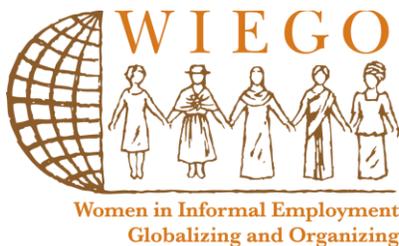


# Collective Bargaining by Workers of the Indian Unorganized Sector: Struggle, Process, Achievements, and Learning

**Indian Sector for Self-Employed Women**

December 2012



## Collective Bargaining in the Informal Economy

“Collective Bargaining by Workers of the Indian Unorganized Sector: Struggle, Process, Achievements, and Learning” is one in a set of five case studies examining collective bargaining by informal workers. This research was conceived by Women in the Informal Economy: Globalizing and Organizing and supported by the Solidarity Centre. Each of the case studies covers a different category of informal workers in a different country. Please see a list of case study titles and their authors below.

- “Negotiating the Recycling Bonus Law: Waste Pickers and Collective Bargaining in Minas Gerais, Brazil.” by Vera Alice Cordosa Silva
- “Collective Bargaining and Domestic Workers in Uruguay.” by Mary R. Goldsmith
- “Collective Bargaining by Workers of the Indian Unorganized Sector: Struggle, Process, Achievements and Learnings.” by the Indian Academy For Self Employed Women
- “Collective Bargaining among Transport Workers in Georgia.” by Elza Jgerenaia
- “Collective Bargaining Negotiations Between Street Vendors and City Government in Monrovia, Liberia.” by Milton A. Weeks

To access these case studies, as well as, the summary of these case studies titled, “Informal Workers and Collective Bargaining: Five Case Studies” by Debbie Budlender, please visit [www.wiego.org](http://www.wiego.org).

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# The Context

This research paper attempts to review and analyze experiences of the Self Employed Women's Association (SEWA), a central trade union and membership-based organization of women workers from the unorganized sector in India. The main focus of the paper is on highlighting the SEWA strategy for using collective bargaining for decent work, just compensation, and worker welfare. Experiences in organizing the bidi<sup>1</sup> worker women from the states of Gujarat, Madhya Pradesh (MP), Rajasthan, and West Bengal in India are used to explain the SEWA intervention strategy, the process of collective bargaining, and achievements.



**Map showing locations of collective bargaining initiatives of SEWA bidi workers**

In addition to SEWA documentation studies and other secondary data, focus group discussions of bidi worker women were arranged at three locations in Ahmedabad. Forty-five women participated and provided data on the history, status, and achievements with regard to the unorganized sector of bidi industry in the region (Appendix I).

The paper begins with a brief review of the Indian unorganized sector and issues related to women workers. This is followed by an overview of the unorganized segment of the Indian bidi industry and an introduction to SEWA. The second part of the paper provides the chronology of SEWA interventions in various states, mainly in Gujarat, since 1978. This section provides an idea of the struggle of the

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<sup>1</sup> Bidis are indigenous cigarettes smoked by the lower middle class and the poor sections of the country.

unorganized bidi workers, the process of collective bargaining, and achievements. The concluding part of the paper attempts to summarize the SEWA strategy focusing on organizing and capacity building for effective collective bargaining.

It is expected that the experiences and conclusions will be useful to readers from any region or country who are interested in understanding how successful and effective bargaining can be achieved by workers themselves through establishment of their own organizations and capacity building.

# Indian Unorganized Sector

The unorganized sector in India is broadly characterized as consisting of units engaged in the production of goods and services with the primary objectives of generation of employment and incomes to the persons producing the goods and services. Home-based workers, street vendors, agricultural labourers, and other miscellaneous help providers constitute the unorganized sector of the economy. These units typically operate on a small scale and at a low level of organization with little or no division between labour and capital as factors of production. Home-based workers are engaged in the making of products like incense sticks, ready-made garments, artisanal items, embroidery, food item preparation, kites, home decoration material, etc. Street vendors include vegetable sellers, fruit merchants, and handcart pullers, who sell toys, garments, and miscellaneous household items. The labourer category consists of farm labourers and those processing in homes, engaged in agro-product, household aids, etc.

The unorganized sector provides income-earning opportunities for a large number of workers. In India, 93 per cent of the workforce obtains its livelihood from the unorganized sector. Bidi making and related operations is one of the major unorganized occupations in India.

# The Bidi Industry and Unorganized Workers

The bidi industry is one of the largest employers of workers in India after agriculture, handloom and construction, yielding an average of 1.3 million persons working per days of employment per year. As per the Annual Report of Ministry of Labour, Government of India, 2001, the bidi industry is estimated to provide employment to 441,100 people in the country.

Although the large bidi manufacturers are large enterprises, actual production is carried out by small unorganized units. Most of the production of bidi is undertaken either in homes or small work sheds. Ninety per cent of bidi workers are home-based. Thus, production of bidi is widely dispersed and often shifts from place to place.

Ninety five per cent of bidi workers are women. For these women, bidi work is an important source of income that constitutes an average of 45 to 50 per cent of the total family income. This shows that the unorganized sector of the Indian bidi industry has a tremendous socio-economic significance in employment generation in India.

In the Indian unorganized sector, the bidi industry is among the few trades that are regulated by law. The Bidi and Cigar Workers Welfare Cess Act (1966) and the Bidi and Cigar Workers (Conditions of Employment) Act (1966) are there to protect the interests of bidi workers, and each resulted from worker action. The minimum wage for bidi workers is fixed as a piece rate per thousand bidis. In Gujarat, the piece rate is linked to the dearness allowance (DA), which is further linked to the price level changes in the Indian economy. The DA revisions are announced by the Government of Gujarat every six months.

# SEWA

SEWA is a central trade union of women workers in India's informal economy. SEWA was founded in Ahmedabad in the state of Gujarat by Ms. Elaben Bhatt in 1972. SEWA's main goal was to organize informal economy women workers for full employment and self-reliance whereby they would obtain work, income, and food security at the household level. The organization is guided and managed in accordance with Gandhian philosophy.

As a strategy, SEWA guides and assists members in creating their own organizations such as self-help groups (SHGs), associations, unions, cooperatives, corporate entities, and other suitable types of organizations. SEWA builds member capacities in managing these organizations and in working towards achieving their goals through collective bargaining and associated activities.

Activities of SEWA are broadly categorized in two streams: (a) membership and (b) services to members. Membership-related activities include membership campaigns, awareness creation, perspective building (on benefits of membership and rights and duties of members), and capacity building. Service-related activities include support and facilitation in income generation, savings, wealth creation, and social security.

Today, with a membership base of over 1.3 million women in over 14 districts in Gujarat and in 12 other states of India, SEWA is the largest member-based organization of women in the country. With a history of initiating formation of international organizations of women like HomeNet, StreetNet, and WIEGO, SEWA has carved out a well-respected niche for itself globally.

In 2011, SEWA's membership included 56,904 bidi workers. This included 18,870 bidi workers from Ahmedabad, the birth place of SEWA. Traditionally, most of the bidi workers make bidis at homes and sell to factories on a piece-rate basis. A few factories provide bidi-making facilities to workers in the factory premises.

# History of Collective Bargaining at SEWA

The creation of SEWA arose out of the need for collective bargaining. Towards the end of the 1960s, the Women's Wing of the Ahmedabad Textile Labour Association, which was founded by Mahatma Gandhi, felt that the Association was not seriously attending to women's workers needs and demands around issues related to wages, the work environment, the particular needs of women workers, childcare facilities, and gender bias.

The Women's Wing tried very hard but unsuccessfully to convince the senior leaders of the Association to address these issues. As a result, women members of the Association, feeling neglected and disheartened, formed SEWA.

After its inception in 1972, SEWA also began to organize and build collective bargaining capacity for *chindi* workers, who obtain cotton strips, cuttings, and scraps from the textile mills for use in traditional weaving projects. Today, SEWA has created member-based organizations of agricultural labourers, vegetable vendors and other street vendors, home-based workers engaged in making of incense sticks, ready-made garment stitchers, embroidery workers, workers preparing food items, artisans, kites, and labour and service providers like construction workers, head loaders, waste pickers, etc. In addition to building worker organizations, SEWA has built these organizations' capacities in the various stages of the collective bargaining process. This includes campaigns for awareness creation, organizing rallies, representation before judicial and other governmental authorities, organizing conferences and round tables, and a variety of advocacy initiatives. SEWA accomplishes all of this through training programs, workshops, and exposure visits. In this process, SEWA also guides the members in use of technology – computers, internet, mobile phones, and SATCOM (satellite communication).

# Building the Collective Bargaining Capacity of Bidi Workers

## Gujurat State

SEWA's interventions in the bidi industry date back to 1978 when a poor bidi worker from Patan approached SEWA for help in her struggle with her employers. She was a representative of bidi workers who were earning four rupees per day and whose employers did not issue proper identity cards. These workers did not have employee status and were not entitled to welfare benefits or any other employee benefits from the Office of Bidi Welfare. She also complained about working and living conditions of bidi workers like herself.

SEWA's intervention on behalf of these workers became a long, drawn-out battle. To begin with, SEWA organized a general meeting of and started to organize women bidi workers in Patan, followed by bidi workers in Ahmedabad in 1981. Thanks to this organized, collective effort, the times at which the raw material was delivered to women and the finished bidis were collected changed from night to daytime hours. In Ahmedabad, a dispensary run by the office of the Bidi Welfare was also started for the bidi workers.

SEWA also used research to help the bidi workers in advocacy initiatives and campaigned for provident fund coverage for them. In 1982, a general meeting of 5,000 bidi workers was organized in the presence of the then Finance Minister of Gujarat State. A report on this meeting was submitted by SEWA to the state government in 1983. As a result, the government increased bidis' price of sale to factory owners. In addition, SEWA bidi workers formed a cooperative on their own initiative. The members of the cooperative submitted a memorandum to the Labour Commissioner of Gujarat State detailing their problems. As a result, the State Labour Department inspected their workplaces, soon after which the workers' demands were accepted, and identity cards were issued. A factory owner who had retrenched 200 bidi workers reinstated them, compensated them, and agreed to pay them provident fund benefits.

Recognition of the efforts of organized bidi workers came in 1985 when SEWA was invited to be a member of Gujarat State Advisory Committee on Bidi Workers. Under bidi welfare legislation, an administrative office and health center were established in Ahmedabad. From this point on, large numbers of workers and their children enjoyed access to benefits.

1986 marked the beginning of a new era in the history of the unorganized sector workers' struggle. SEWA organized a national workshop on the status of unorganized sector bidi workers and issues affecting their employment and security at the national Ministry of Labour. Tobacco workers from Kheda, representatives of workers' organizations from the states of Gujarat and Karnataka, leading social workers, the Labour Minister of Gujarat State, and the Joint Secretary of the Ministry of Labour all participated.

In 1987, the Government of India approved a housing project for bidi workers in Ahmedabad. The Housing and Urban Development Corporation (HUDCO) provided financial assistance, the Ahmedabad Urban Development Authority (AUDA) provided land, and the Bidi Workers' Welfare Cooperative bridged the gap through subsidies. As a result, 110 women bidi workers received houses in 1993. More generally, bidi workers' issues drew the attention of the Government of India. The Gujarat State

Legislative Assembly took up the issue, and SEWA began national level data collection on bidi workers. In 1989, organizations of bidi workers were started in Palanpur and Vijaypur in Gujarat with SEWA assistance. These workers were issued identity cards for the first time.

From 1991 to 1993, SEWA organized campaigns for standard wage rates for bidi making in all the factories in Gujarat. SEWA also initiated a group insurance program for bidi workers during this period.

1998 -1999 provided a unique experience in collective bargaining for bidi workers. The Gujarat High Court ordered the State Provident Fund Commissioner to carry out an assessment of the provident fund amount payable to bidi workers. The Commissioner called a joint meeting of 37 bidi factory owners and contractors to discuss the process of implementing the High Court order. Throughout the discussions, SEWA organizers assisted the bidi workers (the organizers were SEWA employees, including local team leaders and activity coordinators who provided guidance and support to the unorganized workers and members in organizing activities, theme-based campaigns, and collective bargaining initiatives). As a result of the joint meeting, the Commissioner ordered provident fund payments of 497,790 rupees to 191 bidi workers.

Throughout the collective bargaining process, SEWA guided the organized workers towards ending the existing sale-purchase system in which factory owners bought bidis from the workers and no employer-employee relationship existed. A research-oriented approach was also adopted to understand the mechanism of provident fund calculations, payments, and record keeping – SEWA research teams visited Solapur and Pune in Maharashtra State and held a meeting with the Labour Minister of Karnataka State.

In 2001, 15,000 bidi workers in Gujarat went on strike when the employers refused to settle minimum wage, provident fund, and workers' welfare issues.

In 2002, bidi workers who suffered during these communal disturbances were given work as quilt stitchers with SEWA support. This provided them with an income for sustaining their livelihoods.

In 2003-04, SEWA organized a public meeting of 2,000 bidi workers from Ahmedabad and various towns from the north of Gujarat State to discuss and prepare an action plan for issues related to wages, new employment opportunities, bonuses, and restarting bidi work.

2007 marked a happy ending of the 23 year struggle of bidi workers in Ahmedabad. In 1983, 174 bidi workers of Jivraj Bidi Works (JBW) had filed a suit for a provident fund in the Office of Provident Fund Commissioner, Gujarat State. On November 6, 2007, the employer paid each of the 174 workers 1.5 million rupees in provident funds. This long struggle not only demonstrated the power of collective bargaining, determination, and patience on the part of bidi workers, but also demonstrated SEWA's impact (see detailed case study, Appendix II).

## Rajasthan State

In 2009, SEWA started organizing bidi workers in Ajmer in Rajasthan State. Out of 10,000 bidi workers in the city, 2,200 formed their organization under the guidance of SEWA. When the workers' organization was formed, they were paid 45 rupees per 1,000 bidis. Thanks to effective collective bargaining with the factory owners, the rate was increased to 52 rupees and then to 60 rupees. In December 2010, the rate was increased from 75 to 80 rupees per 1,000 bidis. Moreover, the workers are now linked by the Rajasthan State Government with government welfare programs for bidi workers. The employers have also issued identity cards to the workers.

## Murshidabad, West Bengal

In 2004, SEWA initiated organizing efforts for bidi workers in the Murshidabad district of West Bengal. SEWA undertook joint research in collaboration with the Labour Department of the State Government of West Bengal and Indian Tobacco Corporation. Both agencies were interested in working for the welfare and development of women bidi workers. The study gathered data on the socio-economic conditions and work-related status of 170 women bidi workers from 13 villages of the district. The research showed that the workers were paid between 31 and 37 rupees for 1,000 bidis even though the minimum wage rate in West Bengal was 41 rupees. Research also showed the contractor would usually reject around 250 bidis that were kept but not counted in the work done. Finally, provident fund payments were being deducted, but no one knew where the payments went.

To build awareness of bidi worker rights, three women connected with bidi workers in Ahmedabad went to Murshidabad. They explained details of the Bidi Workers' Welfare Act and various schemes for scholarships to children, maternity support, identity card, insurance, sickness compensation, etc. Soon, the research-based initiative resulted in regularization of working hours, uniform wage rates, clarity on provident fund and benefits under various welfare programs. More importantly, a local team was formed, and the members received training on the significance of organization, membership, understanding members' problems and their solutions, and planning and monitoring. Initially, 1,141 bidi workers were organized. Subsequently, in 2005, the SEWA Murshidabad Team set a target of 5,000 members.

SEWA's approach in the State of West Bengal provides a good example of its use of research as a base for action in initiatives for informal sector workers.

## Madhya Pradesh (MP) State

Because the forests of Madhya Pradesh (MP) are a major source of *Tendu Patta*,<sup>2</sup> bidi making is an age-old occupation and an established industry in the state.

In 1985, SEWA started its activities in MP by forming SEWA-Madhya Pradesh (SEWA-MP) in Indore. As the first step, SEWA-MP organized at community meetings to build awareness among workers about the Bidi Act. Later, SEWA-MP conducted training camps and organized *sammellans* (conferences) to build capacity among bidi workers.

In 1987, SEWA-MP mounted a campaign to demand identity cards for bidi workers. It sent a memorandum to the then Chief Minister of MP with copies to the Central and State Labour Ministers. As a result of this campaign, 1,300 bidi workers were given identity cards, which entitled them to all the benefits and legal protections provided under the State laws. The government also distributed scholarships and uniforms to the children of the bidi workers.

In the same year, as a result of an appeal filed by SEWA-MP to the then Labour Commissioner of MP, two locked-out bidi factories were reopened and 500 women bidi workers reinstated. The workers received logbooks to record their daily attendance and production. Additionally, the State Government opened a hospital for bidi workers.

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<sup>2</sup> Leaf of *Diospyros Melanoxylon*. These leaves are gathered in the forest by indigenous people. The bidi making process involves soaking the leaves overnight, removing the veins, cutting them to form and then rolling them into bidis.

In 1988, state-wide measures were taken in the interests of the women bidi workers. The State Labour Department asked employers and contractors to issue identity cards and logbooks to all women workers. The State Welfare Department agreed to print application forms for all the benefit programs in the local language. The trade union started a savings and credit programme for the women bidi workers and organized eight training camps. The government gave scholarships to 135 children of bidi workers.

The following year, SEWA initiated formation of a Bidi Workers' Credit Cooperative Society under the State Cooperative Law. The wage rate was increased by 3.50 rupees per 1,000 bidis. One thousand two hundred workers received the provident fund money due to them from the office of the Provident Fund Commissioner. Four hundred women received training in bidi making, and 200 of their children benefited from scholarships. The State Health Department arranged for free polio vaccines for 300 children of bidi workers at six health camps. The activities and achievements continued. In 1990, 335 bidi workers were trained, and 15 women bidi workers received maternity benefits.

Between 1991 and 2008, SEWA-MP enlarged its geographical spread, organizing bidi workers in the districts of Ratlam, Sanawad, Chhatarpur and Khandwa. Meetings, trainings, and representation continued. All this resulted in increases in wage rates, reinstatement of employment, and receipt of overdue provident fund amounts. *Tendu Patta*, or awareness, campaigns, were organized in the tribal areas where the tendu leaf collectors were living. These campaigns were organized through widespread use of media including posters, pamphlets and audio cassettes. Altogether, 48,219 tendu leaf collectors from eight districts participated in the awareness meetings. A total of 37,487 tendu leaf collectors participated in the campaign for collection cards that gave them registration and identity as tendu leaf workers. A conference of women bidi workers and tendu leaf collectors was organized at Indore on International Women's Day in 1989. In an important achievement, rallies were organized in Khandwa District for resolving accommodation problems of bidi workers. As a result, the MP Government constructed a bidi worker colony, providing accommodation to 250 families.

During 2006 and 2007, SEWA-MP ran *Tendu Patta* campaigns in ten different regions of MP. This resulted in substantial awareness about the rights of tendu leaf collectors and laws affecting their interests. Three hundred and forty collectors received their identity cards. In the Bundelkhand district, the MP Government set up a mobile dispensary in response to the demand from tendu leaf collectors.

SEWA's initiative in MP was not just limited to bidi workers. Contractors who worked as intermediaries between bidi workers and bidi factory owners also benefitted from the organizing effort. As per the prevailing practice, contractors provide raw material to bidi workers in their areas and then collect rolled bidis from bidi workers. It is the contractor's role to ensure that bidis received from the workers are of acceptable quality, bundle them, and deliver them to the bidi factory owner, who pays the contractor a fee for the service. Since 2005, contractors have also formed their own unions. One contractor narrated his experiences presenting the contractors' demands to the bidi factory owners. These demands included raising the fee and establishing a systematic annual increase in the rate.

## National

In 1996, SEWA's work with bidi workers took shape nationally when the International Union of Food, Agricultural, Hotel, Restaurant, Catering, Tobacco and Allied Workers' Associations (IUF) organized a national meeting of bidi workers and submitted a memorandum to the then Labour Minister, Welfare Minister, and Finance Minister at the central government level. As a result, the central government announced the establishment of a minimum wage and several benefit programs for the benefit of bidi workers.

# Achievements and Learning

In its nearly 35 year history of organizing bidi workers, SEWA has been instrumental in achievements that have made a lasting impact on the work and lives of workers in the informal sector. An employer-employee relationship has been established, identity cards issued, and service conditions formalized. Apart from increases in wage rates and implementation of provident fund rules, undesirable practices in work measurement have stopped. This has resulted in more just compensation to workers. More importantly, bidi worker women have received maternity benefits, access to better healthcare facilities, and other welfare benefits.

These achievements have also provided learning opportunities that should be of interest to other organizations of poor home-based workers and employees particularly in developing countries. These are summarized below.

- Collective bargaining by itself is not the goal. It is a skill-based organized effort and a powerful tool that leads to poverty alleviation and women's empowerment.
- Workers from successful unions have a significant role to play in enhancement of unionized efforts. Such workers can directly contribute to improving effectiveness of collective bargaining and capacity building.
- Effective collective bargaining is not just limited to employees' initiatives. Employers and government officials also have a role in the process. Therefore, their education and exposure assume equal importance. Achieving this is a real change.
- It is necessary that organizations in the roles like SEWA provide handholding support to workers' organizations and then withdraw from the scene in a phased manner.
- Initiating collective action in an unknown territory should be seen as a normal feature in collective bargaining. Winning confidence of the bidi workers and their families was a key to success.
- Involvement of government officials and political leaders is a complicated issue; workers have to gain knowledge and skill to be able to involve them.
- For sustainable collective bargaining, it is necessary to sustain motivation and interest in the process of negotiations. From this perspective, it is necessary that leaders are developed from the grassroots level workers.
- Collective bargaining requires a lot of strategizing. This strategizing needs to be done in the participatory process with the workers.
- SEWA's decentralized structure of campaign teams, trade committees, and representative meetings makes collective bargaining possible.
- SEWA combined need-based and campaign approach helps in strategizing, which further leads to collective bargaining.

- SEWA was able to apply learning from the bidi trade regarding the minimum wage to incense stick workers, and for the first time, the minimum wage was established through a tripartite process with the employers' association. This led to wage standards, increased wages for workers, and the development of trust between the employers/contractors and SEWA.
- SEWA was able to lobby with the Labour and Employment Department to constitute a welfare board for urban informal sector and frame welfare programs based on what it had been able to achieve with the bidi workers.
- The benefit programs developed for the bidi workers, especially related to the scholarship, attendance and uniform benefits, led to an increased percentage of education among children of bidi workers, thus reducing child labor.
- The protective legislation for bidi workers helped in the overall development of the workers and their families. SEWA tries to apply this learning in other sectors.

# Conclusion

Data provided by women bidi workers in focus group discussions and the situations prevailing in states of MP, Rajasthan, and West Bengal provide ample evidence of the struggle of poor working women from the unorganized sector. The case study of Jivraj Bidi Works provides a good example of the struggle, the process of negotiations, and the achievements of the organized workers.

SEWA experience has shown that the bidi workers' struggle is not just limited to wages, working conditions, and welfare. An effective intervention can ensure decent work, full-time employment, and building of income and savings. Secondly, the struggle must involve more than just the bidi workers and factory owners. Suitable government policies, their efficient implementation and support of workers' family members also contribute considerably to reducing conflicts.

According to SEWA ideology, collective bargaining calls for organized effort of workers supported by guidance from a facilitator institution. Experience has shown that creating organizations of workers must be the first step, which must be followed by capacity building through trainings, workshops, exposure visits, seminars, and conferences. Apart from bargaining skills and processes, the capacity building initiatives focus on understanding of SEWA ideology, the need to follow Gandhian values, and leadership development.

SEWA experience also shows that research helps in understanding the dynamics of a local situation. The strategy for organizing workers and for collective bargaining must be based on research findings. In Patan, a single bidi worker triggered the initiative. Understanding of the situation was gained through exploratory research. In Murshidabad, a formal survey was conducted before developing the strategy for organizing. Experience has also shown that local leaders must be identified and involved in conducting the research and in post-research initiatives. In this context, the practice of organizing general meetings of all workers has helped in identification of local leaders and their involvement in planning and implementing collective bargaining initiatives. This has also assisted in ensuring maximum participation of the workers' community. Focus on awareness creation campaigns has equally helped in maximizing community participation.

SEWA has always perceived government agencies and government schemes as a base in efficient collective bargaining. The strategy for negotiations is framed within government rules and regulations. Similarly, projects and schemes announced by the government for workers are used for justification of workers' demands.

Finally and most importantly, throughout the process of intervention planning and implementation of collective bargaining, SEWA's direct bargaining demonstrates perfect role clarity. Meetings are organized and negotiations are planned by workers themselves. Representation before government officials and various agencies are also managed by workers. SEWA organizers provide guidance and build workers' capacity in various dimensions of collective bargaining. This also underlines the need and relevance of worker education, training, skill building, and exposure.

# Appendix I

## Details of Focus Group Discussions with Bidi Workers

Focus group discussions were organized at three locations in Ahmedabad viz. Vadaj, Noble Nagar, and Ansooya Nagar on September 26, 2012, September 28, 2012, and October 1, 2012 respectively. The group discussions were attended by 45 women bidi workers and contractor women from various locations where home-based bidi making is being done. These workers and contractors have been associated with SEWA in organizing bidi workers since 1978.

In addition to experience in collective bargaining process in Gujarat, many of them have visited other states for the purpose of organizing bidi workers and assisting in collective bargaining. The issues discussed mainly focused on the past scenario in Gujarat, the history of collective bargaining, challenges faced, and achievements. Those with experience in other states were asked to provide information on the intervention and outcome. Similarly, contractor women provided information on their experiences as a link between bidi factory owners and bidi workers.

# Appendix II

## Jivraj Bidi Works: Bidi Workers' Struggle of 23 Years for Recognition as Employees

Jivraj Bidi Works is a relatively large bidi manufacturing and marketing organization located in Gomtipur area of Ahmedabad City of Gujarat. In 1983, bidi workers of Jivraj Bidi Works (JBW) filed a suit for a provident fund in the office of the Provident Fund Commissioner. One hundred and seventy-four bidi workers were trying to prove that there was an employer-employee relationship. The workers did not have any evidence to prove their claim. The JBW owner took back the logbooks he had issued to workers. But one woman was not at home and therefore still had her logbook, which became significant evidence in the case.

The case proceedings took place in the office of the Provident Fund Commissioner. The workers could not prove an employer-employee relationship. SEWA assisted the workers in filing an appeal in the Gujarat High Court in 1989. During this period, a change was made in the Provident Fund Act and the case was transferred to Appellate Tribunal in Delhi. Here the employer-employee relationship was established and the Provident Fund Commissioner issued an order to calculate and determine the amount owed. One thousand two hundred workers received provident fund money due them from the office of the Provident Fund Commissioner. In 1998, JBW filed an appeal in Gujarat High Court. The High Court set aside the appeal and ordered provident fund calculations as per the Delhi Appellate Tribunal. An amount of 479,960 rupees was ordered, but the concerned workers filed an appeal on March 18, 2007. SEWA and JBW jointly came to an agreement, after which JBW deposited 479,960 rupees in the provident fund office. The Bidi Trade Committee of SEWA calculated the amount of 1,020,040 rupees on the basis of the duration of work and number of bidis made by the concerned 174 bidi workers. This was a mammoth exercise, and interestingly, the owner of JBW joined in the calculation process and accepted the amount determined by the Committee. It took 23 years to prove the provident fund claim of the workers. At last, on November 6, 2007, the 174 bidi workers received their provident fund payments of 1.5 million rupees.

The unique feature of the celebration in SEWA was that the owner of JBW himself attended the celebrations along with his family members. During the celebrations, he announced a plan to give one of his buildings in the Gomtipur area of Ahmedabad for bidi worker training and declared a revised wage rate of 50 rupees per 1,000 bidis – an increase of six rupees per 1,000 bidis.

This incident shows the power of collective bargaining, determination, and patience on the part of bidi workers as well as the power of the role played by SEWA.

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About WIEGO: Women in Informal Employment: Globalizing and Organizing is a global research-policy-action network that seeks to improve the status of the working poor, especially women, in the informal economy. WIEGO builds alliances with, and draws its membership from, three constituencies: membership-based organizations of informal workers, researchers and statisticians working on the informal economy, and professionals from development agencies interested in the informal economy. WIEGO pursues its objectives by helping to build and strengthen networks of informal worker organizations; undertaking policy analysis, statistical research and data analysis on the informal economy; providing policy advice and convening policy dialogues on the informal economy; and documenting and disseminating good practice in support of the informal workforce. For more information visit: [www.wiego.org](http://www.wiego.org).

