functionaries. The rest of the members are general body members. There is also a seven-member executive committee for Ama Sanghatan. Most of the functions are handled by the executive committee and members of the executive body act as resource persons to train women on various activities. Sumani Jhodia who has been the champion of tribal women heads the organisation. She has been in the forefront in various struggles undertaken by the AS.

AS has undertaken several development activities, which include training support to members, procurement, marketing and value addition of MFPs and issue based advocacy. It has started grain banks for community members in order to reduce the household vulnerability. Promotion of savings groups among the tribal women has also been aimed at developing economic strength among the tribal communities. In order to improve agriculture practices, Ama sanghatan has taken up initiatives like compost pit, nursery raising etc. In the social sphere, health awareness stands as important intervention. Activities taken up: Ama Sanghatan has taken up several development as well as issue based interventions. The general body members educate/orient the members in functioning of various village committees, formation of savings groups, ensuring public distribution system and government programmes. Member education for unity and brotherhood are also important components of trainings.

AS has also initiated mobilisation for implementing minimum wages for coolie labour who are the poorest of the poor. In tribal areas all the construction work normally is taken over

by the non-tribals and most of the tribals work as labour. Adherence to minimum wages (Rs.30) is hardly seen and most often women are paid not even 50% of the minimum wage prescribed by the government. In this situation, Ama sanghatan has taken up awareness building and has also ensured that employers pay minimum wages and village committees who have taken up construction work on contract basis from the government. Another important issues that the Amas sanghatan taken up is related to alcoholism.

One important economic intervention by AS is taking up lease of procurement of MFP (hill brooms) in the Kashipur block. During the year 1997 Amas sanghatan has taken up the lease jointly with TDCC but in the subsequent year, it took the lease on its own by depositing an amount of Rs. 69,575. Not only the members of the Sanghatan, but all the tribal community in the block have benefited by this, as they could get good price for the products that they bring to the market. Market linkages have been developed to reach to far off places so that Amas sanghatan is able to deliver better price to the tribals.

What else can be a better model of empowerment of a marginalised community of tribals than the right to procure, process and market the MFPs. An institution for the same for the women who are the primary collectors, by the women as it is an MBO initiated with the share capital of the members complete the model appropriate and with replicable potential.

Further, AS has the unique accomplishment among the case studies that it has created a second rung leader from the community. Suman Jhodia, a tribal woman herself, has been representing AS in all its negotiations besides leading the struggles it had to wage with the forestry department and the state tribal welfare department. She was in the chief minister's committee for tribal welfare and was in the limelight of affairs when AS took up closing down of the arrack selling outlets in the area. A minimum of five write-ups on her had appeared during this time in mainstream newspapers and magazines. Though we could not meet Jhodia as she was busy with the action plan on police firing on tribals following the protest against the Aluminum Company in the Kashipur area. However, the present secretary of AS also possessed the potential of another Suman Jhodia.

It has to be noticed that though registered as a society, it functions on the principles of a co-operative. We were told that this was a deliberate choice by the organisation to avoid political and non-tribal interference. It also executes the functions of a trade union as it protects the interest of the workers in many ways. This multi functionality is possible due to the support NGO that has a rights approach to the issue of tribal.

The support NGO is in the network of many NGOs. However, formalisation of public voice for AS has to be seen separately. Though there is an organic link between AS and AS cannot function without the support of Agramee, mainly in terms of management of the processing unit, it has gained the identity of an autonomously functioning organisation. This



is mainly through the independent partnerships it had developed with many of the state departments. Moreover, the good will it has gained vis a vis the state agencies has to be attributed to the efficient functioning of the processing unit.

However, one of the major problems that this model has is the lack of market linkages. As the processing being done in the locality of the members to cut down the cost of procurement, it forms a major hurdle for marketing. Quite far from the nearest main town with minimum facilities to commute, along with the instability in production, marketing of processed dal, mustard and turmeric are in a serious crisis.

This is only one of the challenges. Working with a marginalised community ostensibly poses more challenges. Various historical deprivations that marred human development in many ways are to be addressed. Freedom from the exploitation of middlemen and right over their own product is indeed the best one can think of. The other developmental activities taken up by the support NGO such as informal education, health, social forestry are showing its impacts. However, the usual rider finds a place in this case too. Alcoholism leading to domestic violence, age at marriage way below the legal age, occupational stagnation of women, girl child education etc, need to be addressed from a rights perspective than from a welfare angle.

### **3. Co-operatives**

#### **(vii) Co-operatives in Meghalaya**

Northeastern states have a long history of women's mobilisation and co-operatives. The specific socio cultural context of these states favours women by the very absence of certain overt forms of religious and cultural oppression like patriarchy, purda or caste system etc. The matrilineal practices ensure right to land, right to work and freedom of mobility to women. However the ethnic conflicts in many of these states have affected the women adversely in many ways. In Meghalaya the state has been favoring cooperatives through various policies and inter-departmental programmes. Meghalaya is the first state to establish a women's apex bank. The women's apex bank is managed entirely by women staff and has special credit schemes for individual as well as group entrepreneurs. Meghalaya consists of two ethnic tribes viz., Khasi and Garo. Most of the districts of the state are formed along ethnic concentration of population.

There are many successful co-operatives in all the districts, most of them are either weaving or bamboo craft societies with lowscale production and linkages with the local market. Of late the multipurpose societies are diverting from these traditional activities. One such example would be Mookhaiah transport co-operative society, which runs taxis and

buses between two towns. However, it is noticed that very few exclusive women's co-operatives are registered and are functioning. One of the main reasons pointed out by the office of registrar of co-operatives is that most of the women members are unable pursue the activities of the society as full time workers due to their other commitments to land related work, domestic chores, and other regular employment. Another argument put by the women members of those societies that have failed to take off are that women lack the skills to gain market linkages and technical support.

It is to be mentioned here that our initial plan was to include Meghalaya Women's Co-operative Society, Umden, which has a larger membership with poultry farm and aquaculture as the main enterprises. This is supported by an NGO called Roilang Society. However, during our visit to the area in the last week of January, 2000, it was found that the co-operative is not functioning since three months as they had wound up the farms in the wake of the outbreak of an epidemic in which they lost the entire stock chicken and the fish within a span of two weeks. The farm area being remote and access by road is difficult due to inadequate transport facilities, they could not bring the livestock inspector in time and due to their lack of expertise, the symptoms were not identified in the beginning.

The societies that we have studied in and around Shillong town are the only two women cooperative societies functioning in the district. Since both are small in terms of membership and in the scale of operations, we have decided to include both. Wahingdoh Women's Industrial co-operative society was formed in 1995 by a group of women entrepreneurs who are mostly retired workers. The main motivation for them was to have an additional income and also to provide employment opportunities to younger women in the area. It consists of 38 members who paid a share capital of Rs.100 and pays Rs. 10 as monthly fees. It has a managing committee of 10 members elected every two years. The main motivation of initiating a co-operative society was to generate supplementary income for the member and provide employment opportunity for women in the locality. With this intention the society is running a tailoring unit. The national Co-operative Development Corporation gave the financial aid. This aid consisted of a working capital, which is repayable, and managerial subsidy, which is a grant. With the grant money the society bought sewing machines and rented out a show room in the main market place. It has employed 4 full time workers and in the first three years itself, the working capital was paid back. The unit produces ready-made garments and also undertakes stitching orders. Readymade garments contribute to the profit margin during the Christmas and New Year season and during the cooperative society fair, which is held twice a year. Due to their contacts in the local area, the members have been able to mobilise bulk stitching orders besides the regular orders they obtain from the neighbourhood. Bulk orders are mostly from the primary schools in the areas for uniforms.

The local governing body (Durbar Shnong Wahingdoh) has acknowledged the success of this co-operative society, which negotiate many bulk orders for the unit. Under the MLA scheme, the society has been recommended for allocation of land by the Durbar. The managing committee plans to expand the unit in terms of a training unit and by increasing the production capacity so that many more women can be employed. Though it has not taken up any other issues, the society provides informal social security for women. The society has born the medical expenditure of a worker is a case in point

Umsning Women's Co-operative society is also a small co-operative society with 15 members of young women who are housewives and are engaged in petty business. The society received Rs. 60000 as grant under the EAS schemes of the government. This grant was utilised for buying chicken, minimum infrastructure of a farm. The farm is functioning in the household premises of a member for whom a monthly honorarium is paid. Since its operations are at the household level and customers being the individual families in the area, they have not been able to generate profits. The society has a savings account in the women's Apex Bank. This society is faced with the classic dilemma. To upscale the present activities and to take newer enterprises, it needs full time workers. It is unviable to employ full-time workers at this point of time as their profit generation is very low. And the managing committee is trying to deal with this dilemma, by obtaining a bigger loan amount or grant to start a new project. The Umden poultry incidence has been particularly scary for this society.

Two things emerge from these. One is the imitative nature of entrepreneurship in the rural areas. This is applicable both to the tailoring unit and the poultry unit. This imitative nature produces major problems in the marketability of the product. Most of the women think these two are the only entrepreneurial activity that the women can up. Secondly, women's co-operatives are not successful in comparison to the mixed unions even in a situation of favourable government policies. The main reason being that women members are not been able to work full time because of their regular job and due to the involvement in land related activities and in domestic chores.

#### **(viii) Ankuram Sangamam Porum, Andhra Pradesh**

The origin of ASP has to be traced to the anti-arrack struggle and to the agricultural workers union- APVCS in Andhra Pradesh- since the 1980s. The co-opting of anti-arrack struggle by the state and the later metamorphosis of it as the Self-Help group movement is a significant event in the post independent civil society movement in Andhra Pradesh. The work of the union- Andhra Pradesh Vyavasaya Cooligara Sangha- over the years, promoted by an NGO called YIP, emphasised that poverty is caste ridden. From a consensus generated on this understanding, those NGOs who were supporting the union got together for a networking of NGOs working with the Dalit communities. In 1995, this has resulted in an alliance of 100 NGOs as DAPPU ( a traditional percussion instrument of Dalits), who will collectively work

for the economic and social rights of Dalits. The activities of Dappu have three components. The first component of activities is related to the agricultural workers union wherein the Dalit communities are empowered through rights assertion as workers. The second component aims at economic empowerment of Dalit communities. Drawing strength from the SHG movement supported by the state, this component focusses on the formation and consolidation of SHGs and promotion of entrepreneurial activities among them. The third component focusses on the empowerment of Dalit women. Most of the activities of this component are drawn from the other two components. For example, political empowerment of dalit women is envisaged through their participation in the union activities (eighty per cent of the union members are women) and economic empowerment through women SHGs. The support NGOs also encourage the women union members to involve in the PRI. Many of them have supported women members to become gram panchayat members and have provided training to those members who are office bearers at the various rungs of the PRI system. YIP, one of the NGOs of DAPPU, for example, is actively promoting women members in this and acts as a resource centre for training on PRIs.

However, what is important for us is the functioning of Ankuram, sangamam, Porum, which is actually a second component activity but draws its constituency from the first and the third component. Aimed at economic empowerment, ASP is designed to meet the specific needs of Dalit women. The basic structure of ASP is village levels women SHGs that is Ankuram. All the SHG members are trade union members. Sangamam is aimed at promoting micro enterprises among them. This is also a strategy to increase their capacity to absorb credit. Porum supports enterprises based on leather, as most of the dalit communities are traditional leather workers. Under this skill upgradation, entrepreneurship skills, escort services are provided for the members. All the three structures are federated at the mandal and district level. This three-tier structure is created following the three-tier model of the APVVU. There is also a state level federation of ASP. These federations are registered under AP Mutually Aided Co-operative society Act. In all Mandals sangamam and Porum are active. Though many women have accessed sangamam, Porum is a household enterprise and as of now only men have availed it.

The structure of federations in ASP is given below:

Village→	Mandal → Federation	District→ Federation	State Federation
<b>Ankuram</b>			
women SHGs→	Ankuram→	Ankuram →	Ankuram, Sangamam, Porum
<b>Sangamam, SHGs→</b>			
Sangamam→	Sangamam→	Ankuram, Sangamam,	
<b>Porum</b>			
Porum, SHGs→	Porum→	Porum→	Ankuram, Sangamam, Porum



There are seventy registered MACS at the Mandal level, five registered district federations and one at the state level. The structure of MACS allows the autonomy of a society with other characteristics of a co-operative society. Though it comes under the registrar of Co-operative society, it does not have to audit the accounts by the registrar's office. Instead, an external annual auditing report is accepted. More importantly, it allows for merging of federation. For example, mandal MACS can merge as District MACS and district MACS as a state MAC. Such merging is followed to meet varying credit needs of the members.

To become a member of MAC, the share capital is Rs. 100 at the mandal level and for sangamam the share capital at the mandal level is Rs.500. For Porum it is Rs. 250. This share capital is paid either in installments or debited from the savings. In addition, every SHG member has to pay Rs.2 per month to the mandal MAC. Each SHG nominates 2 members to the general body of mandal MAC. Managing committee at the mandal level is elected from the general body, which consists of 12-15 members.

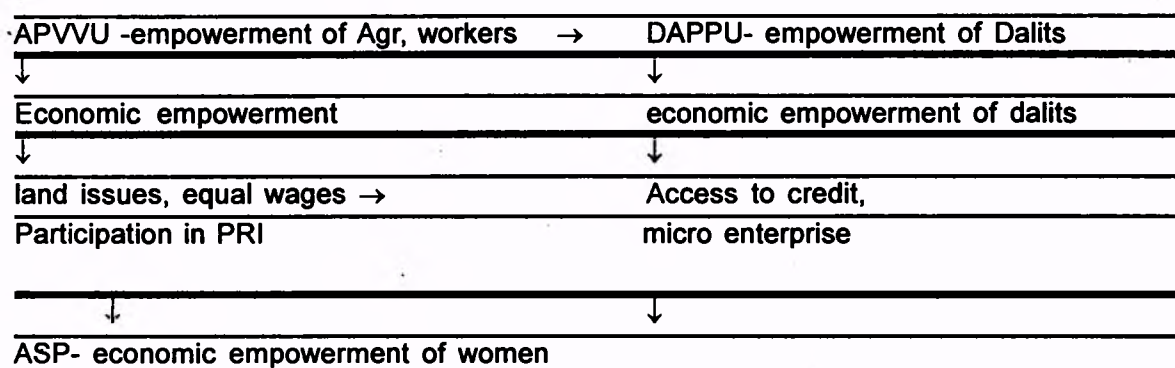
ASP is working in all the 14 districts that the APVVU are working. In all these, there are 10,000 SHGs consisting of one and a half lakh members. Monthly savings per member is Rs.30 and across these SHGs the individual savings accounts amount to 4.5 crores. As of now, ASP is mobilising credit from SIDBI, commercial banks, DRDA, DWCRA, SC Corporation and NABARD. The share capital at the mandal level is lent out at 24 per cent at diminishing rate, in which 11 per cent is given as dividend for the share capital and the remaining 13 per cent is taken for administrative charges. SIDBI gives the capital at 11 per cent, which is lent out at state level at 15, district at 16, mandal at 18, groups at 21 and to members at 24 per cent.

The ASP has one-state office 150 mandal offices and 12 district offices, which altogether consist of 350 full time staff. Almost all of these staff are repositioned from the NGOs that formed DAPPU. CORDAID, Christian Aid, and Bread aid DAPPU for the world. The ASP state federation has 12 staff out of which 5 are women. Though the chief functionary is a man, DAPPU has a policy of promoting dalit women to the leadership positions. Thus, at the mandal level, there are technically trained women staff constituting more than 50 per cent of the total staff. SIDBI rating process is on and ASP is expecting beta minus rating for most of their groups, which may increase their credit worthiness. Therefore, one of the major short-term goals of ASP is to increase the credit absorption capacity of the women members by activating Sangamam. For which various activities like exposure visits to build confidence to take larger credit, risk management, insurance's, training in micro enterprises are being undertaken by dappu.

For the trade union, all the members pay an annual membership of Rs.20 and the local level union meetings are held separately by the village representative. The major issues that are being taken up by union are land issues and equal wages. One of the accomplishments of

APVVU is that they have been instrumental in redistributing 60,000 acres of revenue land by the state to the landless agricultural families. The struggle for equal wages is going on. The key personnel represent the union in many formal bodies. Formalisation of public voice is at three levels, at the union level representing the voice of agricultural workers, at the DAPPU level, representing the voice of Dalits, and at the ASP level representing the specific needs of dalit women.

The various protest forms that the APVVU had adopted prior to the land distribution gave them visibility and credibility vis a vis state and non-state agencies. The formation DAPPU-coming together of 100 NGOs - itself is testimony of the credibility they have gained over the years. In the beginning it was only four organisations that were involved with the union. For the union, the first step for formalisation is solidarity building from among other NGOs to effect a unanimous voice of the civil society. From this deep conviction, DAPPU has emerged. Given the limited human and financial resources, networking of this kind provides a larger geographical spread effect and a politically strategic voice consolidation. However, a skewed trend towards stabilisation of SHGs is being noticed in the union as well as in DAPPU and ASP. This is evident if we map out the present activity line of these three organisations and especially that of ASP.



The major focus being on economic empowerment and ASP going for SIDBI evaluation along with programmes to increase the credit absorption capacity of the members, all other activities of the organisation seem to be kept in the back burner. The grant plans for empowerment of women and an appropriate structure created at three levels to facilitate these processes are at the moment are lacking attention. Nevertheless, one needs to acknowledge the unquantifiable but significant spin off of the various activities at the grassroots. Local leadership promoted by APVVU as well as by ASP has generated a community monitoring system. Though many of these activities may not find a place in the annual reports, the assertiveness that the women members have gained through participating in various demonstrations of the union, in the protest march against dalit atrocities by Dappu, and various capacity building trainings by ASP are manifesting in many overt forms. Most importantly, this has resulted in a vigilant community monitoring system for



efficient delivery of services in the sectors of health, education, housing and PDS. An important point to be noticed is that the members are not only active in ASP or APVVU activities but also in other state driven programmes like Janmabhoomi and Grama sabhas. After having worked for forming a large mass of women who are articulate and assertive, it is indeed very disheartening to see that they are reacting to certain life situations of gender oppression in a manner that is not emancipatory. However, the discussion with the field staff indicate that gender conscientisation is something that even they can remotely connect to.

**(ix) Sakti Mahila Vikas Swavlambi Co-operative Society (SMVSS)**

This co-operative society was started by an NGO sakti Mahila vikas swavlambi sarkari samiti working in the Mussafarpur - Madhubani area of Bihar. The main objective of this NGO is empowerment of women through self-reliance. Since most of the women in these areas possess the skill of a traditional art form of Mithila Painting, the organisation formed a co-operative society under the revised co-operative society act of 1997.

The co-operative society has 180 members who are involved in mithila painting, Applique work, and paper toys and carpet making. Carpet Making is a new activity for which the training was organised by the NGO. The success of this co-operative society can be attributed to the linkage it has been able to establish with HUDCO. The support of HUDCO is being received at three levels- training in production, loan for production, and in marketing. Paintings and carpets are being bought by the HUDCO for their own buildings. The formation of a co-operative society is one the activities of the support NGO. Other activities through which it is inculcating self-reliance among the members include SHGs and health and nutrition awareness programmes. The members have formed six SHGs of 11 members each and all the seven groups have established linkages with financial institutions. They have accessed loans from HUDCO at nine per cent interest. All the groups have a savings account with the Canara Bank.

The health and nutrition programme has two components. One focusses on children of 0-5 age group. Besides awareness camps that the support NGO organises with the help of health personnel in the area, it also does growth monitoring of children. Selected women members are trained for this activity. Citizenship building activities are perceived as a major strategy for empowerment. While the support- NGO avails various government welfare schemes for the members, the subsequent discussions in the meetings about the modalities of being a beneficiary is used as an appropriate forum for creating a demand generation system and a pressure group to counter many of the unhealthy trends in the society. For example, the prevalence of child marriages in this area is taken up by the organisation. The members of the co-operative society undertook a household visit and had discussions with the parents about the need to educate girl children. However, many other visible forms of gender oppression in a semi-feudal rural society of Bihar need to be identified by the

organisation for direct action for which capacities of the staff were found to be grossly inadequate. Deplorable status accorded to widows is a glaring example. Age at marriage also need to be taken up.

The income levels of the members have gone up and the co-operative society has provided the members a feeling of employment and income security. However, the autonomy in the domestic sphere is a far out dream. Partnership with the state agencies is one of the major strategies that the MVSS has employed for formalisation of public voice. Partnership with NGO, with the department of rural development, social welfare, women and development are paying rich dividends as it enhances the credibility and sustainability of the organisation.

Comparatively recent in origin SMVSS operates in a much limited area, both geographically and issuewise. The goal of the organisation as implied by the name of the organisation is Self-reliance of women. However, an analysis of the activities suggests that the goal of self-reliance is restricted to the economic sphere. And this overarching importance of economic activities tends to portray other intervention as facilitating actions for economic self-reliance. The semi feudal social arrangement of rural Bihar society is not easy to penetrate. Notwithstanding this, SMVSS have to address the multiple oppression of women through caste, class and gender. Interventions and thereofer improvements in the economic sphere, undoubtedly constitute a good beginning. But it cannot be an end by itself. While combating social evils too, the organisation has to make the distinction between moral justice and gender justice. Second level leadership is yet to be developed and the organisation works largely in a welfarist manner. Networking efforts have to go beyond partnerships in programmes but learning new approaches and sharing the experiences. Capacity building of the core staff also has to be given priority in the near future.

#### **4. Trust and Society**

##### **(x) Annapurna Mahila Mandal, Mumbai**

Annapurna Mahila Mandal evolved from the needs of a group of poor women who lost their jobs in the textile mills. The evolution of this organisation from a small group of women accessing credit collectively to an institution with a range of business run by and for women is quite revealing.

1970s witnessed overt manifestations of discrimination against women workers that existed in the textile industry in Maharashtra. Trade unions made several demands such as maternity leave with pay, crèche facilities etc. When these demands picked up momentum through various forms of protest, many women who participated in it lost jobs. The situation was worsened due to the prolonged textile strike, which rendered the men also unemployed. The women workers were in the practise of taking food for their co-workers who are mostly migrants without their families and wanted cheap home-cooked food. Even after loosing the

jobs, these women continued to practise as the only source of income. As the workers used to pay only at the end of the month, these women were in need of money for groceries and other provisions.

Borrowing from moneylenders at exorbitant rate of interest resulted in heavy debt. A few of these women approached Prema Purao who was active in the textile workers' trade union (affiliated to AITUC) for a solution. She felt that the solution does not lie in rescuing them from this credit trap for a short term but in a long term solution for these women to continue as self-employed workers. Since Prema Purao's husband was the secretary of the All India Bank Union, he suggested the Differential Rate of Interest (DRI) Scheme, which was provided to women who took a loan in a group and were self-employed at 4 per cent interest. Those women who had approached Prema Purao for help were asked to form a group consisting of at least 10 members. They managed to collect 14 women belonging to 7 families. And in 1975, Annapurna Mahila Mandal was formally registered as a charitable trust and society.

The Bank of Baroda gave a loan to this group in 1976. The money was not given directly to women but to the account of Annapurna Mahila Mandal, which distributed it among the women. This was economically viable and secure. Since it would be the responsibility of the group to return the loan, the members were accountable to each other. For the bank, the loan repayment was guaranteed. Thus, Annapurna Mahila Mandal acted as a guarantee between the women and the bank. Each woman was given Rs.1, 500. By taking a loan they became members of the organisation.

Prema Purao wanted to support the work that most of these women were engaged in. Training in food processing was given to them and they learnt how to prepare more nutritious food and present it in a better manner. Initially, they began working in Prema Purao's house and sending 5 food tiffins a day to clients. Within 6 months nearly 400 to 500 women took loans and joined the programme. Annapurna Mahila Mandal approached the Bank of India, as the money was not enough for such an expanding membership. In 1983 an area was bought in Dadar and was registered as the head office of the organisation.

Presently, AMM has over 2 lakh members all over Maharashtra – Mumbai, Navi Mumbai, Latur, Kolhapur, Usmanabad, Pune and Shirwal – as well as in Goa and Belgaum. Of this 75,000 members are in Mumbai where it works in 60 slums. There are usually 10,000-15,000 borrowers at a time. Earlier the members were engaged only in cooking and serving food (khanawalwalies), of late, many members have accessed loan for selling fruits, vegetables, fish, flowers, bangles and grain as well as in stitching and beading.

Though definitionally, AMM is a member based organisation, it has a pyramidal structure. The organisational structure consists of the following –

1. President
2. Secretary – Prema Puro (elected by the management committee)
3. Management staff – administrative manager, finance manager and credit manager (elected by the office staff)
4. Office staff – including field staff (15 people) and are coordinators
5. Area leaders – 1 leader per slum (elected by the members)
6. Group leaders – 1 leader per slum (elected by the members)
7. Members

The management staff meets the members when loans are given and then as and when there is a crisis regarding loans or repayments. Group leaders have meetings with their members once a week. All the group leaders meet once a month at the Annapurna office in Dadar, during which they are given leadership training. They are trained in various aspects of community development – health, sanitation, accessing of basic amenities like electricity, water, gas, etc. Democratic principles retained through local committee meetings that represent and articulate the demands of the members.

AMM's primary activity seems to be its micro-credit programme. The Annapurna Cooperative Credit Society was formed in 1986 to provide an easy credit facility for income generating activities. To apply for a loan, a group is formed consisting of a minimum of 10 women belonging to the same locality. A group leader is chosen from among them depending on the initiative taken by her to organize the group and leadership potential shown by her.

Formal application forms are filed by each member and group photographs with photocopies of ration cards are submitted prior to the loan.. Then house inspection is undertaken by a few members of the field staff to determine the standard of living of the households, the nature of work that the women do and whether they have the potential to take up something more. On the basis of a report submitted by them, the managing committee of Annapurna Mahila Mandal together with Prema Puro, decide whether a loan is to be given to a particular group or not. By taking a loan, these women become members of the organisation and from then on have to pay an annual membership fee of Rs.16. Thus the beneficiaries are shareholders in the organisation.

Rs.2000 per person is fixed as the first amount to be given to each chosen group, which has to be paid back in 20 equated monthly installments. Each person has to save Rs.50 per month, which is included in the monthly installment. Recovery of loans is carried out on fixed days from fixed areas by the field staff together with the group leaders. Though loans are to be paid back in full installments, they can be bifurcated if the women have a genuine problem in paying. To ensure that the members pay back loans, the organisation has

involved their families by making them signatories on the loan application forms and holding joint meetings with them before giving loans. On repayment of the first loan a member is entitled to another loan of Rs.3000. In this way the loan amount increases in proportion to the member's savings.

The organisation tries to cut overhead costs by fixing low salaries for the staff, using cheap modes of transport, etc. Instead of employing professionals who charge high salaries, it trains the members themselves to handle all work in the organisation, from food processing to fieldwork. According to the management staff, AMM takes very few grants as it does not want its work to be restricted by guidelines imposed from outside. Over the years, it has taken grants from the government (department of social welfare) and from funding agencies like Oxfam and GTZ. These have basically been for infrastructure development. Usually loans have been taken from time to time since AMM's own generated income is only 30 lakhs. Recently a loan of Rs.2 crores was taken from Rashtriya Mahila Kosh. The organisation would like to purchase 10 computers through the MP's fund.

The concept of 'Annapurna family' is important in understanding the activities and functioning of AMM. Many of the member's daughters are educated, trained and encouraged to join the organisation. This is because these girls know the area, understand the people and can therefore communicate well with them. Most of the women working as office staff in the Dadar and Vashi (Navi Mumbai) offices are also daughters of Annapurna members.

Though AMM regards its micro-credit programme as a tool for women's empowerment, it believes that mere income generation does not empower women and overall social empowerment is necessary. Hence, AMM has undertaken many programmes that provide support systems. Through the credit programme AMM gathers women to make them aware of their rights and duties and take up issues like family planning, health, education, domestic violence, child marriage, etc. Educational camps are organized among the members to give them basic literacy and make them aware of their rights. Health camps are conducted to raise awareness about hygiene, sanitation and other health related issues. In order to tackle exploitation faced by them within as well as outside their households, the organisation uses the method of putting community pressure on the erring parties. Only when this fails, legal aid is. This procedure is avoided as far as possible as it is longer and more expensive.

Apart from its credit programme, AMM has set up food processing units. There is a catering unit, fast-food counter and department store located in Dadar, a few kilometers away from the Annapurna office. There are about 35 women working here. This was initially Annapurna's main food-processing unit before operations were sifted to Vashi, Navi Mumbai. The building includes a kitchen capable of producing around 300 meals per day, which are sent to companies as well as individuals. There is also a separate fast food counter. Together with the catering unit is a department store, which was set up in 1997. It sells products made by



Annapurna's members in their homes – jams, squashes, pickles, sweetmeats, savoury items, etc. thereby marketing their products at viable prices. It also sells ground flour and grain prepared at the food-processing unit at Vashi. A variety of other consumer products are also sold here at wholesale prices. AMM feels that it is not faced with the problem of marketing products prepared by its members because production is planned in such a way so as to only make things that have a demand in the market.

AMM's main food processing and training center is at Vashi Nagar, Navi Mumbai. The land was purchased in 1989 with a grant given by the central government. There are 150 people working here who have been trained by the organisation in food processing. They provide 5000-7000 tiffins per day to companies like Asian Paints, Siemens, LNT, etc.. The complex here also houses a rehabilitation center for destitute women. At present there are 40-50 women living at the center. Most of them have been there for the past 10-11 years, some even for 20-25 years. They are either victims of domestic violence or are physically or mentally handicapped. By taking up residence at the center these women automatically became members of Annapurna. These women are given training in catering and are involved in food preparation and packing during the morning and evening. They get a stipend for this, which depends on the skill they develop and the amount of responsibility they take up, for instance, a supervisor gets Rs.1600 per month. In their spare time some women are involved in other activities like folder making, stitching of garments, etc. These items are used in the center itself as well as sold in nearby markets. The sewing machines and material for this are provided by the organisation.

Together with such income generating activities, women are counseled and given legal and medical aid. If a woman leaves home due to domestic problems, the organisation tries to resolve the problem over time by bringing the conflicting parties together to work out a compromise. In cases where such an intervention does not succeed, the woman remains at the centre. As a rule she is allowed to keep only one child. Young children are admitted to Annapurna's crèche while older ones are admitted into government schools. The cost of their education is paid for by the organisation. Sometimes marriages of women or their daughter are arranged; for instance recently, a few marriages for the daughters of prostitutes were arranged.

Along with the rehabilitation center is a hostel for working women. This is aided by the central government's Department of Women and Child Development. There are 30-40 women living here at the moment though it can accommodate upto 150 people. They pay Rs.1500-2000 per month for lodging and extra for food, which is provided from the training kitchen. Most of them are students and young working girls.

Two other training grounds for Annapurna members to learn about food preparation and sale are the food stall at Sanpada railway station and the mobile canteen, both run in Navi



Mumbai. In the former 3-4 women members are engaged for a month at a time and earn about Rs.3000 per day. The canteen is run in a large van. Two or three women engaged for a month's duration together with one cashier manage this. They sell their food outside a nearby college and marketplace and earn around Rs.1500 per day.

Besides the above-mentioned activities, AMM has established two cooperative housing societies in Mumbai. One, set up at Airoli, is for the families of Annapurna's office staff and the other, which is low cost housing, is basically for class (iv) government employees. The money for the later can be paid at low installments. In the near future they want to make a housing society for their members with houses in the women's names.

One of the most recent ventures of the organisation is the setting up of a spice-making unit in Shirwal near Pune. Here, technical training is given to both educated women as well as to dropouts in food processing, spice making, mushroom farming, goat rearing, poultry, nursing, sewing and computers. Whatever items are prepared here are sold at various outlets including Purannaanna, Vashi and Shirwal. The future plan of AMM is to market a range of spices on a larger scale in the domestic market. It is also trying to set up a processed food division as well as a medical research center at Shirwal. The latter will aim at providing medical assistance (especially gynecological) to the villages in the area.

Annapurna Mahila Mandal does not really network with other organisations as they prefer to work independently. At times it collaborates with some local organisations in the areas covered like Latur, Belgaum, Kolhapur, etc. These organisations also work in micro-finance and support functions. The organisation has 5 vehicles (vans and jeeps) to transport the food.

In terms of representation in decision-making bodies at the national, state and local levels, Prema Puro is the only person in the organisation who is also a member of other committees. These include the advisory committee – Industrial Training Society (girls) – and the Aryan Education Society, both in Mumbai. In New Delhi she is part of the Rashtriya Mahila Kosh (Department of Women and Child Development), Swadhar Foundation, and the Independent Commission for People's Rights and Development. She is a member of the India Collective for Micro-Finance in Bhopal. She has also been given a number of awards by various authorities and organisations, some of them being, the Stree Vimochan Trust (Pune), 1998, Navi Mumbai Municipal Corporation, 1999, Dr. Durgabai Deshmukh Award for 1999 (Central Social Welfare Board), and Best Citizen of India 1999 (International Publishing House).

AMM provides a good example for the steady growth of an organisation. However, the pyramidal structure of the organisation raises concerns about the democratic functioning of the organisation. The concept of Annapurna family ensures the growth of second level

leadership. Formalisation of public voice is at its minimum as AMM is yet to adopt a rights-based approach and concentrates more in creating more creditworthy people. Gender concerns are definitely a missing element in its activities

<sup>1</sup> The terms- unorganised, unprotected and informal sector workers- are often used interchangeably as the common reference point is the presence or absence of state-protective laws made available to the workers. This, in turn, has led to the coinage of a dichotomous categorisation of the workforce/ economy into formal and informal sector- the formal sector implying the presence of protection and securities of work and worker's rights and the term informal sector indicates the very absence of these. Of late, the usage of the term sector is being challenged on the premise that it only defines the informal sector only in terms of how ' it is not like the formal sector ' and is oblivious to the heterogeneity within this sector (Lund and Srinivas, 2000). Instead, the term *informal economy* is gaining attention. Ela Bhat (2000) has referred to this sector as the ' people's sector '.

**SECTION ONE**  
**MATERNITY ENTITLEMENT IN THE CURRENT CONTEXT**

Maternity entitlements cannot be seen in isolation from the current socio-economic and political context. Many participants highlighted this fact and therefore the context of maternity entitlement was one of the underlying themes of the pre-lunch session. On the whole five general issues can be identified.

1. Liberalisation, the State and the Social Sector.
2. Women, Work, Social Security and the Unorganised.
3. Population Policy and Maternity Entitlements.
4. Early childhood Development and Maternity Entitlements.
5. Maternity Entitlements and right to Education.

The introduction of the Structural Adjustment Programme (SAP) has been the hallmark of the economic policies of the last decade. While the impact of such policies is not very clear as yet, the processes initiated under the SAP have far reaching consequence for the country as a whole, and for poor underprivileged people in particular. Poor working women and their neglected young children form an extremely vulnerable section and deserve special attention. It is whole well known that the first five years of life are the most formative period in a child's life and the child requires special care and attention during this time. However the deteriorating working conditions of women workers in the post-reform period do not make this possible. Fundamental changes in the employer - employee relationship have caused a shift of women workers from the organised to the unorganised sector and erode the social security base of these working women. This has had a detrimental effect on wage security, food security, maternity entitlements as well as day care services.

Period	Total plan investment	Health Outlay	Percent of Total	Family Welfare Outlay	Percent of Total
First plan (1951-56)	1960.00	65.20	3.33	0.10	0.01
Second Plan (1956-61)	4672.00	140.80	3.01	2.20	0.05
Third Plan (1961-66)	8576.00	225.90	2.63	24.90	0.29
Annual Plans (1966-69)	6625.40	140.20	2.12	70.50	1.06
Forth Plan (1969-74)	15778.80	335.50	2.13	284.40	1.80
Fifth Plan (1974-79)	39322.00	682.00	1.73	497.40	1.26
Annual Plan (1979- 80)	11650.00	268.20	2.30	116.20	1.00
Sixth Plan (1980-85)	97500.00	1821.00	1.87	1010.00	1.04
Seventh Plan (1985-90)	180000.00	3392.90	1.88	3256.30	1.81
Annual Plans (1990-92)	137033.55	2253.86	1.64	1805.52	1.32
Eighth Plan (1992-97)	434100.00	7582.20	1.75	6500.00	1.50

Source: Ninth Plan, Planning Commission

The withdrawal of the social safety nets to working women is compounded by the privatisation of health care and educational services. This is seen in the declining funds for public health and the increasing budget for family welfare, of which, a major portion is allocated to the Reproductive and Child Health programme. The plan estimates till 1997 are illustrative of this shifting focus:

The current development context has seen the retreat of the government from its acceptance of Maternity Entitlements and benefits as a legitimate demand. The fulfillment of the conditions of maternity entitlements and benefits required that the state committed itself socially and financially to the well being of mothers. It also meant that the state committed itself to taking responsibility for the rearing of children and child development since inception that is by ensuring safe birth and survival. But in the recent years investment in social sector has been declining considerably and along with other conditions like changing patterns of employment led to the increasing vulnerability of women and children.

**Women in the workplace, Unorganised Sector and Social Security:**

The increasing 'triple burden' of women is evident in the feminisation and casualisation of labour in the last decade. One third of the household were female headed and around 12-15 crores of women were in the unorganised sector. This trend is steadily increasing. The latest data shows that there are 330 million workers in India of which 170m or 17 crores are female workers. If 98% are in the unorganised sector, a fact safely assumed by economists, officials and activists, than around 16.5 crores of women workers are in the unorganised sector. However the unorganised sector does not exist merely outside the unorganised, there is also an unorganised sector within the organised sector that was composed of those people who worked on contract labour. The NSSO data shows that there has been an increasing casualisation of labour in urban and rural areas. The alarming feature of these figures is the casualisation of the work force amongst both men and females in the period after the economic reforms especially in the decline of the self-

employment of the women. There has been a decline in self-employment by 3% between 1990-94 whereas the female participation in casual labour increased by 4-5% in the same period.<sup>1</sup> This means that women are working less and for corresponding increase in the percentage of regular and casual workers. Though the number of casual workers has increased for both men and women, the rate of women's participation is much more than that of men's. This shows that the trend is increasingly towards the temporary and contractual employment for women with inappropriate and inferior conditions.<sup>2</sup>

In this situation there is an urgent need for a comprehensive legislation on social security including maternity entitlements for women as the existing Maternity Benefits Act, 1961, Factories Act and Employees State Insurance Act, all covered only regular workers in the organised sector. It is also important to press for the universalisation of maternity entitlement and fight for appropriate laws to improve the working conditions for the unorganised sector.

#### **Population Policy and Maternity Entitlements:**

The population policy has an intimate connection with the maternity benefits and entitlements issue and population, as a basis of discrimination is not a new phenomenon. The motherhood endowment campaign of the 1920s in England was sponsored by the Eugenics society that wanted to the benefits to a few aristocratic families so that the purity of line could be maintained. Similarly the avoidance of universal maternity benefits in the USA were linked to fears of a burgeoning black population and the first maternity entitlements in Australia were only granted to white women in 1912. In India too, similar discrimination will be practised once the issue of maternity entitlements is linked to the two-child norm. Thus the fight for maternity entitlements is closely linked with the opposition of the two-child norm. The two-child norm has already been imposed in Maharashtra and Rajasthan. In these states women with more than two children were not even allowed to avail of the PDS. It is also one of the reasons of why the existing maternity entitlement schemes have failed. For example in Tamil Nadu the two-child norm was a reason for only 20 women benefiting from the Muthulaskshmi Redy Scheme. In contrast to this view, the population commission and the government argue that NGOs should see the two-child norm with the correct perspective. The norm was not binding at the national level and should be only implemented if informed groups of people were supporting it at different levels. Representatives of the official view also state that the national commission was imposing its will on the states, as its document was merely indicative and not prescriptive. Finally they add that word 'control' was now being replaced by other phrases to represent the socio-economic and demographic that was taking place.

However this view is not entirely justified even though most NGOs believe that it was important to limit the burgeoning population of the country. Like FORCES, most other organisations also argue that coercion was not desirable way of achieving this aim. Instead, they highlight the fact that the population would be controlled with the improved rates of survival of mothers and children. The high rates of maternal and child mortality need to be seen the survival of the child, The example of Kerala as one where the population had reduced due to falling fertility rates was often referred to the course of discussions. For this reason it is essential to ensure that maternity entitlements and childcare are a part of basic needs so as to improve child survival and consequently lay down the basis for the reduction of population. In this context the meeting made a plea for putting in more resources into provision for basic services as well as improving peoples access to such resources.

#### **Early Child Childhood Development and Maternity Entitlements:**

The FORCES network believes that maternity entitlements are a key lifeline to ensure the proper survival and development of the child. The first five years require that the child receive proper care and nutrition and pre school education so that its fullest development can take place. In fact the development of the child begins with the care of the pregnant mother and thereafter the opportunity to breast-feed her child for the first six months. Thus the right of the child and the rights of mother are closely intertwined with each other. Linking the question of maternity entitlements with the rights of children anemia of the Indian women had become somewhat of a legend. This has adversely affected the health of the very young child with all figures indicating that more than had the young children of India faced malnutrition. Further the non-availability of a crèche in sites of construction led to school dropouts girl children and prevalence of malnutrition.

Broadening this point there are also many the links between ECCD and the women's and more particularly a mother's rights to nutrition and health. Thus maternity benefits should be accompanied by satisfactory infrastructure in public health. She further felt that the nature of benefits even in the organised sector was not adequate to even cover the nutritional needs of poor women. Therefore maternity entitlements should include the right to adequate food and proper facilities. This plea for basic services as a part of the entitlement package was backed by all organisations. The rights of the child care or the anganwadi worker and the condition of childcare facilities are also linked to child survival and development and will be dealt with in a later section.



The conclusion drawn out from the discussion are supported by the current situation of maternal and child care services. The fact that more than 40 per cent of the mothers do not receive proper ANC and PNC care is also pointed out by the Independent Commission on Health stated some specific problems of maternal health care that 42.4 per cent of the pregnant women were not getting antenatal care. Of those who were provided care the health worker visited only 15.5 per cent at home and only 47.7 per cent received iron and folic acid during pregnancy. The Commission also states that antenatal services were not adequate at the health centres and drugs and life saving medicines were not available and 47.5 per cent of the new born children were not being vaccinated against the six communicable diseases<sup>3</sup>. The lack of an integrated approach to maternal and child health problems, and the poor state of the public health systems have led to increased morbidity of children, especially the girl child.

#### **Maternity Entitlements and Right to Education:**

Finally the maternity entitlements can also be linked to the right to pre-school education and nutrition. It is well known that the basic mental and physical development of the child takes place in the first five years. Thus the right to pre-school education should be made a part of the post-natal care of mothers and children to ensure the optimal development of the child. The state had so far viewed the child in a fragmented way. Thus while the DCWD deals with the 0-6 years, the MHRD has been dealing with the 6-14 years. The 83<sup>rd</sup> Amendment only mentions the right to free education for 45 that mentions all children. Thus the argument for inclusion of pre-school as an important support for both mothers and children is both a part of the fight against the 83<sup>rd</sup> amendment as well as the struggle for maternity entitlements. Currently Rs. 30,000 to 40,000 crores were earmarked for the education of all children over the period of 5 years. Of this the DCWD had demanded Rs. 500 crore to be earmarked for pre-school education but no money was allocated for this purpose.

#### **Towards an Integrated Perspective of Maternity Entitlements:**

Maternity entitlements cannot be seen in a vacuum that is isolated from the current socio-economic context. This perspective emerged very clearly from the meeting held at the Vishwa Yuvak Kendra in the following ways:

- That the maternity entitlements issue needed to be seen in the context of the policies of Liberalisation. With the withdrawal of the state from the social sector they sought to emphasize the fact that the **maternity entitlements was the primary responsibility of the state.**
- In the context of the growing unorganised sector and labour policy reforms activists and NGOs felt that **the issue of entitlements should be universally applicable** because many new forms of home bases, unpaid and bonded labour were appearing.
- Maternity entitlements could only become a reality if proper health, education, childcare and nutritional facilities were provided to women. Thus **maternity entitlements was intimately linked with state investment rather than disinvestment in infrastructure and basic facilities.**
- Following from this, **maternity entitlements should include the women's and children's right to good health and nutrition.**
- Finally there was a close link between rights of women and young children and the fight for maternity entitlements was also closely linked with the fight for early childhood care. Since maternity entitlements was the lifeline of both, mothers and young children, **maternity benefits and childcare should be a part of basic needs.**

## **SECTION TWO**

### **MATERNITY BENEFITS: INSTITUTIONAL ARRANGEMENTS AND METHODS OF IMPLEMENTATION**

In the context of the above discussion it is now pertinent to discuss specific issue pertaining to maternity entitlements. These include:

1. Maternity Entitlements and their definition in current laws, policies and treaties.
2. Service delivery mechanisms.
3. Financing maternity care and entitlements.
4. Decentralisation and community participation.

#### **Maternity Entitlements: What are they in existing laws and conventions?**

Maternity entitlement can be seen from the point of view of the way that they are defined in international treaties as well as the manner in which they are dealt with by the laws and policies within the country. The meeting focussed on both aspects of the entitlement question. The main international convention covering maternity benefits is the **Maternity Entitlement Convention, 2000**. The Convention includes the following

omponents:

Maternity benefits should include all women workers, whether full time or part time or employed in atypical dependent forms of work.

Leave upto 14 weeks with a minimum of 6 weeks as compulsory in the postnatal period and cash benefits that included not less than 2/3rds of a woman's insured earnings.

Cash benefits that included not less than 2/3<sup>rd</sup> of a woman's ensured earning. It should also covered pre-natal, post-natal as well as hospitalisation care where necessary.

Employment security that includes protection from dismissal with the woman having the right to return to the same job. It also meant that dismissal could not take place if a woman was pregnant or ill. The burden of proof in case of dismissal was to lie with the employer in case the dismissal took place.

Finally the convention also enjoin upon the signatories to ensure that maternity entitlements is not a source of discrimination in employment.

As an additional recommendation, the ILO Convention also asked for the health protection of a pregnant woman.

However trade unions and womens' organisations argue that the ILO convention was a limited scope since it did not consider the application of maternity benefits to all women. According to them the care economy as well women doing unpaid work had to be taken into account. Despite these limitations there was a demand from the house that the Indian Government should be pressed to sign the convention so that some of the loopholes of the existing domestic laws will have to be addressed by the Government.

As far as the present framework of the Indian Constitution is concerned, maternity benefit is an undisputed entitlement under the law. In the main two Acts govern the question of entitlements: The Maternity Benefit Act, 1961 and the Employees State Insurance Act 1948. The **Employees State Insurance Act 1948** stipulates that a cash benefit is to be paid to an insured woman in case of confinement, miscarriage, sickness during pregnancy, medical termination of pregnancy, pre mature birth etc. The act only applies to those manufacturing units that have more than 20 regular workers and the employee earns more than Rs. 3000 per month. The period for which support was pledged was 70 days in the original Act but was raised to 80 days to 12 weeks of paid leave in the pre and post confinement period through an amendment to rules in 1998. In addition the woman was also granted a medical allowance of Rs. 250 if her confinement was in an area where the ESIC facilities were not available.

The **Maternity Benefits Act, 1961** is applicable to all those workers in the organised sector who are not covered under the Employees State Insurance Act. Under this Act workers having regular employment in factories, mines, plantations and establishments irrespective of the number of people working in the establishment. Further every woman employee who has worked for a period of 80 continuous days in one year is eligible to be covered under the Act. The salient features of the Act include protection from dismissal during pregnancy, 12 weeks of paid leave of which six weeks may be taken in the period preceding to child birth if the mother so desires. This benefit will be in terms of the average daily wages that she has been receiving in three months preceding her confinement. Further the act also stipulates that the employer will not compel the

## Maternity Entitlements: Why And For Whom

Why Maternity Entitlements are Necessary?

- India has one of the highest rates of IMR i.e., 78.
- The maternal mortality is 540 per 1000, one of the highest in the world.
- More than 60% of the under five mortality is because of lack of post natal care and malnutrition.
- In low income groups, the daily food deficiency of pregnant women is as high as 500 kilo calories. They need an additional fifth of food they habitually eat to meet their requirements.
- There is reflected in a high incidence of low birth weight amongst babies which is 52% amongst women with severe under-nutrition, 42.2% with moderately malnourished and 37.1% with mildly under-nourished mothers.

Who Should Get Maternity Entitlements? It is often stated that all women workers should get Maternity Benefits.

But

Fast Changing patterns of work in rural and urban area was steadily including 60-70 days of unpaid work. Therefore, women who were not paid for their labour should also be regarded and treated in the same way as other workers. The recent economic survey had taken both the money as well as the care economy into account.

Therefore

Maternity Benefits and Entitlement should be **universally applicable to all women** - paid and unpaid workers - or those working in the care economy.



woman to do any arduous work during her pregnancy or give notice for discharge or dismissal during this period. The act also makes provisions for two nursing breaks of 15 minutes each once the mother gets back to work. Apart from these two Acts, there are also state level Acts like; the Tamil Nadu Construction Workers' Act. Further the full scope of all India Construction Workers; Act has also not been exploited by those who are interested in the formulation and implementation of legislation that covered are unorganised sector.

Despite their existence, it is universally acknowledged that there are **inadequacies of both the Acts at the National Level**. It is felt that appropriate legislation is needed for the unorganised sector as these acts only covered the organised sectors. For example the coverage of these acts was very limited even in establishments where all working women were covered by the Act. A study by Niru Chaddha shows that only 0.25% of the women avail maternity benefits in a situation where 94% were entitled to it. Further the laws had many loopholes as factory owners and contractors found it easy to not adhere to the ESIC Act by employing 18 rather than 20 women. In cases where the ESIC Act was applicable it only provided limited coverage of health insurance and maternity leave and did not cover the entire gamut of maternity benefits that a woman required. Further these Acts provide no work protection for women. Many women are either forced to leave their jobs when they were pregnant or hired at all because they would have to be provided maternity benefits during and after pregnancy. The amount of benefits provided by these two acts are also inadequate, as women were not able to even cover the cost of extra nutrition that they required during their pregnancy.

#### **Recommendations:**

1. An all comprehensive law for maternity benefit. The *common precepts on should be as follows:*
  - The act should cover all women and not only women workers. It should therefore be universally applicable.
  - It should cover not only maternity leave or cash benefits, but should also cover the nutritional and health needs of women.
  - The act should provide wage and employment security to the woman. (Should we not specify - pregnant and lactating women workers?)
  - The act should enable the mother to avail 4-6 months of paid leave after the day of childbirth in order to facilitate the breast feeding of the child.
  - This leave may be extended at first with half pay and then no pay but without other loss of benefits such as seniority etc.
  - The act should allow that leave for 2-4 weeks may be taken in the final stages of pregnancy if advised by the doctor and this leave should not be considered a part of the maternity leave.
  - The act should stipulate that women should not be transferred or be subjected to any other punitive actions or suffer loss of benefits during the basic maternity leave period of 4-6 months.
  - Instead of 15 minutes, 2 nursing breaks of 40 minutes each should be allowed, 20 minutes for feeding and 20 minutes travel time. The last shall be true if there is a crèche in the premises or otherwise near the workplace that takes 10 minutes travel time each way. Where no such arrangement exists, any arrangement should be organised by the employers so that the mother may go to the child or the child is brought to the mother in this time. In the latter case nursing space should be provided in the workplace for this purpose.
2. **Service delivery mechanisms :**

Tin the context of the above-mentioned framework for maternity entitlements, the meeting considered the mechanism of service delivery. The Government itself has admitted that service had a very poor track record in only 40 lakhs out of the 16.5 crore women workers are covered by maternity entitlements. On the whole the different type of mechanism covered during the discussion were:

- Welfare funds and tripartite boards;
- Linking maternity entitlements to ICDS and crèche;
- Statutory and social security schemes.

#### **Welfare funds and tripartite boards:**

The Tamil Nadu example best illustrated the working of the welfare funds. The Tamil Nadu government had created two welfare boards for social security and maternity entitlements for the unorganised sector – these were the Bidi Workers and Construction workers welfare boards. Take the case of the construction workers for whom the welfare were started in 1995. First the board only provided Rs. 1000/- benefit for the period for the period of pregnancy and the after the hesitation by the Nirman Mazdoor Panchyat Snagh (NMPS). It was raised to Rs. 2000/-. Second the women who are the to avail this benefit has to be registered with the board for at least one year before they could apply for this benefit. Many women did not do this voluntarily because of lack of awareness of the scheme and because they are bonded labourers. Due to NMPS registered efforts

90,000 women by 1999. Finally two child norm was applied in the application of the scheme. Because of only 20 women have been so far able to avail the scheme.

Other welfare boards for agriculture workers, weavers, and 48 categories of other manual workers face similar kinds of problems. For example the under Bidi workers welfare fund mothers are provided only Rs.200 maternity benefit. Adding to these 12 labour boards had been formed in for the unorganised sector where a registration fee of Rs. 10 was to be paid by each woman. The two-child norm was applied in screening the beneficiaries. Similarly under the Muthulakshmi Reddy scheme Rs. 500 was to be provided to all women workers, but this was not accessible to most because of the time log and the corruption involved in implementation. Given the arbitrary nature by which this amount is decided the NMPS has recommended tripartite boards for the implementation of these schemes. At the same time the NMPS was also pressing for the application of the ESIC scheme to all workers.

#### **Linking Maternity Entitlements to ICDS and Crèche:**

Given the proximity of the maternity entitlements issue to the survival and development of the young child, the state of the ICDS, Anganwadi and crèches came under sharp focus. It has been often felt that the ICDS and the childcare worker could be a good mechanism for reaching maternity benefits to as many mothers as possible. Yet this is only possible if the needs of the child carer are also considered. All organisations contended that it was essential that the child care worker be regularised and her wages be raised as has been demanded by the Anganwadi workers union for a long time.

The second point stressed at the meetings was with respect to the condition of both, health and childcare infrastructure. The experience of Mobile crèches has shown that the crèches on construction sites were located in cramped spaces and had no basic amenities. At the same time all workers do not have access to crèche sites and recommended that crèches should be provided in all industrial areas. Maternal care services in health centres are also grossly inadequate and inaccessible.

The proposition is also supported by studies done by others that have collected data on the impact of the new economic policies on health services. However the outreach of the ICDS itself is limited and does not cater to all mothers and especially those whose children do not belong to the 0-3 years age group. Hence its estimate is likely to be lower than the one provided in this survey. The fact that more than 40 percent of the mothers do not receive proper ANC and PNC care is also pointed out by the Independent Commission on Health stated some specific problems of maternal health care that 42.4 per cent of the pregnant women were not getting antenatal care. Of those who were provided care the health worker visited only 15.5 per cent at home and only 47.7 per cent received the tetanus toxoid injection twice. Only 45.1 percent of women received iron and folic acid during pregnancy. The Commission also states that antenatal services were not adequate at the health centres and drugs and life saving medicines were not available and 47.5 percent of the new born children were not being vaccinated against the six communicable diseases<sup>4</sup>.

The government however, finds these figures only partial true. It states that today the ICDS was covering a population of 5-6 lakh. It had 10 lakh workers who were over worked and receiving Rs. 500 per month as honorarium for work in the ICDS. In future if they were made to do any other work than the corresponding programme for which they were working would have to pay them extra money for it. He further admitted that the CAG had made some serious observations about the non-functionality ICDS and these would have to be addressed in the 11th Five Year Plan. Under this plan the ICDS would receive a grant of Rs. 1100-1200 crores and the states would be expected to contribute Rs. 500 crore each towards child development on their state. He felt that there was a 50 percent staffing gap in the ICDS and the central schemes faced a major challenge of making the state contribute their share towards the filling the gaps. Countering this the women organisations contend that the child care workers should not be over burden in the name of providing of her more money.

#### **Statutory and Social Security Schemes:**

In the context of the lacunae of the schemes an alternative scheme was proposed at the meeting at Vishwa Yuvak Kendra. The implementation of maternity benefits and entitlements could take place through 3 types of legislation: the entitlement-penalty model, the statutory fund model ( like national crèche fund) and the statutory scheme model described in the box. In addition to the scheme the SEWA experience also proved us with some lessons. The SEWA bank provided money support and ghee as nutritional support to all women who are contribution to the Bank for a certain period in time. This scheme worked quite well and the Government of Gujarat has adopted it for agricultural labourers. However the scheme wound up after five years. Today SEWA has an integrated insurance scheme that ensure the life, assets and health of women with a contribution of Rs. 75 per year. Maternity benefit was also provided as part of the scheme.

## SALIENT FEATURES OF THE PROPOSED STATUTORY SCHEME

### Why a Statutory Scheme? Because Of

- Its simplicity of operation,
- safety net approach
- It is non-conflicting and non-discriminatory in nature.
- Rudimentary schemes already existed on which this could be modelled.

### Scheme For Whom?

The scheme would cover all women in keeping with the commitment in Article 42 of the constitution, the only discriminating factor being the economic criteria and that too for a brief period of time if funds were not available.

### Objectives of the Scheme

- Providing a basis for the survival growth and development of the child as well as physical rest, nutritional and health care for the mother.
- Providing financial support for childbirth and childcare and breastfeeding in the first few months of the child's life, as well as to promote the health of the mother and the child.
- Recognising the woman's reproductive role and compensate her for unavoidable absence from work. To do this the law would provide every woman with entitlement (four or six) months' financial support calculated under certain fixed principles.

### How Can we Access the Scheme?

The access to this scheme should be through multiple channels and agencies like panchayat office, post office, health centres, ICDS centres, Government departments and banks. The sources of funding would be individuals, employees and the state at the central, state, district (or municipal) and local (ward or panchayat) levels.

### Mechanisms for participation, feedback and monitoring

- Grievance forums at the level of the urban and rural local government where women in the organised sector would be represented by unions or elected representatives.
- Self employed, non-employed and unpaid workers would be represented by women's organisations, clubs, associations, panchayats and municipal councillors.

### Financing Maternity Entitlements and Benefit

*The main responsibility of providing maternity entitlements rests with the state.*

The methods of raising funds:

- Cesses: The labour welfare boards in Tamil Nadu has imposed a cess of 1 percent in 1996-97 but only 0.1 percent of that cess was realised.
- Community contribution: The example of China and Thailand and stated that the community sponsored one worker for every 100 families to ensure the proper delivery of benefits. However in these countries was much better than India.
- A combination of employer, employee and state contribution to meet the requirement of maternity benefits.

### How much do we need?

Calculating the amount of money that would be needed, There were 18m births per year in 1981 census. If we assumed that even 60% of the mothers availed of maternity benefits than 10.8m mothers would avail of the benefit. If the daily wages of these mothers were to be protected for 120 days at the rate of Rs. 85 per day then the total amount of required yearly for maternity entitlements would be Rs. 11016 crores. This figure would go up to Rs. 15912 crores if the calculation was made on the basis of current figure of 26.1 m births per year as projected by the latest economic

<sup>1</sup> S.S. Suryanaryanan, Level and Pattern of Female Employment in Gender and Employment in India, 1999,

<sup>2</sup> Jayati Ghosh, Economic Trends and Female Employment in Gender and Employment, p.348.

<sup>3</sup> Details needed.

<sup>4</sup> Swaminathan, The first five years, 1998, p-260.

**Summary of  
Evidence Given to National Commission on Labour on Visits to Different States  
Regarding the Subject of Women and Work and Related Subjects**

**EXTRACTS**

**The Volumes Covered**

- Evidence given between 4.7.2000 to 7.7.2000 at Mumbai
- Evidence given between 1.8.2000 to 3.8.2000 at Ahemdabad
- Evidence given between 17.8.2000 to 19.8.2000 at Chennai
- Evidence given between 14.9.2000 to 16.9.2000 at Kolkata
- Evidence given between 12.10.2000 to 14.10.2000 at Hyderabad
- Replies to Questionnaire by Hind Mazdoor Sabha , New Delhi
- Memorandum by United Trade Union Centre (Lenin Sarani), Kolkata
- Minutes of the Meeting held with Multi Disciplinary ILO team on 31.10.2000

For the purposes of reference the compilation below mentions the place where the evidence was collected or the name of the organisation that filed the representation.

**Broad Sections**

The compilation is done in four broad sections:

- I. Women and Work
- II. Child Labour
- III. Unorganised Sector
- IV. General

Each of these sections is further divided according to the nature of evidence provided in volumes.

**Use of Abbreviations and Cross References**

The evidence volumes use abbreviations to refer to the organisation that gave evidence at various places. These are mentioned at the end of each statement made by particular organisations. This compilation uses the same pattern and abbreviations where necessary. The list of abbreviations and places where these organisations gave evidence is given below:

**ABBREVIATION**

<b>ABBREVIATION</b>	<b>FULL FORM</b>	<b>PLACE</b>
ABSMC	Akhil Bharatiya Safai Mazdoor Congress	Mumbai, Ahemdabad
AA	Ankaleshwar Industries Association	Ahemdabad
AICMI	All India Chamber of Match Industries	Chennai
AICTU	All India Centre of Trade Union	Hyderabad, Kolkata

AIFCMA	All India Fed. Of Cottage matches Manufacturers Assoc.	Chennai
AIMO	All India Manufacturers Organisation, Mumbai	Chennai
AIOEU	Ahemdabad Industrialists and Other Employers Unions	Ahemdabad
AITUC	All India Trade Union Congress	Ahemdabad
APBWF	Andhra Pradesh Bidi Workers Federation	Hyderabad
APCAKS	Andhra Pradesh Chenetha Aikya Karyacharana Samithi	Hyderabad
APHA	Andhra Pradesh Hoteliers Association	Hyderabad
APHMKP	Andhra Pradesh Hind Mazdoor Kisan Panchayat	Hyderabad
APHWU	AP Hotel Workers Union	Hyderabad
APUWJ	Andhra Pradesh Union of Working Journalists	Hyderabad
ATMA	Ahemdabad Textile Mill Association	Ahemdabad
ATSP	Anna Thozil Sangh Peravai	Chennai
BAI	Builders Association of India	Ahemdabad, Mumbai
BBOA	Bengal Brickfield Owners Association	Kolkata
BCC	Bharat Chamber of Commerce	Kolkata
BCCI	Bengal Chamber of Commerce and Industry	Kolkata
BMS	Bharatiya Mazdoor Sangh	Ahemdabad, Chennai, Kolkata
BMS [MAH]	Bharatiya Mazdoor Sangh (Maharashtra)	Mumbai
BoCC	Bombay Chamber of Commerce	Mumbai
BSSAI	Bombay Small Scale Industries Association	Mumbai
CACL	Campaign Against Child Labour	Ahemdabad, Chennai
CAN	Coastal Action Network	Chennai
CFRUW	Campaign For Rights of Unorganised Sector Workers	Chennai
CII	Confederation of Indian Industries	Mumbai, Ahemdabad, Chennai, Hyderabad
CMP	Chemical Mazdoor Panchayat	Ahemdabad
CSS	Centre for Studies in Social Sciences	Kolkata
CSWCDWB	College of Social Work, Campaign for Domestic Workers Bill	Mumbai
DBMF	Dakshin Banga Matsyajibi Forum	Kolkata
EFI	Employees Federation of India	Mumbai
EFSI	Employees Federation of Southern India	Chennai, Hyderabad
RLC [H]	Regional Labour Commission (Central)	Hyderabad



ABBREVIATION	FULL FORM	PLACE
ESIC	Employees State Insurance Corporation	
ESIS	Employees State Insurance Scheme	
F of BBL&TM	Fed. Of Biri, Biri Leaves and Tobacco Merchants	Kolkata
FAPCCI	Federation of AP Chamber of Commerce and Industry	Hyderabad
FOAPCOC&I	Fed. Of Andhra Pradesh Commerce and Industry	Hyderabad
GMP	Gujarat Mazdoor Panchayat	Ahemdabad
HMS	Hind Mazdoor Sabha	Chennai, Hyderabad, Kolkata
HSC	Hawkers Sangram Samiti	Kolkata
IIRA	Indian Industrial Relations Association	Ahemdabad
IMC	Indian Merchants Chamber	Mumbai
INBEF	Indian National Bank Employees Federation	Mumbai
INTUC	Indian Trade Union Congress	Mumbai, Chennai
INTUC -AP	Indian Trade Union Congress - Andhra Pradesh	Hyderabad
INTUC -B	Indian Trade Union Congress - Baroda	Ahemdabad
INTUC -G	Indian Trade Union Congress - Gujarat	Ahemdabad
IRMA	Indian Rural Medical Association	Kolkata
ITA	Indian Tea Association	Kolkata
JMCCI	Jagrit Marathi Chambers of Commerce and Industry	Mumbai
KSSM	Kamdar Swasthya Suraksha Mandal	Ahemdabad
LDGAP	Labour Department Government of Andhra Pradesh	Hyderabad
LUB	Laghu Udyog Bharati	Mumbai, Ahemdabad, Kolkata
MCCI	Maharashtra Chambers of Commerce and Industry	Mumbai
MDCFVU	Midnapur District Coastal Fish Vendors Union	Kolkata
MGKV	Maharashtra General Kamgar Union	Mumbai
MGLI	Mahatma Gandhi Labour Institute	Ahemdabad
MOA	Mill Owners Association	Mumbai
MRHMMP	Maharashtra Rajya Hamal Mahapadi Mahamandal, Pune	Mumbai
MS Univ.	M.S. University Vadodara	Ahemdabad



ABBREVIATION	FULL FORM	PLACE
NCL	National Centre For Labour	Mumbai
NFITU	National Front of Trade Unions	Kolkata
NFRSU	National Federation of Sales Representative Unions	Kolkata
NIPMAPC	National Institute of Personnel Management, AP Chapter	Hyderabad
NMBMA	Nallai Mavatta Bidi Manufacturers Association	Chennai
NMPS	Nirman Mazdoor Panchayat Sangham	Chennai
PBKMS	Paschim Banga Khet Mazdoor Samiti	Kolkata
PNUS	Pengal Nala Urimai Sangham	Chennai
RLA	Rural Labour Association	Ahemdabad
RLC [C]	Regional Labour Commission (Central)	Kolkata
RMM	Rashtriya Mill Mazdoor	Mumbai
SEWA	Self Employed Women's Association	Ahemdabad
SIMMA	South India Match Manufacturers Association	Chennai
SNDT	SNDT Women's University	Mumbai
TDBMA	Trichi District Bidi Manufacturers Association	Chennai
TDWU	Transport Dock Workers Union	Ahemdabad
TMKTS	Tamil Manila Kattida Thozilalar Sangham	Chennai
TMS	Taffapalli Milani Sangh	Kolkata
TMWU	Tamil Nadu Manual Workers Union	Chennai
TNF	Tamil Nadu Forces	Chennai
TNFFPDWM	Tamil Nadu Forum for Promotion of Domestic Workers Movt	Chennai
TNSBMA	Tamil Nadu State Bidi Manufacturers Association	Chennai
TNSBWS	Tamil Nadu State Beedi Workers Sangham	Chennai
TNTUC	Telagu Nadu Trade Union Council	Hyderabad
TPVM	Thekedari Padhati Virodhi Manch	Mumbai
TUCI	Trade Union Centre of India	Mumbai
TUSC	Trade Union Solidarity Committee	Mumbai
UTUC [LS]	United Trade Union Centre (Lenin Sarani)	Chennai, Kolkata
VEO	Vadodara Employers Organisation	Ahemdabad
VKU	Vadodara Kamgar Union	Ahemdabad

## **Section - One**

### **WOMEN AT WORK**

This section enumerates the evidence that has direct references to women and their work. It covers all forms of work in the organised and the unorganised sector. The section can be divided into the following sub themes:

1. Context and nature of women's work.
2. Minimum and Equivalent Wages.
3. Conditions of Work and Social Safety Nets.
4. Need for Legislation.

#### **Context and Nature of Women's Work**

##### **Mumbai**

- There should be a massive campaign to bring about attitudinal changes in the bureaucracy, private sector employers, politicians etc., so that issues like child labour, women's employment, unemployment, productivity and national competitiveness can be dealt with (SNDT).
- Domestic work should be given the status of an industry because at present domestic workers are not even considered workers. They should be given all facilities available to industrial workers (CSWCDWB).
- 80 % of all domestic workers comprise women and most of them are migrants who fall prey to cheap labour. Children also do work of adults and are paid less, they are abused and exploited by employers. Most of these workers are overworked and under paid (CSWCDWB).
- The family, where the woman is the only breadwinner, should be given preference in employment, in case she is eligible (BMS [MAH]).
- Women's employment has peculiar problems such as long working hours, shifting of jobs and non-recognition of their work etc., which should be dealt with. Their working hours should be fixed to 5 hours a day and some support should be provided to for market support, skill development, credit availability etc., for self-employed workers (NCL).

##### **Ahemdabad**

- Workers need to form their own self help organisations like co-operatives, self help groups and micro finance institutions to enter the market directly. The laws and regulations need to be modified to allow these self-help organisations to enter the market (SEWA).
- Government should declare minimum wages for all trades of the informal sectors and beedi workers (SEWA).
- Home based workers should be covered under Minimum Wages on piece rate basis (SEWA).
- Wasteland, canal side and roadside lands and other lands may be handed over to the local women's groups for plantations (SEWA).

- Traditional skills of women in forests should be promoted and supported. Cost of nursery raising immediately needs revision from Rs. 0.60 per sapling to RS. 1.50 per sapling. The forest department must move away from supervising nurseries to rendering technical and professional services to women's groups. Government must act as a market for groups of women raising nurseries (SEWA).
- There should be insurance to help the workers in the unorganised sector to help them tide over the any crisis - personal, social, or natural calamities (SEWA).
- National and international efforts in environmental capacity building must start with rural poor women by providing funds at grassroots level (SEWA).
- Rural home industry should be encouraged in order to increase employment and national production (INTUC - G).

### **Chennai**

- The next census should give visibility to the women working in the unorganised sector, as at present there is no programme that focuses only on women workers (TNF).
- There are 84.3 million women workers in the unorganised sector out of a total of 304.2 million workers and their wages are low and conditions are appalling. The plight of women and children accompanying the migrant workers is deplorable and their children are deprived of educational opportunities and forced to join the labour force. 90 percent of child labour is employed in agriculture and allied activities; the NCL should take these facts into account (CFRUW).
- The government should take up skill development of the women workers and work trade unions should be involved in arranging and in actual training process (TMKTS).
- In the fisheries sector 50% of all workers are females who are engaged in netting in the backwaters, catching fish by hand, diving for sea weeds, oyster offloading, and curing i.e., drying, salting, processing, packing etc. The existing acts are applicable to them but the enforcement of these acts is very weak. The laws should be modified to strengthen enforcement. Fisheries workers should be recognised as workers if they work for 8 hours and should be provided adequate social security and facilities (CAN).
- Women are made the first victims when any modernisation or introduction of new technology is adopted. There should be proper training and access to new technology (Dr. S. Vijaylakshmi).
- Programmes and schemes, especially subsidy and credit should be available to women fish processing workers or for the organisation of collective fish distribution centres. They should be given the benefits for the insurance scheme in lean season and health care should be provided for them (C.N).
- In fisheries industry with a total workforce of 4.3 lakhs, many contractors are registered under the ISMW Act. Women workers are treated as second grade workers and are prone to occupational health hazards like skin diseases (CAN).

### **Kolkata**

- The workers engaged in traditional skills such as sericulture, cotton handlooms, leather processing and leather goods are extremely open to adaptation within a range. There are no institutions or public agencies to help them develop their skills (CSS).
- The government stated that one-third employment would be provided to women under the employment assurance scheme but this was not done. Contractors are hired, they have vested interests and keep false muster rolls (PBKMS).
- Bidi industry is village based and about 80% of the workforce is women (F of BB&TM).
- Formation of self-help groups should be considered for women workers and income generation units should be set up to augment their income (TMS).
- Membership should be provided on a family basis and it should include women headed households. Women fish vendors should be given priority to buy and sell fish (MDCFVU, DBMF).
- Tertiary sector like domestic assistants, porters, sex workers problems may be looked into (HMS).
- The workers engaged in traditional skills such as sericulture, cotton handlooms, leather processing and leather goods are extremely open to adaptation within a range. There are no institutions or public agencies to help them develop their skills (CSS).
- The interest of unorganised sector workers is ignored and needs to be looked into. There is a need to train unorganised sector workers (BMS).
- In view of our present population, a survey needs to be done to gauge the exact extent of the unorganised sector. Workmen may be divided into urban, rural and Vishvakarma sectors (BMS).

### **Hyderabad**

- Equal rights and benefits for all female workers should be ensured (HMS).

### **Hind Mazdoor Sabha**

- At present the mode of employment of women is very much discriminatory and very few women are in the organised sector. There should be concerted effort to bring more women into the organised sector.
- Overt and covert discrimination enters recruitment, where women workers age, looks and marital status is taken into account. Their skills are undervalued and they are constraint to work on unequal wages. Their employment is insecure and they work in inhuman conditions.
- It should be ensured that technology does not replace women workers.
- They should be provided skill, training and market facilities.
- Social security and other benefits should be provided to deal with the increasing casualisation of women's labour in the market.

- There should be a separate policy to increase women's employment within the overall employment policy. Women should not be treated merely as supplementary earners but also assets to the national economy. The government must take steps to provide enabling infrastructure to assure regular work and social security. Those who benefit from the existing policies must pay for the social security of the unemployed.
- Gender perspective must be integrated into the design and implementation of policies. The 1996 national policy for the empowerment of women should be implemented. There should be a co-ordinating mechanism to co-ordinate between the Department of Women and Child Development, National Commission for Women, National Commission for Human Rights and the Labour Department.
- The market operates on gender bias and women get to work on the lowest rung of the work force. Their role as homemakers fetches them jobs that are bear a stamp of this image, and when they run families on their own they are only considered supplementary workers. Because of they have lesser access to the market and credit and the opportunities for their skill development and education close out at an early stage.
- Traditional medicinal practices should be supported and dais and midwives given training to increase their income,
- Planning for the unorganised sector does not address the crucial issue of the empowerment of women and recognise that the women headed households have the right to own property and assets. Lessons should be learnt from the Employment Guarantee Scheme of Maharashtra to deal with the unorganised sector.

#### **Multi Disciplinary ILO team**

- Ms. Martina Lubyoba noted that casualisation of employment was increasing in both the urban and rural sectors.
- Ms. Jyoti Tuladhar pointed out that the demand for women labour is increasing, but gender inequities persist and should be looked into.

#### **Minimum and Equivalent Wages**

##### **Mumbai**

- Women workers are paid half the wages compared to male workers. There should be no gender discrimination (MRHMMP).
- The commission should ensure equal wages for women workers in agriculture and their working hours should be 5 hours a day precisely in view of the responsibilities shouldered by them (TUSC).

##### **Ahemdabad**

- Equal wages to be ensured for both men and women (RLA, VKU)

- Size of the family for fixing minimum wages should be a single unit as the age of marriage has got raised (AIOEU).
- Ensuring minimum wages and education to child labour and ensuring timely payment of equal work, wages, status of women workers and also ID card to all rural workers (RLA).

### Chennai

- Minimum wages should be implemented (TNFFPDWM).

### Kolkata

- There should be wide publicity in regional languages on rate of minimum wages as fixed for women workers (TMS) (IRMA).
- Awareness campaigns should be organised by community based organisations because very few persons, particularly women workers do not know about the Equal Remuneration Act (IRMA).
- MW Act and Equal Remuneration Act should be rigorously imposed for agricultural labourers. Both government and employees are violating the acts. The basic minimum wage is Rs. 62.10 whereas they pay only Rs. 40-45 per day to men and women receive even less than this. In West Bengal women get much lower wages than men do. 50.55 lakh people belong to the workforce in the agricultural sector from a total of 205.81 lakhs (PBKMS).
- Fish workers should be registered as skilled workers and their minimum wages fixed accordingly. All fish workers like harvesters, vendors, sorters, dryers, curers, net weavers, fish processing plant workers etc should be given identity cards and Migrant Labour Act should be applicable to migrant and contract fish workers (MDCFVU) (DBMF).

### Hyderabad

- 90% of the bidi workers are women and a uniform minimum wage for rolling bidi should be worked out throughout the country. Bidi workers in the Telengana region are getting as low as Rs. 20-30 for rolling 1000 bidies. The minimum pension for these workers should be raised from Rs. 240 to 500 and they should be able to take retirement after working for 10 years or when they are 50 years old (APBWF).

### Hind Mazdoor Sabha

- Equal wages for equal work both men and women is meant to be implemented in industries, agriculture and plantations but there is still discrimination.
- Violations of the equal remuneration act should meet with stringent punishment rather than token fines on employers.
- The realisation of the national goal of securing to all workers – agricultural or otherwise – a living wage and conditions of work ensuring decent conditions of life and full enjoyment of leisure etc. is a far cry under the present conditions and very much required.



- Traditionally women's skills are undervalued and they are given wages that are classed as unskilled. On this basis unequal wages are justified. Women and children are paid less for the same work and subject to all forms of harassment.

## **Conditions of Work and Social Safety Net**

### **1. Maternity Benefits and Childcare**

#### **Restriction of Maternity Benefits and Crèche Facilities**

##### **Ahemdabad**

- Hazardous industries should be exempted from provisions of crèches under the Factories Act (VEO).
- Maternity benefits should be available only upto two living children (VEO).

##### **Chennai**

- Maternity Benefit Act should not be made applicable to bidi workers as the maternity and child health care is taken care off by the welfare organisation of the ministry of labour (NMBMA).
- Maternity Benefits Act should be restricted to two childbirths only to discourage the growth of population (NMBMA). Maternity benefit Act should be restricted to two childbirths only to discourage population growth. Welfare fund of the government of India restricts the maternity benefit of Rs. 250.00 per delivery for two issues only. The ESI and PF Act should also be applicable to only those having two children (NMBMA).

##### **Hyderabad**

- Small scale industries, particularly in the manufacturing sector should not be obliged to keep registers under the MB Act or required to display returns and abstracts (FAPCCI).
- Small scale industries should be exempted from labour laws excepting Payment of Wages Act, MB Act, Workmen's Compensation or ESI Act and sections 62 and 64 of the Shops and Establishment Act (FAPCCI).
- The requirement for crèche facilities where 30 or more women workers exist is not logical, the requirement should be based on 0-6 year children of women workers available for putting in the crèche. It is suggested that the provision be employed where 100 or more women are employed and atleast 20 have children between 0-6 years (FAPCCI).

##### **Kolkata**

- Maternity benefits should only be provided for two or three pregnancies as it has financial implications for the employer and besides there is a need for home planned parenthood (ITA).

## **Need for Maternity Benefits and Childcare**

### **Chennai**

- Maternity benefit paid by the labour welfare commissioner of Hyderabad should be increased from Rs. 250 to Rs. 1000 for each delivery. It appears that the welfare organisation is spending only one third of the (NMBMA).
- The general ward of the ESIC hospitals is handling maternity cases whereas there is a need for a special ward. Further most women have to go 30 Km away to avail the ESIC facilities and have to stand in the line for six hours to get treatment. Therefore they prefer to go to private hospitals (AICMI).
- The female employee should have the discretion to avail maternity benefits before or after childbirth (NLO).
- Two-child norm must be removed from maternity benefits, stipend etc (NMPS).
- There should be a committee to monitor maternity and childcare. There should be creches at all work sites (TNF).

### **Ahemdabad**

- RLA and VKU draw attention to the fact that Maternity Benefit Act is not being enforced properly and its enforcement is given to the health ministry. There is a need to review this.
- Women workers need access to affordable childcare so that the next generation does not suffer due to their work. It will also increase their productivity (SEWA).
- There should be provision for creches for all women workers (RLA).

### **Kolkata**

- In MB Act the period of maternity leave should be extended from 12 to 24 weeks (AICTU).
- There should be a provision for maternity leave for women workers and crèches for childcare and local bodies are directed to give space for the same (CSS).
- There should be a provision for night shelters, toilets, maternity leave and crèches for women workers (CSS).
- There are no provisions for creches in brick kiln factories. NCL should recommend that this is ameliorated (BBOA).

### **Hyderabad**

- Provisions of the MB Act should be applicable to all establishments irrespective of the nature of employment (RLC [H]).

### **Hind Mazdoor Sabha**

- Private employers use maternity leave as an excuse to terminate the services of women and reemploy them afresh after the birth of children. This should not be allowed and all employers should meet their social obligations.

### **United Trade Union Centre (Lenin Sarani)**

- The Factories Act, 1948 provides that crèche be arranged by employers where more than 30 women workers are employed. It is difficult to understand why crèche will not be needed in factories where less than 30 women are employed.

## **2. Night Shifts**

Section 66 of the Factories Act, 1948 laid down the condition that it is illegal to make women workers work between 7 PM and 5 AM. The evidence volumes of the visits of the National Commission on Labour show that there are two views on the subject. The evidence is as follows:

### **For Removal of Restrictions**

#### **Chennai**

- Women should be permitted night shifts under the factories act (AIMO, EFSI).
- Restriction of employment for women under section 66 of the Factories Act should be removed or atleast they should be allowed to work till 10 p.m. (Central Government Labour Inspectorate of Factories).
- The blanket ban on employment between 10 p.m. and 5 a.m. should be lifted especially in the fish processing industry in particular and the permission for employment should be granted till 10 p.m. instead of 7 p.m. (Inspectorate of Factories).

#### **Hyderabad**

- Factories Act should be amended to allow women to do night shifts on the condition that both way of transport are provided to them (Federation of Andhra Pradesh Chambers of Commerce and Industry).
- Restriction on working hours of women should removed from the Factories Act (Industrial Relations Association of India).

### **Against Removal of Restrictions**

#### **Kolkata**

- In EPZ the women should not be allowed to work in the night shift by any amendment to the laws (National Front of Indian Trade Unions).

#### **United Trade Union Centre (Lenin Sarani)**

- As regards the issue of night shift, the union feels that the proposals of engaging women in night shifts are aimed at the crude non-tariff subsidisation of industries in general and export industries in particular. It is an attempt to indulge in the patriarchal intimidation of female labour. The reality is that with the development of technology labour becomes lighter making male labour dispensable, increasing the responsibility of the female workforce.

### **3. Conditions at Work Site and Social Security**

As In the case of night shifts and maternity entitlements, there are two types of views on the social security and conditions on worksites for women workers. Here we take into account those provisions that can have an impact on women workers, who are working for the most part in the unorganised sector. Most of these provisions will either increase or decrease the triple burden of women workers, effect their employment status, or dignified working conditions for them.

#### **Need to Restrict Social Safety Net Provisions**

##### **Mumbai**

- The definition of retrenchment particularly clause (c) of the ID Act should have clarifications that if a worker is absent on medical grounds (including maternity leave) for a specific period will be treated as continued ill health (EFI).
- Lay off compensation should not be payable if employer provides or offers alternative employment within 48 Km., instead of 5 miles at present (EFI).
- Employer should have the right to transfer a workman from one location to another (EFI).
- There should be a time limit for payment of benefits like medical, sickness, disability, ESI or other dependants' benefits (BoCC).
- Provident fund is cut from the construction workers salary from day one, but since construction work is a short duration work it is not beneficial to them. It should therefore be stopped (BAI).
- Number of holidays should be reduced to 7-8 days in a year as recommended by the first national labour commission (IMC).
- Social security should be introduced as in western countries in case of retrenchment or the introduction of new technology, new skills should be provided to workers to prepare for alternative avocations (IMC).

##### **Ahemdabad**

- Definition of 'retrenchment' may be amended to exclude abandonment of service by employee (no show by employee for three months) and also being rendered medically unfit. As per the existing provisions of the I.D. Act termination on account of ill health is excluded (VEO).
- Export Promotion Zones may be converted into special economic zones (KFTZIA).

##### **Chennai**

- Some of the young girls do not derive benefits from making contributions to Provident Fund since they get married within a few years and are not able to get their provident fund accumulations back. That is why they prefer to join the unorganised sector that is growing at the cost of the organised sector (SIMMA). The deductions are made despite the fact that do not get either minimum wages or transport allowance, as is the case in the organised sector (AICMI).
- Provident fund should be optional for young working girls as they find refund difficult (AIFCMMMA).

### Kolkata

### Hyderabad

- Small scale industries should be exempted from labour laws excepting Payment of Wages Act, MB Act, Workmen's Compensation or ESI Act and sections 62 and 64 of the Shops and Establishment Act (FAPCCI).
- Welfare fund has not been beneficial to employees and all industries having less than 100 workers should be exempt from this act (FAPCCI).

### Need to Extend Social Safety Net Provisions

### Mumbai

- Working conditions of the unorganised sector should be improved and social security should include job security (RMM).
- The employment guarantee scheme of Maharashtra should be extended to other parts of the country also as it generates employment amongst the rural population (INTUC).
- A separate autonomous professional organisation should be set up to ensure social security for unorganised sector workers (SNDT).
- An autonomous central welfare board should be set up to administer social security in the organised and unorganised sectors. This board should look after, not only, PF and ESIC but also old age pensions, medical allowances, destitute persons etc. Pensions should also be linked to the consumer price index (INTUC).
- There should be fixed working hours for domestic workers, i.e., 8 hours. They should be entitled to one paid holiday a week and 15 days leave after one year of service. They should also be given 15 days medical leave, in one year (CSWCDWB).
- Domestic workers may be classed as skilled or unskilled and should be given 20% of the wages as bonus after completing one year of service. The employers should deposit 10% of each year's wages in a bank out and one month's salary should be given as gratuity. Two pairs of uniform should also be given to full time domestic workers (CSWCDWB).

### Ahemdabad

- ESIC scheme and General Medi Insurance Scheme should be implemented for the unorganised sector (ATMA).
- There should be strict provision against employment of bonded labour. There should be adequate provisions at par with organised workers to curb exploitation as regards hours of work, weekly rest, leave payment of O.T. etc. (INTUC - G).
- Unorganised sector workers should be paid overtime for working beyond the working hours and given extra benefit for giving more production (INTUC - G).
- There should be a tripartite social security fund for home based workers by levy of cess on employers (SEWA).

- ESI must be given to all dependent of IP who dies of illness other than occupational disease (KSSM).
- Unorganised workers should be given facilities for rest rooms for taking rest, lunch, canteen facility, drinking water facility, primary health centre on the analogy of the Factories Act (INTUC – G, INTUC – B).
- Adequate benefits namely, medical treatment, death benefit, education and recreation should be given to unorganised sector worker from welfare funds (INTUC – G, INTUC – B).

### Chennai

- ESIC should cover all workers in the unorganised sector (TNF).
- There is absolutely no safety net for rural workers (INTUC).
- Umbrella legislation can be a central law but welfare boards should be formed in for varying types of workmen (LPF).
- There should be one central law for social security in the unorganised sector and welfare boards should be provided upto the taluk level which provides for childcare, time off for women workers, maternity benefits and women's representation on all welfare boards. ESIC should cover workers in the unorganised sector (TNF).
- There should be comprehensive legislation to protect women and child labour from exploitation, low wages, termination, exploitation etc. (Dr. S. Vijaylakshmi).
- Representation of women workers in all tripartite bodies should be given under various labour laws (TMKTS).
- Shop and Establishments Act and contract labour act should be modified for making provisions for childcare services (TNF).
- Women should be represented on all elected bodies (TNF).
- Social security, occupational safety, housing safety etc may be provided to pavement and street vendors, salt and rice mill workers, weavers, fish workers, bullock cart workers, brick kiln workers etc (TMWU).
- All welfare and other tripartite boards should have proportional representation of women (ATSP).
- Bidi rollers are working in their residence and are already covered under PF Act, Bonus Act and MB Act etc (SCBMA).
- Social security for all workmen should be provided by employers/contractors/P.E. (Central Govt. Labour Dept.).
- Employment security and guarantee scheme should be implemented for manual labourers (TMWU).



- Provision for ESI, Pension, monsoon allowance, childcare etc should be given to manual workers (TMWU).
- Social security should be given to construction workers (TMKTS).
- Comprehensive scheme drafted by NCL-CL to institute construction labour board should be implemented in order to regulate employment and wages, provide ESI, PF, housing allowance, creches, training, monsoon allowance, oversee safety and to provide a mechanism for resolving disputes (NMPS).

#### **Kolkata**

- Hours of work are unlimited and there is no protection in form of maternity benefits, old age benefits or accident benefits. Government of West Bengal has some unutilised funds for women workers (PBKMS).
- PF gratuity, leave encashment, salary dues, group insurance money should be paid on the date of retirement (AICTU).
- A separate law should be made to protect workmen in the unorganised sector, SSI industries and hosiery units because workers working in these sectors having less than 10 workers have no job and social security (AICTU).
- There should be a village commonwealth for peasant, artisans and land workers. This will facilitate the formation of the service and labour market co-operatives. NGOs and Central Trade Unions should be encouraged to manage such welfare schemes (BMS).
- Word 'workmen' should be replaced with partner or co-partner or working partner to avoid master servant relationship (BMS).
- Working environment should be dignified and proper arrangements for air, water, cleanliness, weekly holidays etc must be ensured (BMS).
- The government should set up a fund for workers insurance with matching contribution made by the workers while in employment to provide a set amount against disability illness, injury and period of redundancy (CSS).

#### **Hyderabad**

- Village panchayats should implement labour laws for unorganised sector workers (APHMKSP).
- State government should strengthen the tripartite system of labour advisory board and there should be proper co-ordination between state and central governments (TNTUC).
- Unorganised labour has no protection of existing laws and is exposed to exploitation. Government should provide protection to better their livelihood, particularly for agricultural labour on the lines of the Kerala law. They should be provided social security (TNTUC).
- Regarding the changes recommended by the correspondents union, a part time correspondent must be entitled to earned leave, casual leave, leave on medical grounds, maternity leave etc., on par with full-time journalists (APUWJ).

- There is no law for regulating casual leave, transport, medical and maternity leave for agricultural workers. The NCL should take this into account (APHMKP).

#### **Hind Mazdoor Sabha**

- The plantation act should be amended because it discriminates against the single woman. The dependants of a male worker i.e. father, mother, wife and children are entitled to all benefits and rations. The same is not true of the single woman. Married women can also only avail this facility for their children and not husband and parents.
- Flexi-time should be introduced where ever feasible.
- Social security benefits are presently available only to a limited number of workers and vast armies of unorganised sector workers are left out from the scheme.
- All direct dependants of the workman should be covered by the schemes.
- Self employed people should be provided some security cover on the lines of the National Health Insurance Scheme. There is also a need to look at the Kerela experiment for guidance.
- Overt and covert discrimination enters recruitment, where women workers age, looks and marital status is taken into account. Their skills are undervalued and they are constraint to work on unequal wages. Their employment is insecure and they work in inhuman conditions. Maternity leave, though not adequate for them, is used by private employers to terminate their services and later reemploy them afresh.
- Social security and other benefits should be provided to deal with the increasing casualisation of women's labour in the market.

**Multi Disciplinary ILO team** The team recognised the importance of the enforcement of labour standards in Export Processing Zones. It was noted by Mr, D.P.A. Naidu that large number of women are employed in EPZs in China and their working hours are very long and overloaded. The government has now started public relations institutions to remove alienation amongst them and make the women feel at home. The USA has however taken a stand the unionisation should be allowed in EPZs in China. Mr. John Woodall noted that India has ratified very few of the ILO treaties in social security. He felt that umbrella legislation would not be useful, as laws are not enforced properly. He said that it was unrealistic to expect contributions from employers and workers for social security and it would be better to have social safety nets and Social Unemployment Benefit as in South Korea. **Basic Needs**

**Mumbai Housing and Shelter:** Living conditions of domestic workers should have adequate privacy, hygiene and security. The state should make a welfare fund for domestic workers so that their health and education of children can be taken care off (CSWCDWB).

**Ahemdabad Health and Safety:** There is an urgent need for separating health and safety provisions from other provisions of all the acts and bringing them under one act for both the unorganised and the organised sectors at all places of work (VKU). **Education:** Workers and children should be given access to education to improve their skills and capacities to

manage (SEWA). Education: The children of rural labourers should get education in their own areas. Schools with mid-day meals and other facilities should be started in rural areas (RLA). Food and Nutrition Provisions for fair price shops must be available for rural labourers as the landless labourers are the worst sufferers with the reduction on subsidy on food grains by the Government of India (RLA). Health and Safety: Safety and occupational health aspects should be given importance by involving NGOs and professionals in inspection functions and other areas. (MS Univ.) Health and Safety: Occupational health and safety require special attention to prevent health hazard accident, safety hazard etc., as present enforcement system is not very effective (Centre for Social Studies Surat). Housing and Shelter: Housing and infrastructure should be provided especially for women workers (SEWA). Chennai Food and Education: There should be free supply of midday meals in all elementary and middle schools (HMS). Kolkata Food and Education: Children should be provided non-formal education, health care and nutritional support for preventing child labour. Steps should be taken for augmenting the income of families whose children work (TMS) Hyderabad Basic Needs: It is the bounded duty of the state to provide nutritious food, free atmosphere for habitation, promotion of health education and culture etc besides withdrawing plans for disinvesting the public sector (AICTU). Drinking Water and Toilets: As regards drinking water, the law should provide that portable water is supplied through proper water supply system at work sites. The provision regarding urinals and toilets be laid down that proper walls and partitions are maintained and they are regularly cleaned (FAPCCI). Education: Scholarships should be given to girl children (APBWF).

### **Hind Mazdoor Sabha**

- Health: Health concerns of women should not be linked with population policies and special programmes should be run to provide iron, calcium and other essential supplements.
- Health: Impact of occupational disease on women's health should be studied and there should be a right to information about these diseases.
- Shelter: The home is also workplace for women and therefore there should be joint ownership of houses. The women should have say in planning the house so that both their roles can be satisfied.
- Education: Primary schools should not be privatised and innovative strategies should be evolved to get children to school. Regular crèche should be provided in schools and schools should be run in shifts so that these adult women can attend school.
- Water and Sanitation: Watershed management and water and sanitation should be allocated more resources so that all people get portable water supply.

## Hind Mazdoor Sabha

- Health etc: Women do need special facilities such as maternity leave without endangering their employment, rotation of duties, safe transport and working conditions, training and upgradation of skills, rest rooms etc., and their health needs should be addressed under occupational health.
- Education: They should be provided skill, training and market facilities.

### Need For Legislation

#### Mumbai

- The definition of retrenchment particularly clause (c) of the ID Act should have clarifications that if a worker is absent on medical grounds for a specific period will be treated as continued ill health (EFI).
- A separate autonomous professional organisation should be set up to ensure social security for unorganised sector workers (SNDT).
- An autonomous central welfare board should be set up to administer social security in the organised and unorganised sectors. This board should look after, not only, PF and ESIC but also old age pensions, medical allowances, destitute persons etc. Pensions should also be linked to the consumer price index (INTUC).
- Domestic work should be given the status of an industry because at present domestic workers are not even considered workers. They should be given all facilities available to industrial workers (CSWCDWB).
- There should be adequate legal protection for domestic workers so that they get PF, gratuity, medical leave, fixed working hours, social security, overtime etc (CSWCDWB).

#### Ahemdabad

- The purpose of law should be that they are able to regulate the labour market effectively with the objective of reducing the vulnerability of unprotected workers and progressively eliminate conditions favouring exploitation (CMP).
- Implementation of labour laws is ineffective and requires the strengthening of the enforcement machinery - Maternity Benefit Act, Bond Labourers Act and Inter State Migrant Workers Act are properly implemented only in 1% cases (Centre For Social Studies Surat).
- There is a need for enabling rather than controlling laws for the unorganised sector (Centre for Social Studies Surat).
- All processes and occupations under schedule III of the Factories Act should be termed hazardous occupations and all necessary safety precautions should be made compulsory (KSSM).
- Safety and occupational health aspects should be given importance by involving NGOs and professionals in inspection functions and other areas. Legal provisions for certification of hazardous practices followed by industries and professional bodies to be put in place by professional bodies and who will suggest standards of safety (MS Univ. Baroda)

## **Chennai**

- Maternity Benefit Act should not be made applicable to bidi workers as the maternity and child health care is taken care off by the welfare organisation of the ministry of labour (NMBMA).
- Maternity Benefits Act should be restricted to two childbirths only to discourage the growth of population (NMBMA).
- Labour Code should be enacted for domestic workers. There should be childcare centres and separate welfare boards for them (CACL).
- The code of conduct should be developed for domestic workers and should specify working hours, wages, leave facilities, bonus etc on the lines of the code developed by the Maharashtra government (TNFFPDWM).
- Domestic workers should be recognised as workers under various labour laws and they should have the rights of unionisation (TNFFPDWM).
- Domestic workers union should be covered under the TU Act. The authorities hold the view that the domestic workers do not produce anything they are not engaged in industry, but one fourth of the total women workers are domestic workers (CFRUW).
- The construction workers act should be applicable to quarry workers, brick kiln workers and lime kiln workers. There should be a provision for creches under the rules irrespective of the number of women workers (TNF).
- All welfare and other tripartite boards should have proportional representation of women (ATSP).
- All acts must provide for maternity benefits, childcare services etc (ATSP).
- The construction workers act must include quarry workers, brick kiln workers, limekiln workers and houses must be arranged for these workers (ATSP).
- Regularisation of contract labour and regulation of employment by the board (TMWU).
- Under the TMW Act a 0.3% cess is being collected in TN from the employers and this amount should be raised to 6% to cover the cost of running the board, PF, Pension, Gratuity and ESI benefits. Unorganised sector unions should be given adequate representation in various consultative and decision making bodies at national, state and local levels (TMKTS).



### Kolkata

- Fish workers should be registered as skilled workers and their minimum wages fixed accordingly. All fish workers like harvesters, vendors, sorters, dryers, curers, net weavers, fish processing plant workers etc should be given identity cards and Migrant Labour Act should be applicable to migrant and contract fish workers (MDCFVU) (DBMF).
- There is no minimum protection for unorganised sector workers. Tertiary sector like domestic assistants, porters, sex workers problems may be looked into (HMS).
- Section 22 of the CL (R&A) Act should be amended fixing the liability of providing crèche for the children of women workers on principal employers and simultaneously making additional provision for providing crèche where 20 or more women are employed (RLC [C])

### Hyderabad

- Section 10 of CL (R&A) should be amended enabling employers to contract more jobs. This will open out more job opportunities in cleaning, canteens, sweeping, scavenging, security and routine maintenance (FOAPCOC&I).
- Social security laws like provident fund, gratuity, ESIC and maternity benefits should be covered under one law (NIPMAPC).

### United Trade Union Centre (Lenin Sarani)

- There should be a comprehensive legislation to regulate minimum and equivalent wages and employment in the agricultural sector. Agricultural workers act should be formulated on the lines of the Kerela Act. In the face of the current QRs there is an urgent need to protect labourers by guaranteeing work throughout the year, preventing and rehabilitating child labour and eliminating discrimination against women's labour and adoption of effective social security measures by providing effective social safety nets and health protection.

## **Section- Two CHILD LABOUR**

This section can be divided into three broad sub-themes:

- I. The Opinions For Continuing Child Labour
- II. The Opinions Against Child Labour
- III. Need for Legislation

### **The Opinions for Continuing Child Labour**

#### Mumbai

#### Ahemdabad

#### Chennai

#### Kolkata

#### Hyderabad



- Children should be allowed to work in hotels and child labour should not be abolished in this industry. Their working hours should be reduced to four or five hours. Working in this trade will also serve as an education for them and also gives them financial support (APHA).
- Children should be allowed to work in hotels, restaurants and shops and there should be no collective bargaining. However this employment should be integrated with compulsory education and health care (APHWU).

#### **THE OPINIONS AGAINST CHILD LABOUR**

##### **Mumbai**

##### **Ahemdabad**

- Enforcement machinery should be strengthened with human and financial resources and a separate cell should be constituted in the labour department for violation of the CLPRA (CACL).
- If violations of the CLPRA occur in government projects than the officer in charge should be held responsible action be taken against him (CACL).
- If a government contractor violates the provisions of CLPRA than his contract should be terminated and the contractor should be blacklisted (CACL).
- In the disputes as to age the onus of proof lies on the petitioner or the labour department. The onus of proof should be on the employer by amending section 10 of the CLPRA (CACL).
- Child labour/ children should have the legal right to be represented by NGOs / Child rights organisations for filing complaints and court appearances similar to the rights of TUs to represent their members (CACL).
- Just as under Juvenile Justice Provisions act, provisions should be made for special courts under CLPRA (CACL).
- Decentralised institutions like municipalities and panchayat bodies be given the power to enforce the CLPRA (CACL).
- Inspectors should be given the power to impose fines for violation of CLPRA on the spot (CACL).
- NGOs and TUs should be given the powers to inspect the records of the enforcement agencies in respect of quality and status of enforcement (CACL).
- A joint task force should be set up at the district level to monitor and implement the act (CACL).
- Authorities should be made aware of the child labour laws, especially police personnel, and the related legal and social issues (CACL).
- Child labour should be totally prohibited (CACL).

- Children should get education and not be engaged as child labour in violation of the provisions of the Constitution. There should be strict enforcement of laws pertaining to child labour to stop the same (RLA).

### **Chennai**

- Since all employment is hazardous for child labour the definition of hazardous should not be industry based but child based and there should be a complete prohibition of all child labour. All forms of child labour upto the age of 16 should be banned and provisions should be made to guarantee free quality and compulsory education upto the 10<sup>th</sup> standard (CACL).
- Every human being below the age of 18 should be considered a child and should not be in any employment. All children out of school should be considered as being at work (CACL).
- Those who are employed should have the rights of adult workers with right to education, social security and welfare. The CLPRA should be comprehensively amended and there should be need-based minimum wage, social security and protection under the I.D. Act (CACL).
- The employer employing children should be considered liable for denial of education and onus regarding proof of age should be on the employer/occupier of the factory. It should be mandatory for all employers/occupiers to get proof of age of from concerned authorities and maintain the wage slips of the employed at age of 17-18 years (CACL).
- Piece rate system of child labour should be abolished (CACL).
- Millions of children work for 1/3<sup>rd</sup> wages for 10-12 hours a day in deplorable conditions, denied education, health care and safety and this leads to denial of employment to equal number of adults and only to the exploitation of children. NCL should do something urgently to ameliorate this situation through an umbrella package of legal protection for unorganised sector workers and through the expansion of the coverage of Tamil Nadu Manual Workers Act (CACL).
- Child labour is cheap labour and is therefore exploited. There should be total ban on child labour (Dr. S. Vijaylakshmi).
- While child labour should be completely abolished opportunities should be made to extend social security to their parents by making suitable amendments (UTUC [LS])
- Child labour and education must be combined with community development programmes and social mobilisation. Adult employment should be ensured (CACL).
- The employment in metal factories (polishing units is considered hazardous but children are employed there. Action should be taken to identify children and to punish employers (Arunodhay).
- All work should be considered hazardous for children (Arunodhay).
- Education should be considered a fundamental right of all children and child labour should be abolished. In some cases it is difficult to determine the age of the child. (State Labour Department).

### **Kolkata**

- There should be proper enforcement of law to eliminate child labour (TMS).
- Children are the future of the country but driven by poverty the number of child labourers is growing. It is being denied basic rights like education, healthcare, recreation, and protection of family life, and shelter leading to physical and mental disorders. The occupations that children are employed in are hazardous and occur because of poverty, lack of education and awareness amongst parents and advantages to the employers as child labour is cheap (TMS).
- As per reports 254 occupations have been identified where children are employed and there are 6 lakh working children in the state in prohibited and hazardous occupations. Awareness needs to be raised amongst parents to send their children to school (IRMA).
- Children should be provided non-formal education, health care and nutritional support for preventing child labour. Steps should be taken for augmenting the income of families whose children work (TMS).

### **Hyderabad**

- In the 1991 Census AP accounted for 1.6 million child labourers out of 11.6 million working children all over the country. The present law covers only 6 – 8 percent of all working children and labour departments face a lot of problems in implementing these laws. A sustained public campaign and rehabilitation programme is needed as a preventive measure for child labour (LDGAP).
- There is a need to shift the burden of proof of the age of the child from the enforcing officer to the employer (LDGAP).
- The AP Government has changed its of getting children released from child labour. It has started asking the employers for minimum wages and if they do not pay them the employer is asked to release the child from child labour, and send him to school. The amount thus released is invested in National Savings Certificates in the name of the child. A total number of 21,482 child labourers had been released from period of 1999 till August 2000 (LDGAP).

### **Hind Mazdoor Sabha**

- Child labour is mostly prevalent in all industries and their number is increasing especially in match, fire works and hosiery factories. The Child Labour Act is not implemented properly and the government does not have proper estimates of how many child labourers exist. While the official estimate is 44 million non-governmental organisations

estimate the number at 60 million. The survey ordered by the Supreme Court is yet to be completed.

- The minimal measures to eradicate child labour include making the right to work a fundamental right and providing all children under the age of 14 free education as per article 41 of the constitution. The parents of the children should also be assured employment in schemes like the Employment Guarantee Scheme in Maharashtra. There should be free supply of mid day meals for children going to school as in Tamil Nadu and youth should be provided training in skill development. The education facilities should be enhanced in urban and rural areas.
- Employment guarantee scheme should be extended to all states so that child labour could be avoided.
- 25% of the child population of India are engaged in child labour that is particularly rampant in the industries of bangles, fire works, matches, beedi rolling and carpet weaving. Measures initiated to stop this are ineffective. Children have been taken out from work in isolated pockets and this has met with marginal success.

#### **NEED FOR LEGISLATION**

##### **Mumbai**

- Child Labour Act should be modified to leave out any scope for exemptions (INBEF).

##### **Ahemdabad**

- The Child Labour (P&R) Act should be amended to eliminate the division of prohibition and regulation. All children upto 14 years of age should be prohibited from labour in synchrony with article 45 of the constitution, which requires free and compulsory education for all children upto 4 years (CACL).
- The regulatory provisions should apply only to children between 14-18 years of age (CACL).
- Definition of establishment should be expanded to include agriculture work, household work, self-employed children, and simultaneously the coverage of the act should be expanded to include every occupation in which children are employed irrespective of the existence of an establishment (CACL).
- The occupations and processes like rag picking industrial waste, cleaning and handling of related packaging materials, collection of empty bags of chemicals and cements and pesticides should be totally prohibited under C. L. (P&R) Act (CACL).

##### **Chennai**

- Preamble to the Child Labour Act should be modified giving in detail the rights of children as given in the UN Convention incorporating the right to education and protection against economic exploitation as also a constitutional guarantee promoting prohibition of employment of children (CACL).
- The CLPRA should be amended to state that no person under the age of 18 should be employed and no exemption should be granted in agriculture or household based occupations even when they are undertaken with the consent of the family (CACL).

- The new law should incorporate rehabilitation of children taken away from employment and integration of child labour into education till the 10<sup>th</sup> standard from state fund and also adequate compensation for the period for which the child has been working (CACL).
- Total prohibition of child labour upto the age of 14 should be enforced (INTUC).

### **Kolkata**

- Child labour between 12-14 years should be prohibited and this should be commensurate with the increase in wages of adult workers (CSS).

### **Hyderabad**

#### **Hind Mazdoor Sabha**

- There are also legislation prohibiting child labour but their implementation is far from satisfactory.
- Engaging child labour should be a criminal offence (HMS).

## **Section- Three THE UNORGANISED SECTOR**

### **Mumbai**

- Minimum wages are not being paid to unorganised sector workers (RMM).
- The criteria for the fixation of minimum wages should be the following: 1) a workers family should be taken to consist of four members of husband, wife, two children and 3 adults (UTUC does not agree by the 2 child norm); 2) minimum clothing requirements should be 18 yards of cloth per head per annum; 3) minimum food requirement should be 2700 calories per day; 4) house rent should be the minimum rent charged in subsidised government housing; 5) food and lighting should be covered and should comprise 20% of the total minimum wage. Besides this, the Supreme Court ruling that children's education, health, marriage and minimal recreation should form 25% of the minimum wage should also be met to determine a fair wage.
- Working conditions of the unorganised sector should be improved and social security should include job security (RMM).

### **Ahemdabad**

- Umbrella legislation for all categories of unorganised sector workers from widely diverse document e.g. sales promotion employees and building and construction workers is not perhaps advisable. Minimum Wages Act is in fact an umbrella legislation and it should provide the floor level minimum work especially for rural and urban unskilled workers (MGLI).
- The rural labourers are unorganised and scattered and there is no mechanism for the revision of their wages. So a separate wage board should be set up for the fixation and revision of their minimum wages (RLA).

- Unions and NGOs wanting to organise rural workers should be given monetary help. Only unionised workers can take care of their own interests (RLA).
- Workers should be treated as productive assets or as a means by which the informal sector is able to earn their living and an adequate income (SEWA).
- Some workers such as home based workers, street vendors, and agricultural workers need legal protection (SEWA).
- Workers need to form their own self help organisations like co-operatives, self help groups and micro finance institutions to enter the market directly. The laws and regulations need to be modified to allow these self-help organisations to enter the market (SEWA).

Government should declare minimum wages for all trades of the informal sectors and beedi workers (SEWA).

- Every individual who works and earns must be identified as a worker irrespective of the fact whether he is a domestic worker or a managing director (GMP, AITUC).
- Government should fix minimum wage rates for the unorganised sector and management should be prosecuted for violations (INTUC - G).
- The states should broaden the scope of labour policy and labour legislation to cover unorganised sector in more substantive manner (CII).
- Core hours and flexitime should be well defined (MGLI).
- Unorganised sector workers should have enough work for the whole year and have an adequate income equal to minimum wages. Workers and their families need adequate food, water and preventative and curative health care (SEWA).

### Chennai

- Most important labour standards in India relating to permanency of employment is attacked and in its place hire and fire policy and the right to treat all workers as contract workers are gradually and forcefully being injected. The government is also promoting this trend and dismantling the TU and ID acts in violation of the human rights of the workers. This will lead to increased poverty, casualisation and child labour. All sectors of unorganised sector should be guaranteed social security. There should be minimum protection for all workers of the unorganised sector especially in the context of globalisation and this will also result in reduction of child labour (CAACL).
- The NCL should involve all CTUOs and Joint Action Committees of TUs in decision making to make it more democratic so as to strengthen workers rights (CAACL).
- The construction workers act should be applicable to quarry workers, brick kiln workers and lime kiln workers. There should be a provision for creches under the rules irrespective of the number of women workers (TNF).

### Kolkata

- Minimum wages in the unorganised sector (sweated labour) are very low and moreover they are not getting payments at the rates fixed by government (HMS).



- Tertiary sector like domestic assistants, porters, sex workers problems may be looked into (HMS).
- MW Act and Equal Remuneration Act should be rigorously imposed for agricultural labourers. Both government and employees are violating the acts. The basic minimum wage is Rs. 62.10 whereas they pay only Rs. 40-45 per day to men and women receive even less than this. In West Bengal women get much lower wages than men do. 50.55 lakh people belong to the workforce in the agricultural sector from a total of 205.81 lakhs. Hours of work are unlimited and there is no protection in form of maternity benefits, old age benefits or accident benefits. Government of West Bengal has some unutilised funds for women workers (PBKMS).
- There should be a national policy for hawkers. It should take measures for promoting a better future for child vendors and persons with disabilities (HSC).
- Bidi industry should be exempted from all labour laws (F of BBL&TM).
- The interest of unorganised sector workers is ignored and needs to be looked into. There is a need to train unorganised sector workers (BMS).
- In view of our present population, a survey needs to be done to gauge the exact extent of the unorganised sector. Workmen may be divided into urban, rural and Vishvakarma sectors (BMS).

#### **Hyderabad**

- Existing labour legislation should be improved and continued. In India where 60% of the people live below poverty line and 90% of the people work in the unorganised sector, doing away with existing labour laws will cause untold misery and anarchy (HMS).
- 90% of the workforce is engaged in the agricultural or the informal sector, and there is a need for protecting them. There is also a need to ensure minimum wages and social security for them. This should be done through gram sabhas, and social and voluntary organisations. A separate fund should be set up for their social security and 100 Crore should be contributed by the Government towards this fund (INTUC – AP).

#### **Hind Mazdoor Sabha**

- Unorganised sector labour is not amenable to precise definition and these workers are those who have not been organised in their pursuit of a common objective due to constraints of a) casual labour, b) small size units employing less than five workers, c) scattered nature of establishments and superior employers and d) absence of employer-employee relations in some cases.

- Unemployment in the unorganised sector is defined as the non-availability of work to earn a daily, casual or monthly income. Under employment is the non-availability of employment on a permanent basis and is characterised by seasonal labour in this sector.
- The recruitment system in the unorganised sector is deplorable and leaves room for some sort of bonded labour. The only consideration in recruitment is the capability of the workers e.g., only women are hired for transplantation jobs. The employment is done, not through the employment exchange, but through jobbers and contractors. This results in many malpractices. For instance members of the landlord or rich peasant pay advance to an agricultural workers family and the whole family works for the wages of one person. This practice is prevalent in the fishing, quarrying and weaving.

#### **Section- Four GENERAL**

- Minimum wages of the SSI sector should be based on employment size and area where they are located and it should be lesser than what is applicable in the large-scale sector (JMCCI).
- Exemption should be granted from the minimum wages act for a period of five years to all new units that are set up in backward areas (MCCI).
- Minimum Wage Act should not be applicable to the small scale industry and wages should be fixed according to the demand and supply principal of the market (BSSIA)
- The three enactments namely MW Act, Payment of Wages Act and Equal Remuneration Act should be amalgamated into one (BoCC).
- The national labour commission should take into account the emerging economic scenario, technological changes that are taking place, the environment of international competitiveness etc. The level of national protection should be conducive to flexible labour markets (IMC).

#### **Ahemdabad**

- The Payment of Wages Act should be amended and wage limit removed. If wages are not paid in time than the management should be imprisoned (VKU).
- Minimum Wages Act and the concerned workmen or the union should be given the direct rights to approach labour courts for prosecuting to the employer for the breach of minimum wages act (GMS).
- There should be a national minimum wage and no worker should be paid less than that (TDWI, HMS, VKU).
- Autonomous Authority should be there to study workload, skill levels, occupational hazards, productivity etc for suggesting appropriate salaries of different categories of work. The authority may work through the committee with people having sound technical knowledge along with the representatives of employees and employers (AMTA).
- Size of the family for fixing minimum wages should be a single unit as the age of marriage has got raised (AIOEU).

- The second labour commission must guard against the intention of pushing the Indian Labour into the clutches of the global market (BMS).
- The state has an obligation to make the social justice as an integral part of development planning (IIRA).
- The labour policy should support the observance of minimum number of basic labour standards, trade unions and collective bargaining and investments and labour standards at the micro level (IIRA).
- All parties in industry should make efforts to minimise effects of termination of employment due to impact of globalisation (MGLI).

### **Chennai**

- There should be national minimum wage that should be fixed for a period of five years and should be also applicable to the bidi industry (TDBMA).
- Employment not covered under the schedule should be covered under minimum wage act. In some cases it may be difficult to determine the employer-employee relationship (state labour department).
- There should be a national wage policy for bidi workers (TNSBWS).

### **Kolkata**

- Working environment should be dignified and proper arrangements for air, water, cleanliness, weekly holidays etc must be ensured (BMS).
- The minimum wage should in fact take care of the needs of workmen at the lowest level and should be based on the local cost of living. The market and availability of manpower should determine the wages for the skilled and higher category of workmen (BCCI).
- In changed circumstances and local competition there is an imperative need that wages should be linked with productivity and the same will help to improve general productivity of the unit and make it more competitive and efficient (BCC).
- There should be a national wage policy (NFSRU).
- The globalisation of the economy and the consequent mergers have resulted in the recruiting of casual, contract and unorganised sector workers; intensification of the work day and increasing work loads; opening of new plants in green field areas; and firing out of workers by keeping them idle (NFSRU).

### **Hyderabad**

- Right to work should be declared a fundamental right (HMS).
- The concept of productivity linked to wages be made a part of statutes governing collective bargaining, since there is cut throat competition in a globalised market (FOAPCOC&I).

- The state government should revise and add the cost of living allowance to minimum wages in uniform and similar manner with same periodicity. It is also suggested that there should be a ceiling on dearness allowance and fixation should be done on the following basis of classification of labour: skilled, semi-skilled, unskilled and office staff (FOAPCOC&I).
- All issues regarding contract labour should be settled through a tripartite body and contract labour laws should be amended to give the industry more flexibility (CII).
- Migrant workers should be protected against all kinds of exploitation (HMS).
- Land reforms and employment guarantee schemes should be launched in backward areas (HMS).
- Village panchayats should implement labour laws for unorganised sector workers (APHMKSP).
- Minimum wages should be revised to Rs. 100 per day and a suitable DA formula should be worked out (APCAKS).
- We have a 376 million workforce of which only 8% are in the unorganised sector and 67% are in agriculture producing only 25% of the GDP. Poverty and unemployment are growing and FDI is only coming in non-priority sectors leading to growth of unemployment. If we see the experience of other countries they paid more emphasis on social safety nets, income security and skill training rather than job security (CII).

#### **Hind Mazdoor Sabha**

- Casualisation and informalisation of labour should be avoided because it is meant for the exploitation of labour and to deprive them of benefits achieved by the working class over the last few decades and make them into bonded labourers. These so-called casual workers are doing work that is permanent in nature.

Since economic liberalisation, industrial unrest is increasing because of destabilisation of labour, growing industrial sickness, threat to employment security, erratic payment of wages, default in depositing EPF and ESIC contributions etc.

#### **United Trade Union Centre (Lenin Sarani)**

- The criteria for the fixation of minimum wages should be the following: 1) a workers family should be taken to consist of four members of husband, wife, two children and 3 adults (UTUC does not agree by the 2 child norm); 2) minimum clothing requirements should be 18 yards of cloth per head per annum; 3) minimum food requirement should be 2700 calories per day; 4) house rent should be the minimum rent charged in subsidised government housing; 5) food and lighting should be covered and should comprise 20% of the total minimum wage. Besides this, the Supreme Court ruling that children's education, health, marriage and minimal recreation should form 25% of the minimum wage should also be met to determine a fair wage.

## PART-IV

### Report of Workshop on Women Workers : An Agenda for the Future

New Delhi - 19th - 20th March, 2001

#### Inaugural Session

*Smt Renana Jhabvala*, Chair of the Group on Women Workers and Child Labour, NCL began the proceedings by introducing the workshop to the participants. The Study Group on Women Workers and Child Labour had divided itself into two subgroups focusing particularly on 'Women Workers' and 'Child Labour' while recognizing the many linkages between the two. This workshop was designed as a 2-day consultation of the sub-group on women workers to get the views of the participants on the various papers commissioned by it.

*Mr. Ravindra Varma*, Chairman, NCL addressed the workshop. The Commission was faced with the responsibility of reviewing labour legislation in light of the many changes under way in the economy. The NCL has tried to collect views through questionnaires, visits to different parts of the country, and it had received many representations from different groups. He stated that for NCL, this event was very important, as it had gathered together a wide variety of stake holders, all of whom are very aware and active within the range of issues covered by this sub-group topic, which covers 50% of the population.

In the current situation, both employment and continuous eligibility are equally important. New trends in the economy that affect the situation of the workforce include outsourcing, decentralization and dispersion of work, with an increase in contractual employment and casualization; he pointed out that construction workers typify the agony that some workers face.

He highlighted that unless we recognize the contribution of women workers to the economy and enable women to achieve their full potential, there cannot be growth and development. Without a change in the mindset, the lives of women and children cannot be improved. He stated that a crucial question is whether society or the state has a responsibility to ensure a basic set of rights including the rights to employment and social security.

He confirmed that this is a clear responsibility of the state, which he believes it is necessary for the state to continue with, especially in light of the current changes brought about due to globalisation, liberalization and increasing stress on cutthroat competition. The Directive Principles of the constitution give the state the responsibility of ensuring a minimum level of protection to everyone.

Mr. Varma concluded by saying that organizations that promote self reliance of women workers, organize them and defend their rights, like SEWA, are very important to help women workers get full employment and become self reliant.



*Smt Kaliben*, a minor forest produce gatherer from Madhya Pradesh engaged in tendu patta collection, spoke next and shared her life experience, highlighting how important the need for basic security in terms of employment, food and health security are, in the life of a self employed woman worker.

*Smt Ela Bhatt*, Member NCL, gave the keynote speech. Her observations drew upon the past (Shramshakti Commission), present (NCL Member) and assessments of the future, in relation to women workers.

She observed that women in the informal sector were almost completely invisible especially to the government, when she was compiling the Shramshakti report : she did not find this type of insensitivity in her recent visits with NCL, but still there was not much change in terms of increased employment opportunities for women or adequate skills training programs.

She highlighted that access to :

1. Credit
2. Property
3. Assets and
4. Marketing skills/Markets/Training are still very limited and

Need new policies. She particularly pointed out that the ILO convention on Home Based Work needs to be urgently passed in India.

Looking to the future, Elaben remarked that India has shifted its emphasis from "Labour" to "Markets" and globalisation is the biggest challenge so, we need to relook at existing labour laws, institutions and solutions. These included reexamining the concepts of minimum income, social security, access to assets ownership, current system of labour law enforcements only through labour officers, company based unions, the role of co-operatives and other traditional organizing structures.

In regard to developing an umbrella legislation, there was no opposition to the idea. Since this would cover 90% of the labour force, it may pave the way to reducing poverty. Several questions remain unresolved, including the question of how workers are to be recorded and registered; how should minimum income be defined; what does social security in the Indian context mean, and should it be work linked or citizenship based; what is the best implementing authority - labour department or tripartite bodies; how can decentralized institutions be used. She pointed out that if this legislation achieved even one thing - minimum wage - it would be a very important step forward.



Elaben concluded by reiterating that the future is one of global labour markets. The enormous increase in the power of transnational corporations is accompanied by a reduced ability of the government to implement a social consensus. The informal sector has to develop a political, trade union and organizing agenda; today, around 4-5 % of unorganized/informal workers are organized globally in unions. Unions have seen a reduction in their core constituency, with the trends of reduction in direct labour force and increase in sub contracting, and have not been able to follow members as they move out of the core labour force into informal or home based work. Today, unions need to re-think their strategies - why should a worker need to change his/her union on changing a job? General unions may be the face of the future, and co-operatives will be an important ally.

*Mr. S.Sen*, Deputy Director General, Confederation of Indian Industry was the final speaker. He referred to programmes developed by the CII in association with UNIFEM, and said that although the CII is mainly working with the formal sector, they recognize that women are emerging as a great force. In their experience education was the best source of empowerment, and they would be particularly willing to provide assistance in the areas of information technology and crafts, specially marketing and technical support in the case of crafts.

Other areas of priority concern include ensuring equal pay for equal work for women in management, and supporting some self employment mentor scheme.

*Smt. Mangalamba Rao*, Member, Group on Women Workers and Child Labour, NCL ended the inaugural session with a vote of thanks.

### **Session I: Towards an Approach of the NCL Group on Women Workers**

*Dr Vijaylakshmi*, Member, Group on Women Workers and Child Labour, NCL chaired this session.

*Smt Renana Jhabvala* presented some thoughts on "Women Workers: Towards an Approach of the NCL group on Women Workers". Attention was drawn to the changing nature of work worldwide as a result of globalisation. This change she argued has brought about a shift away from secure, protected work to insecure, flexible work; feminisation of work force; absence of employer-employee relationship and of any fixed work place. In the changing global context, she emphasized the need to look afresh at the definition of "Worker" from 'Employer-Employee' to 'Productive work', which would encompass all kinds of employment relationships. In attempting to redefine the term "Worker", it becomes necessary to identify what activities should be included as 'productive work'. Should this be according to the SNA definition as boundaries or contribution to GDP or should it include housework; should high income earning professionals be included in the definition of workers?

The next issue she raised pertained to the impact on income and employment in the context of globalisation. She identified certain sectors where the impact would be substantial, like construction, forestry, livestock, food processing, bidi rolling, textiles, crafts, home-based industrial subcontracting, street vending, domestic work, informal health, nursing and financial services. She felt that there was a need to explore sector specific employment opportunities and policy measures; need for major investment in skill upgradation and retraining for women, need for income protection and improved working conditions and that employment and income should be the focus of economic planning and investment. She also emphasized that in the changing scenario, employment and income opportunities are closely linked to the ownership of assets and while dealing with sector-wise employment opportunities, we need to look at transfer as well as building up of assets for women workers.

She then emphasized the need to have a minimum income, which should be need based and should cover all kinds of workers, who are at present not in the ambit. Access to financial services was identified as a mechanism, which can play a major role in reaching a minimum income, especially for those workers who directly access the market. She pointed out that there exist two approaches to social security entitlements, citizen based approach and work-based approach. She expressed that there is a need to think afresh on how to devise work based social security systems to target the informal economy workers. She put forth a few options like, the Workers Welfare Funds and Boards such as the Bidi Workers Welfare Fund, the Tamil Nadu Construction Workers Welfare Fund, the Maharashtra Mathadi Workers Board and the Kerala Welfare Boards, which are able to reach the unorganized sector as they do not require an employer-employee relationship.

Lastly, she expressed that the most effective way for women workers to achieve a measure of security is to form their own organizations and to make their voice and needs heard in mainstream policy decisions. The most effective mechanism of organising would be membership-based organizations.

## **Discussion**

The discussion on this paper rested on five major issues.

- The first issue related to the definition of "Worker", which to some was confused. It was suggested that there was a need to have a conceptual definition worked out, which should be then operationalised. It was not clear whether child rearing or housework would be part of the definition. It was felt that the definition should not be restricted to workers and should also include the manager cadre. The need to clearly distinguish housework from home-based work was expressed. It was suggested that the artificial classification should be expanded and to include house work in the worker definition.

- The second issue related to widening the concept of social security, which was restricted to maternity and childcare. It was expressed that the problems of women workers like violence, both domestic and social, sexual harassment and focus on deprived class or dalits should be incorporated in the social security concept. It was felt that in the wider context social security should include housing and other ownership rights as land. The issue of displacement and natural calamity as part of the social security was also pointed. It was argued that worker based right alone might not serve the purpose and that there is a need to have a citizen based right, which addresses the issue of food security.
- The third issue related to impact of globalisation on income and employment. The question raised was why only a select few occupations or sectors were considered. Analysis should not be based on women-intensive sectors alone. It was also important to remember that while safeguarding jobs is important, it is also important to move to safe jobs.
- The fourth issue related to minimum income, where the problem of how to define minimum income and the issue of fixation of wages for unorganized workers was raised. An argument put forth on the issue of minimum income was that the focus would be on social security and employment, which would mean guaranteed employment by the Government that has to come through legislation. In such a context, would it be possible to have such a guaranteed employment for the unorganized sector.
- The fifth issue related to the delivery mechanism of social security and identification of workers. The issue of who is going to pay was raised in the context of reorganization of industries where work is moving out. A mechanism of Welfare Boards or Funds was suggested which could be based on sectoral divisions. However, the issue of identifying the workers remained unresolved, as workers move across different occupations at any given time and it was queried whether having an identity card would be of help.

## **Session II: International Framework for Socio-Economic Security for Women Workers**

*Mr T S Sankaran* chaired the session.

*Dr. Guy Standing*, ILO spoke on "An International Framework for Socio-Economic Security for Women Workers".

He pointed out that the statistics of the 20 th century have been uniquely biased towards men as workers. Controls and security issues are ignored in the labour status/ labour force approach. He raised two questions that were essential to address the socio-economic security of the workers, what is the occupational distribution of the population of the country like India and what is the skill distribution of the population? He argued that though

countless analysis have been done of skilled vis-à-vis unskilled work, but none of them were undertaken with any perspective in mind. These questions would atleast help us in having some notion about informal work. He pointed out that no doubt informalisation is a reality but the dichotomy of formal and informal work is a nuisance. To address the issue of informalisation, he argued that there is a need to move away from labour force approach to recognition, legitimation and compensation for all forms of work and to highlight new forms of security and insecurity experienced by people. There are different kinds of control related to work. It is essential to bear in mind that it is not just the market which can be exploitative but the relations of production and distribution.

He pointed out that the ILO was reinventing itself, with a shift towards "work", decent or dignified work and not labour. The informalisation of labour force due to globalisation, was breaking the earlier myth of the Lewis model in which development led to a movement into formal and regulated labour. In contrast to such expectations, economic and social insecurities are increasing everywhere. There is a new form of global stratification of societies that is visible. He emphasised that it is probably impossible to conceive the idea of reducing poverty or insecurity without reducing the gross inequalities that exist today. The experience has been that with development, there is a commodification that takes place, reducing the relative importance of community benefits and increasing that of wages. This is succeeded by a further shift towards state benefits and enterprise benefits. The actual experience has been of further de-commodification, with increased reliance on community benefits. However, communities have become less capable of generating the desired benefits.

He put forward some thoughts for the future, where he expressed that we need to think hard on what kind of society we want to leave behind; and though all theories of distributive and social justice believe in equality, we need to be clear about the kind of equality we believe should exist in a good society. We could celebrate certain differences: diversity of lifestyles and work patterns and positive forms of informality, aim at a co-operative and collective individualism. What is essential in the present context is social protection, regulation and redistribution. What is feasible, and not just to deal with contingencies but towards the promotion of basic security of all as a citizenship right. He put forth two principles in this context, the security difference principle and the paternalism best principle. The security difference principle is based on the notion that any policy or institutional change is just if and only if it improves the security of the person. The paternalism best principle is based on the notion that if it does not impose control on some groups and if they do not impose controls on others then it is a free society. Real freedom comes from basic security and it is essential to look at new mechanisms. It is essential to re-look at co-operatives.

He concluded by addressing the issue of how to achieve better regulation, he suggested that collective voice regulation could be one of the mechanisms and other new forms of

voice representation. He cited the words of philosopher G D H Cole in this context who expressed that "we need as many forms of representation as there are interests". The forms of representation that enable weak groups and that are accountable, equitable and representable. In this context he also cautioned that one should be critical about Non-Governmental Organisations and not romanticise them.

## Discussion

- The discussion on this paper started with the query of why the term "decent work" was chosen in preference to "dignified work".
- The formal informal dichotomy issue was raised, and it was suggested that there are no barriers to entry in the informal sector. Given the fact that much self employment is crowded into small niches, how could one raise productivity here?
- The next question was addressed towards the working conditions, whether the ILO has observed any fall in the working conditions since the launch of the Structural Adjustment Programme (SAP). The question of trade unions not being allowed in the Export Promoting Zones since the 1997, 1998 ILO regulations was also raised.
- The question of sustenance of the 'solidarity grants', which are being proposed in Africa was raised.
- Lastly, the issue of introducing labour standards in international fora and in developing countries was raised in the context of increasing informalisation of labour relations.

Guy Standing argued that the informal sector is not characterised by free entry and that there are ethnic, caste, age and other barriers. There is no pool where informal workers can enter and there is also this larger question of informalisation of labour in formal enterprises and where to place them. In regard to the minimum wage of the self-employed, he argued that there is a need to move away towards citizen entitlements. In regard to labour standards he expressed that SAP had weakened labour and it is ironic that the World Bank now talks about empowerment. He felt that there is a need to look into the old forms of protection and regulation again. In regard to the solidarity grant being proposed in Africa, he said that it is based on Brazilian experience, where it has worked well. It was supported by the Ministry of Welfare, and a kind of social pension is actually paid to low income rural women. This social pension helps them not only in reducing old women's poverty, but also helps their grand children to go to school. In regard to labour standards being applied worldwide, he said that such a consensus had failed at Seattle where trade and labour standards were being debated. He argued that labour standards are being cut on competitiveness, which is in the interest of the vested interests and which is not justifiable.



He also expressed that dualism in labour standards is not acceptable and even in EPZs workers should have the same freedom of association. Finally he concluded by saying that the global trend is towards entitlement of benefits, and there is a move away from work based entitlement to citizenship based entitlement. Everybody should have basic rights to dignified work.

### **Session III a Social Security for the Women Workers in the Unorganized Sector**

*Smt Nalini Nayak* chaired the session.

*Shri R K A Subrahmanya* made the first presentation, on "Approach to Social Security". He argued that social security is a basic human right. This has been articulated in the Declaration of the Rights of Man, Universal Declaration of Human Rights and the Constitution of India. He argued that there is a need to make social security a fundamental right. According to him, basic security encompasses employment security, income security, food security and health security. He argued that social sector in India comprises only 1.7 per cent of GDP which is very low compared with neighbouring countries like Sri Lanka (4.7 per cent) and China (3.4 per cent). He argued that there a number of conceptual frameworks being discussed for social security, and there is lack of a clear definition. It is essential to aim at minimum income, which should tackle contingencies.

The core contingencies he argued are unemployment resulting in lack of incomes or low income; and sickness, accident, maternity, invalidity, old age, death of a breadwinner and loss of assets. He also put forth other risks which the worker might encounter, economic risks due to globalisation; retrenchment, lay-off, closure of business which result in loss of employment, income and increase in debt and suicides. And, finally there are natural and man made catastrophes resulting in death and destruction, sickness, invalidity, loss of assets, employment and income.

The approach to tackle these contingencies he argued could be community approach, anti-poverty measure, minimum needs programme, basic services and public health. And the strategies for management of these risks could be informal, market-based or public. The public arrangements would include, publicly funded or tax based or social assistance schemes. Voluntary or commercial schemes could also be introduced. Finally, he concluded by putting forth the feasibility of extension of formal social security schemes to the unorganised sector and the feasibility of setting up a separate welfare fund for each employment or common welfare funds.

*Dr. Vijay Kumar* and *Smt. Smita Ghatate* made the next presentation on "Restructuring Welfare Funds". This paper examining the existing welfare fund for beedi workers, developed a revised model with regard to decentralisation, increase in benefits, augmenting



resources and special needs of women. The proposed welfare fund model is to be managed by a financially and functionally autonomous board, working at the central and the state level. Further, there would be an active role of tripartite boards with actual worker and women representation. At the state level, there would be flexibility in fund raising and utilisation and the scheme would be mainly implemented through NGOs, trade unions and people's organisations. The proposed model was based on a number of assumptions and a plan for the proposed sources of funding was worked out. This was the most crucial as it suggested that there should be an increase in cess from the present rate of Rs.2 to Rs.5 per 1000 bidis, which would raise a revenue of Rs.210 crores. The employers' contribution was to be charged at Rs.2 per 1000 bidis sold, yielding a revenue of Rs.84 crores and workers contribution of Rs.100 per worker per year raising a revenue of Rs.44 crore. This amount raised would help in providing social security for the beedi workers.

### **Discussion**

The discussion in this session was largely centred around the question of restructuring of welfare funds.

- The issue of proposed cess, employer's contribution and worker's contribution was raised. It was argued that even with the existing rates, there are attempts to evade cess by many employers. Would the proposed system be workable? Probably there should be only employers and workers contribution on a monthly basis. It was suggested that there may be some confusion between cess and employer's contribution and it would make more sense to collect it as sales tax rather than as employers contribution, which is difficult.
- The issue of highly fragmented nature of the industry was also highlighted, which was basically to evade the cess that was imposed. It was pointing out that there was an inherent flaw in the law, which allowed or exempted manufacturers who produce less than 20 lakhs from paying cess. It was cited that this is again the reason why the working conditions are bad. It was suggested that if this law was removed then a considerable amount of cess could be collected.
- It was clarified that cess was collected at excise and that the exemption of 20 lakhs would be followed up. However the main objective is to get the employers' contribution which is essential to put the system in place.

*Mr Vishwanath* explained the proposed SMARTCARD to enable the extension of provident fund facilities to unorganised sector workers and there was some discussion on its feasibility and implementation.

### Session III b Social Security for the Women Workers in the Unorganized Sector

*Mr. B.K. Chaturvedi* chaired the session.

*Dr Rekha Wazir* made the first presentation on 'Early Childhood Care and Development in India: Policy Perspectives'.

She explained that Early Childhood Care and Development (ECCD) refers to the process children go through from conception until the age of 6-8 years, moving from simple to complex physical, psychological and behavioral patterns. ECCD has a sociological and developmental dimensions as well as it is during this period that the foundation is laid for a full realization of the human potentialities of the child over its life time. Early childhood can be categorized into four stages – Perinatal period, Zero to three years, three to five years and five to six/eight years. Each has its own distinctive needs.

Comparative data from other countries shows that India still has a long way to go in achieving reasonable health standards - for example, 40 per cent of the world's malnourished children are in India. Family stress, poverty, poor nutrition, inadequate childcare and illness are the major factors in India that are damaging the growth and development of children. From a policy perspective, the following recommendations were made

- there is a need to develop a Comprehensive Policy on Children, which should look at the whole child and not compartmentalise issues.
- multiple strategies need to be developed, since no unitary, centrally controlled childcare scheme or programme can provide a solution for the many varied scenarios that exist.
- there needs to be promotion and validation of low cost community based approaches.
- the needs of ECCD care workers should be given adequate consideration.
- broader measures will be needed to make the society child friendly.
- the debate on ECCD needs to be carried to new audiences, and to be incorporated into all disciplines concerned with human development.

*Smt Mina Swaminathan* made the next presentation on "Maternity and Child Care" by displaying some demographic data showing that out of 1000 million population in India, 180 million are young children (0-6), of which 60 million are in the below poverty line category

of families. Women in the unorganized sector would be around 120 million, and working mothers with children in the age group 0-6 would be around 30-40 m.

To bring workers under the coverage of welfare and social security benefits several Acts are in force, of which Maternity Benefit Act and ESI Act are most crucial. However, these two Acts at present cover only 10 per cent of the women work force. Due to illiteracy and ignorance many women workers are subjected to all sorts of exploitation and are also unable to get their dues and rights from the employer. Working women should not be discriminated by Age, Marital Status, Work Status, number of children and gender of children, income status, biological link and or any other means. She stressed the importance of Maternity Benefits and ChildCare and strongly recommended 80-120 days of wage protection at the minimum wage rate during maternity period. She reminded the participants about the ILO Convention, which proposes similar maternity benefits to every woman worker. She said that if the government would be able to implement the Minimum Wage Act effectively, to some extent women workers will be enabled to provide better care to their children.

Three levels of provisions have been proposed – existing employer liability model, contributory social security model, and public safety net model to achieve the welfare goals. Citizenship rights should include every mother's right to maternity and child care benefits. Reference was made to the vulnerable conditions of women workers and their children at construction sites.

*Smt Mridula Bajaj* was the third speaker, and presented some experiences in running "Mobile Crèches" at construction sites. Though the law envisaged childcare facilities in the construction industry, few contractors come forward to develop crèche services at their construction sites. While narrating her experiences and observations about this issue, *Smt Bajaj* said that in general women workers leave their children (1) at the creches or (2) locked within homes or (3) take them to the work site. The latter can be dangerous for young children. A lack of sensitization, commitment, mechanism, knowledge and trained personnel are the major obstacles in canalizing the crèche benefits. The challenges ahead are creating awareness, demonstrating the crèche projects properly and effectively, increasing stakeholder participation and finally and more importantly mobilizing resources.

### **Discussion**

- It was pointed out that some larger issues also need to be discussed, such as the nature of parental obligations and patterns of work.
- As far as legislation went, the question was raised as to whether the government would put its weight behind its implementation. Mr. Chaturvedi, Chairman of this session, in his

concluding remarks said that while the Center can recommend the legislation it cannot force the states to follow. The government has agreed to a large body on commitments, such as the rights of the child, and a National Charter is being developed, with a core group of activities. Every effort will be made to monitor the effective implementation of this charter. A separate set of measures is needed for nutrition. With World Bank funds now available for the social sectors, resources may become easier to access. It was also proposed to involve NGOs in improving the implementation of laws. However, in the end until community consciousness supports the laws, implementation will remain difficult. The proposed National Commission on Children, however, will be an independent body to act as watch dog. It was pointed out that Indian radicalism is seen in the passing of legislation, but not in its implementation.

**March 20**

#### **Session IV a Globalisation and Women's Employment**

*Shri Keshubhai Thakkar and Smt Reena Ramachandran* jointly chaired this session.

*Shri B.V.L.N. Rao* presented a paper on 'Women in Financial Services - present status and prospects'. Among financial services, banking and insurance have been growing the fastest in terms of contribution to GDP. These have attracted a number of educated women over the last three decades. However in the recent past the employment intensity of banks and insurance sector has declined. A continuation of this slow down may be expected in the immediate future as well as in the medium term; the share of foreign and private banks is likely to grow. The insurance sector is likely to open up opportunities for agents in the field. Problems faced by women in this sector include reluctance to accept transfers; discrimination in work assignment; gender differentials in pay; lack of union participation.

#### **Discussion**

- Women officers in the financial sector tend to oppose transfers. This leads to stagnation in their careers since many of these transfers come with promotions. It was pointed out that one reason behind this was the lack of infrastructure in the areas to which these women were transferred. It was suggested that the infrastructure in the financial sector, as well as social infrastructure in the area, should be provided to facilitate transfer of women. The women officers require exposure, which can be facilitated through these transfers.
- Voluntary Retirement Scheme was found to be very popular among women, particularly in the Southern region. The reasons for this needs to be investigated. It was suggested that many of these women thought this was a handy package for investment in the

education of their children. Need to educate women of options for investment.

- All Women Banks, SEWA Bank in Ahmedabad and Nivedita Bank in Pune: the performance of these banks manned fully by women should be compared to the other banks. Are these banks more sensitive to the needs of women workers? Search for good practices in Banks. Features favourable to women: timings, comfortable with women officials, encourage women's activities, marketing assistance given, special scheme for children's education, collective decision making in these women-run banks. Need for a hand holding team: field-based workers who will reach out and help the women entrepreneurs.
- Participation in Unionisation: What is the reason for the lower participation of women in union activities?
- Reference was made to the National Action Plan for Women's Banking, recently published by the Banking Division.
- Introduction of IT in the banking sector: There is need for training and motivation of women workers in this area.

*Shri Ashok Raj and Shri Rakesh Kapoor* presented a paper titled 'Relocating Space for Women Workers in the Construction Industry' and another on 'Productive linkages of Indian industry with home based and other women workers through subcontracting systems in the manufacturing sector'.

### **Construction Industry**

Women make up 7.6 % of all construction workers, and are represented only in unskilled work. The paper pointed out a scenario in which in future construction industry is likely to be highly mechanized. Even the housing sector which is highly labour intensive is likely to follow a technology of pre-fabricated houses which involves very little labour. Therefore, globalisation will lead to a decline in employment in the construction industry over time.

### **Discussion**

- it was suggested that the official data used may be underestimating the number of women in construction.
- For the workers to get the benefits of the new Construction Workers Act, 1996 some action will have to be taken. Large construction companies utilize a lot of labour. It was suggested that these companies be ranked according to a Labour Welfare Index and



contracts should be awarded to those companies who rank high on this index. In this context it was also pointed out the Government is one of the largest employers in the construction industry. Hence any action will have to ensure that the Government itself implements the available labour laws and provisions under the new Act.

- The Construction Workers Act mainly focuses on work safety conditions etc. Very little action has been taken in this regard. A tripartite body, consisting of employers, trade unions and government, to overlook the implementation of this legislation is required.

### **Home-based Sub-contracting in the Manufacturing Sector**

The paper drew attention to the re-emergence of home based work as a result of extensive sub contracting. There has been an effective deregulation of the labour market, and there are some indications that such work is increasingly feminized. The skill content of these activities varies and a major problem is that earnings are not related to the skill content, but only to the labour intensity and volume of work. Women's access to skills and technology has to be improved. Recognition of their skills has to come as adequate remuneration.

Recommendations to strengthen the linkages of the manufacturing industries with the homebased workers include

Form women's organizations and formalize the vendor systems.

Form trade guilds of registered women home-based workers.

Provide core technical support to the women for tools etc.

Upgrade skills through training in ITIs.

Single window system to attend to the needs of the women home based workers.

Identify women homebased worker through pass books and identity cards.

Minimum wages and incomes to all home based workers.

### **Discussion**

- Do we promote such low income homebased work? Cheap labour will take companies only so far; quality and standards are likely to become increasingly important.
- It is important that women are able to get into decision making powers to sensitize managements.



- How to ensure work safety in the homes?
- How to implement minimum wages in such scattered trades? Problems both in trying to define the minimum and in trying to implement minimum wages
- It was pointed out that the ILO Convention on Homeworkers, 1996 exists and the Government of India has a National Draft Policy for Homebased Workers. The issues raised in this policy and the mechanisms to implement them need to be discussed.

#### **Session IV b Globalisation and Women's Employment**

*Smt Vibha Parthasarthy* chaired this session.

*Smt Pratibha Devi* gave a brief account of life as a vendor.

*Shri Arbind Singh* made a presentation on 'Women Street Vendors'

Globalisation creates markets, super-markets, foreign loans, consultants etc. It also provides an area of operation for the marginalized poor, migrants, women as well in street vending. With globalisation the power rules are changing. In the urban areas infrastructure is a major focus. Widening of streets, construction of flyovers and beautification of cities takes priority. In this scenario the street vendors become more vulnerable. There is little space left over for them.

*Shri Pavitra Mohan* made a presentation on 'Liberalisation and Informal Health Workers'.

In the new approach there is an emphasis on preventive and curative care. However, the hardware driven globalisation process may make the role of informal health workers and preventive care less important. Informal health workers appear to be shrinking. The positive aspect is that the NGOs have been using the informal health workers and dais as key health workers in the communities. With a minimum level of training these workers can be used in many preventive care schemes along with ANMs. In the new development scenario where institutional delivery is used as an indicator of development, informal health workers become unimportant. Informal health workers, particularly dais, generally form the bottom of the social hierarchy. In the public health sector also caste and other social hierarchies are played out.

#### **Discussion**

- The state has to be held responsible for the health sector. The NGOs and informal health workers can only help in the delivery mechanism and this should not absolve the state

of its responsibility. Any efforts to increase the use of informal workers should also ensure that they are integrated into the total health system, and do not function as a kind of parallel system.

*Dr Rupinder Kaur* made a presentation on 'Globalisation and women's employment in the livestock sector'

The paper drew attention to the large numbers of women who participate in this sector, albeit inadequately recorded by the official data system.

### **Discussion**

- The question of land utilization becomes important. The Land Utilisation Act needs to be looked at, and its likely impact on common property resources.
- The issue of frequent drought and the fodder crisis has to be addressed.

The session on globalisation and women's employment was organized through a set of papers on the various sub-sectors in the economy in which there is a concentration of women's employment. The advantage of this approach was to focus attention on the marginalized groups of workers such as informal health workers (dais). However, it failed to highlight a number of macro issues and the overall impact of globalisation on informal workers, particularly women. The issue of why women are not prominent in certain sectors needs to be addressed as well..

### **Session V Towards Empowerment: Organizing Women Workers in India**

*Prof Nirjala Banerjee*, chairperson, began the session with the view that it is very important for workers in the informal sector to be organized, given its large size and that this may be the only way of getting laws implemented.

*Sarajamma*, a member of the Bangalore Domestic Workers' Union, which is affiliated to the National Centre for Labour, was the first speaker in the session. She stated that she is also a member of Women's Voice - the support NGO of the union. Women's Voice was formed in 1980 to organize informal sector women workers living in the slums of Bangalore. The majority of these women are domestic workers.

#### **Domestic workers face many problems, including**

- low wages (around Rs 150 per job)
- no leave (sick leave or holidays) that is covered by pay

- health problems, especially skin diseases arising out of constant contact with water according to Sarajamma, the organization and unionization of these workers has had the following positive impact -
- their wages have gone up from Rs 25-30 to Rs 125-150 (for a period of 3-4 hours). Some women even earn Rs 300-400.
- a demand has been made for the application of the term 'workers' to them
- problems like police and employer atrocity, caste violence, etc are referred to the union, which provides legal support to members. As a result of this the women have begun to get more respect in the areas they work in.
- there has been an increase in their self-confidence and courage. While earlier they rarely left their houses for purposes other than work, today they come out more to collectively tackle various issues.

*Piush Antony* presented a study titled 'Towards Empowerment: study on organizing women workers'. This study primarily documents the best practices of organizing women workers in different informal sector enterprises across India.

The criteria used in selecting the case studies were as follows:

- all organizations were to be member based - the intention being to see how a member based organization (MBO) differs from an NGO and a trade union. Being member based, such organizations are expected to be more democratic since all decisions are made by the members themselves
- all organizations had to be registered as trade unions, co-operatives or societies
- they were to be of women workers and have formalized the use of public voice

Given the lack of documentation available on MBO's selecting cases for study was difficult. The organizations finally studied were -

- Bangalore Gruha Karmikara Sangha, Bangalore, Karnataka (Union)
- Kagad Kacha Patra Kashtakari Panchayat, Pune, Maharashtra (Union)
- SEWA, Madhya Pradesh (union)
- Shramjibi Mahila Sanghathan, West Bengal (society)
- Ama Saghathan, Orissa (society)
- Wahingdoh Women's Industrial Cooperative Society and Nontuh Women's Multi-

purpose Cooperative Society, Shillong, Meghalaya (cooperative society)

- Ankuram Sangamam Porum, Andhra Pradesh (mutually aided cooperative society)
- Shakti Mahila Vikas Swavlambi Sahayog Samiti, Patna, Bihar (cooperative society)
- Annapurna Mahila Mandal, Mumbai, Maharashtra (trust and society)
- Trade Union Collective, Tamil Nadu (alliance of ten trade unions)

#### **Two important aspects of the study were**

- To draw a matrix of strategies adopted by these organizations. The two major patterns of MBO formation that emerged from the study were that most of the organizations were either NGO promoted or State promoted. An activity matrix was constructed to show each organization's specific activities under four broad themes: work, economic empowerment, citizenship building and gender empowerment. Economic empowerment emerged as the main activity of all. Though there was no specific activity towards citizenship building in most of them, this appeared to be woven across all the other activities. In terms of gender consciousness, all women members seemed to have become more aware and confident. However, there is a complex relationship between pragmatism and ideology. The issues that emerge here are that economic empowerment needs to be coaxed towards gender empowerment, and some assessment made of whether the organizations studied have reached the stage to undertake this.
- To look at the process of formalization of public voice in each case. Formalization of voice is context specific and varies with the nature of issues and strategies of an organization. It can be gauged through the methods of lobbying and advocacy, interfaces with public authorities, networking and alliances with civil society organizations, etc. The various strategies used by the MBOs to achieve formalization of voice included:
  - a. setting up an infrastructure
  - b. issuing identity cards (in the case of unions)
  - c. strength demonstration (confrontational as well as organization of cultural events)
  - d. protest forms
  - e. government partnership
  - f. enterprise management
  - g. community development programme (for example awareness building through group meetings)

- h. publications
- i. representation in formal decision making bodies
- j. consultative status
- k. second level leadership

**There were some recommendations made in the presentation.**

- member based women workers should be represented in formal decision making bodies at both the state and national level. In this way, some preference could be given to MBOs over NGOs, as there is a slight difference in their priorities.
- since everywhere the organizations have faced a lot of problems in registering themselves, a special cell should be set up at every Labour Commissioner's office at the district level, to help organizations get over the legal hurdles of registering themselves.
- there should be a charter of activities to make the state accountable to these organizations and check its arbitrary decisions regarding the implementation of laws

#### **Discussion**

- Worker's organizations need to be strengthened since it was due to their demands and efforts in the past that various provisions have been implemented. The role of the state in this should be to allocate some funds for women to get trained and become effective members of unions. Organizing women is a precondition to their empowerment. Also, the existing panchayat system could be used to issue identity cards to the workers.
- There have been several instances of the criminal law being interpreted in such a way that informal sector workers end up being the targets of the law. This needs to be checked so that for instance activists engaged in the valid activity of organizing workers should not be seen as disruptive criminal elements.

#### **Valedictory Session**

*Dr Rashmi Agarwal*, NCL, presented a brief summary of conference proceedings.

*Smt Renana Jhabvala* identified several issues for future action

- in order to reach the majority of workers in the informal sector, it is necessary to change the definition of worker from an employer-employee relationship, which does not exist in the informal sector, to a different one. This should include all types of employment relationships - construction workers, home based workers, the self-employed etc.
- Informal sector workers basically need a minimum income. To achieve this two things must be done - a statement of the minimum wage and its implementation, and on the other hand some thinking is needed on how one might best define minimum wage for unorganized workers.
- Looking at sector by sector employment, it is seen that in some sectors employment is decreasing very fast due to increasing outsourcing, home based work, export of crafts, etc. One area in which work available has severely declined is the construction industry. This can be attributed to the introduction of pre-fabricated and highly mechanized methods of construction. Therefore, there is a pressing need to put a large amount of resources and technological inputs into building up workers' skills.
- Social security for unorganized sector workers is very important. The existing welfare board models need to be re-vamped and a new model adopted by which such boards should be set up either sector wise or overall. These boards must be more autonomous with decisions being taken in a tripartite manner.
- For the provision of provident fund to be extended to the informal sector, two changes are needed -
  - a. the EPF Act would require different types of packages to be allowed for different workers
  - b. the system of smart cards will have to be introduced
- For women workers, maternity and child care is most important and therefore a substantial amount of resources are required for this purpose
- One thing to be ensured is less contact of workers with the police as these workers are constantly subjected to police harassment and beating

### **Discussion**

- an important debate that took place during the course of the workshop was about the implementation of laws. It was observed that in India radicalism is evident in the formation of laws but not in implementation. Therefore an independent body is needed to monitor laws and their proper application by civil servants and other officials. There may not always be a need for new laws.



- Another suggestion was that separate contributions from employers, as suggested in the revised Fund proposal, may not be desirable if employers agree to give higher wages to workers. Experience suggests that wages and contributions often offset one another.
- It was pointed out that the present legal framework requires that welfare funds be used in the same sector; inter sectoral co-ordination of benefits will require changes in the present laws.
- A list of Acts that exist but require government intervention for actual implementation include
  - a ILO Convention on home based workers
  - b. Construction Workers Act
  - c. Domestic Workers' Act
  - d. Agricultural Workers Act
  - e. Scrap Collectors (Mathadi) Act

**Address by the Chief Guest, Ms Mary Johnson, Director ILO**

The ILO shares the Second Labour Commission's views on employment levels and conditions in India, especially regarding women workers. Perhaps the deliberations of the Commission could lead to the formulation of an appropriate Technical Assistance Programme. There appears to be a threat of marginalization of workers in the country particularly women as a result of re-structuring. Looking at the long standing problems as well as new problems emerging out of the new socio-economic conditions, two questions emerge -

- what policies should be reformulated
- which legislations are missing or can be reviewed

The ILO's concept of 'decent work' encompasses the following -

- working conditions
- ability of individuals to balance work and family life
- skill training given to individuals which reduces discrimination and gives them access to the market
- social security
- source of social organization and participation
- effective protection of the unprotected in the labour force
- route out of poverty

Thus the notion of 'decent work' is an integrative aspect of society, enmeshed with politics. Its successful implementation depends on political willingness to work towards this ideal.

Mary Johnson spoke briefly about the on-going debate on contract labour - what are the employment relationships in the informal sector and in contract labour. In the ILO there has not been a conclusive debate on this subject or a convention identified that could deal with this.

*Address by the Chief Guest, Mr Vinod Vaish, Secretary, Ministry of Labour*

Mr Vaish said that we are about to enter a highly competitive era. It is the unorganized sector that is the engine of growth in India today. The majority of the workforce is unorganized because the organized sector is not employment friendly while the informal sector provides the flexibility to generate employment. Employment generation is an important area of focus, and we need to try and understand why the organized sector is unable to give employment.

Another issue which requires emphasis, is the building of new kinds of skills in the new economy. Globalization may result in the emergence of new occupations but will also threaten the country's traditional sources of livelihood.

The meeting concluded with a vote of thanks presented on behalf of the Study Group by Ratna Sudarshan, Special Invitee, Group on Women and Children.

**DRAFT FOR DISCUSSION**  
**THE CHILD LABOUR**  
**(PROHIBITION AND EDUCATION) BILL, 2001**

**An Act to prohibit the employment of children in any employment except mediation by parents at home and to ensure compulsory primary education.**

**INTRODUCTION**

In the course of 19<sup>th</sup> Century and early 20<sup>th</sup> Century, people, especially in the developed countries became conscious of the evils of the exploitation of children and International Labour Organisation (ILO) was set up in 1919 to formulate guidelines of improve the working conditions of children. At the very first session of the International Labour Conference organised by ILO on the prohibition of child labour in 1919 a convention was adopted fixing the minimum age as 14 years for children in industrial employment.

In India, the first Act relating to child labour was passed in 1881, which only provided for the regulation of the working hours of children below 12 years of age. This Act was applied only to units having 100 or more workers and using mechanised power. In 1891, another Act was passed which applied to units having 50 or more workers. There are several laws passed after independence, e.g. the Factories Act, 1948, the Mines Act, 1952, the Merchant Shipping Act, 1958, etc., regulating the employment of children in various occupations which were purported to protect the health, safety, etc., of children. Recognising the need for special protection to the children few provisions in the Articles 15,24,39 and 45 of the Constitutions of India were incorporated to that end. On 21<sup>st</sup> December, 1976 the United Nations General Assembly adopted a resolution proclaiming 1979 as the "International Year of the Child" with general objective of promoting welfare of children which has once again focussed the world attention on the problem of child labour.

Thus, due to global developments it was necessitated to bring out a comprehensive enactment on this subject. The Child Labour (Prohibition and Regulation) Bill was introduced in the Rajya Sabha on 22<sup>nd</sup> August, 1986.

*After the passing of this Act a large number of efforts were made by Government and NGOs to tackle the problem of child labour. One of the main learnings, which emerged from these efforts, was that child labour could best be tackled by ensuring that children were enrolled in the education system. At the same time the Government of India started the process of liberalization, which led to a growing demand for education. The National Commission on Labour was set up in 2000, for a review of labour laws. The National Commission felt that the Child Labour Act should be not only a regulatory but also a developmental Act, and should place the child and his/her welfare at the centre of all laws and programmes. The*

*Commission viewed the elimination of child labour and the universalisation of elementary education as inseparable processes. At the same time prohibition for certain types of work would be continued as in the earlier Act.*

### **Statement of Objects and Reasons**

The Child Labour (Prohibition and Regulation) Act 1986, recognizes the need to prohibit certain types of employments for children and to regulate the working conditions of other employments, which are not prohibited. This Bill intends to ensure that no child would be deprived of a future by being deprived of an education and having to spend his childhood working. It recognizes every child out of school as a child labour or a potential child labour. It seeks to tackle the problem of child labour by ensuring universal education. At the same time it seeks to prohibit certain types of employment outside the home and the supervision of parents and family, and to regulate the health and safety of the child. The Bill defines every child out of school as covered by the Bill. It seeks to ensure that each of these children gets an education. It also seeks to ensure that children do not work in situations where they are exploited and deprived of a future.

## PART I

### PRELIMINARY

**1. Short title, extent and commencement:** - (1). This Act may be called The Child Labour (Prohibition and Education) Act, 2001.

(2). It extends to whole of India.

**2. Definitions:** - In this Act, unless the context otherwise requires,-

- (i) 'Appropriate Government' means, in relation to an establishment under the control of the Central Government or a Railway Administration or a Major Port or a Mine or Oilfield, the Central Government, and in all other cases, the State Government;
- (ii) 'Child' means a person who has not completed her fourteenth year of age;
- (iii) 'Child labour' means any child not attending primary school or employed or permitted to work in any of the occupations, processes, workshop, establishment and in any employment including agriculture sector, except the child mediated by parents at home for domestic activities but such mediation shall not be at cost of primary education.
- (iv) 'Day' means a period of twenty-four hours beginning at mid-night;
- (v) 'Employment' means to be engaged in any work, which establish master servant relationship.
- (vi) 'Employer' in relation to an establishment, occupation, processes, and workshop and in any employment of agriculture sector means the person who has control over the organization of production and the other affairs of the above-referred activities.
- (vii) 'Establishment' includes a shop, commercial establishment, workshop, farm, residential hotel, restaurant, eating house, theatre or any other place of public amusement or entertainment;
- (viii) 'Family', in relation to an employer, means the individual, the wife or husband, as the case may be, of such individual, and their children, brother or sister of such individual;
- (ix) 'Fund' means amount of money incurred as penalty for violation of this Act, grant provided by Appropriate Government, Local Authorities and rehabilitation money received from offending employer and deposited in Child labour welfare cum rehabilitation society constituted under the chairmanship of District Collector.

- (x) 'Prescribed' means prescribed by the rules made by Appropriate Government.
- (xi) 'School' means a school recognized by the Appropriate Government
- (xii) Scheme means a scheme run by appropriate government under the Act to promote the compulsory primary education.
- (xiii) Week means a period of seven days beginning at midnight on Saturday night or such other night as may be approved in writing for particular area by the inspector.
- (xiv) 'Workshop' means any premises (including the precincts thereof) wherein any industrial process is carried on.



## PART II

### PROHIBITION OF EMPLOYMENT OF CHILDREN

3. (a). No child shall be employed or permitted to work in any of the occupations, process, workshop and any employment including agriculture sector except the child mediated by parents at home for domestic activities but not at the cost of primary education.
- (b). *In case, a child labour is found working, it shall be the duty of inspector implementing Part II of the Act to refer such child labour to education department for compulsory primary education.*
- (c). *The inspector shall also recover Rupees Twenty Thousand from employer employing child labour and shall deposit it the same to Child labour welfare cum rehabilitation society.*
- (d). *In case employer fails to deposit the amount referred to as under Sub Section (c) of Section 3, the inspector shall issue the recovery certificate as arrears of land revenue to the Collector and on recovery, the said amount shall be deposited in the said Society.*
- (e). The employer can not challenge the case filed by the inspector under Section 8 of the Act, unless he deposits an amount of Rupees Twenty Thousand per child labour in the said society,

Provided in case the employer succeeds in Court, the amount so deposited / recovered may be refunded to him on application with 4 % simple interest per annum.

**PART III**  
**EDUCATION OF CHILDREN**

4. 1. Every child out of school shall be covered under the provisions of the Act..
2. The Appropriate Government shall setup a primary school and a secondary school in urban and rural areas as per State requirements and policy.
3. In case such schools are not setup within twelve months of the passing of this Act, the State Education Department will be held liable under this Act
4. Local Authorities and State Government shall admit every child to the school, failing which Local Authorities and State Government shall deposit Rupees Five Thousand and rupees five hundred per child respectively in Child Labour welfare cum rehabilitation society.
5. The Child Labour welfare cum rehabilitation society shall consist of:
  - District Collector as Chair person
  - Primary Education officer
  - Assistant Commissioner of Labour
  - Two Representatives of Local Bodies
  - Social Welfare Officer
  - Employment Officer
  - Two representatives of NGOs active in the field of child labour.

**Functions of the Society:**

- (1). The society shall utilize only interest of the fund for the free primary education of child.
- (2). To facilitate this society shall invest the fund in high yielding interest schemes of Nationalized bank. The appropriate government shall lay down the procedures to open and operate the account of this society.
- (3). The society shall implement the schemes prescribed by appropriate government with the cooperation of the State Education Department to attract the parents to send their children to schools.

**PART IV**  
**STATE CHILD LABOUR REHABILITATION BOARD**

The State Governments shall constitute State Child Labour Rehabilitation Boards to review and oversee the implementation on the Act.

(To be completed)

**PART V**  
**MISCELLANEOUS**

**6. Penalties:**

- (1). Whoever employs any child or permits any child to work in contravention of the provisions of part II of the Act shall be punishable with imprisonment for a term which shall not be less than one year but which may extend to five years or with fine which shall not be less than rupees twenty thousand but which may extend to rupees two lakh or both.
- (2). The parents mediating their child at the cost of primary education without sending them to schools, shall be punishable with fine of rupees fifty per child and in case of continuance of such offence they may be punishable with fine of rupees five per day, providing no parent shall be made punishable in case schools are not provided by the appropriate Government.

The fine so recovered shall be deposited in the child labour welfare cum rehabilitation society.

**7. Modified application of certain laws in relation to penalties: -**

- (1) Where any person is found guilty and convicted of contravention of any of the provisions mentioned in sub section (2) he shall be liable to penalties as provided in sub section (1) of section 7 of this Act and not under the act in which those provisions are contained: -

- (2) The provision referred to in sub section (1) are the provisions mentioned below:
- (a). Section 67 of the factories act 1948
  - (b). Section 40 of the Mines act 1952
  - (c). Section 109 of the Merchant shipping act, 1958
  - (d) Section 21 of the Motor transport workers act, 1961
  - (e) Section 24 of the beedi cigar act 1966

**8. Procedure Relating to Offences:**

- i. Any person, NGO, or inspector under the Act may file a complaint of the commission of an offence under this Act in any court of competent jurisdiction.
- ii. Every certificate as to the age of child, which has been granted by prescribed medical authority, shall, for the purpose of this act, be prima-facie evidence as to the age of the child to whom it relates.

In case of doubt Appropriate Government shall have power to review the case before medical board meant for the said purpose.

- iii. No court inferior to that of a metropolitan magistrate or a magistrate of the first class shall try any offence under this Act.

**9. Appointment of Inspectors**—The appropriate Government may appoint Inspectors for the purposes of securing compliance with the provisions of the part II and part III of the Act from respective departments and any Inspector so appointed shall be deemed to be a public servant within the meaning of the Indian Penal Code, 1860.

**10. Power to make rules :-** (1) The appropriate Government may, by notification in the Official Gazette and subject to the condition of previous publication make rules for carrying into effect the provision of this Act.

**11. Rules and notification to be laid before Parliament or State legislature: -**

Every rule made by State Government under this Act shall be laid as soon as possible after it is made, before the legislature of that State.

**12. Certain other provisions of law not barred: -**

Subject to the provisions contained in Section 7 the provisions of this Act and the rules made there under shall be in addition to, and not in derogation of, the provisions of the Factories Act 1948 (63 of 1948) the Plantations Labour Act, 1951 (69 of 1951) and the Mines Act, 1952 (35 of 1952).

**13. Power to remove difficulties: -**

- (1) If any difficulty arises in giving effect to the provisions of this Act, the Central Government may, by order published in the official Gazette, make such provisions not inconsistent with the provisions of this Act as appear to be necessary or expedient for removal of the difficulty :

Provided that no such order shall be made after the expiry of a period of three years from the date on which this Act receives the assent of the President.

- (2) Every order made under this section shall as soon as may be after it is made, be laid before the House of Parliament.

**14. Repeal and savings: -**

- (1) The child labour (Prohibition and regulation) Act 1986 is hereby repealed.
- (2) Notwithstanding such repeal anything done or any action taken or purported to have been done or taken under the Act so repealed shall in so far as it is not inconsistent with the provision of this Act, be deemed to have been done or taken under the corresponding provisions of this Act.

**15. Amendment of Act 69 of 1951: In the Plantations Labour Act 1951,-**

- (a) in Section 2, in clauses (a) and (c), for the word "fifteenth" the word "fourteenth" shall be substituted :
- (b) Section 24 shall be omitted;
- (c) In Section 26 in the opening portion the words that has completed his twelfth year shall be omitted.

**16. Amendment of Act: 44 of 1958: In the Merchant Shipping Act 1958 in Section 109 for the word "fifteen" the word "fourteenth" shall be substituted.**

**17. Amendment of Act 27 of 1961: - In the Motor Transport Workers Act 1961 in section 2 in clauses (a) and (c) for the word "fifteenth" the word "fourteenth" shall be substituted.**

