

The Pimpri Chinchwad Municipal Corporation contracted M/s BVG Kshitij Waste Management Services Pvt. Ltd. to carry out the work of door to door collection, segregation and transportation of Municipal Solid Waste for a period of 5 years from January 2012 to December 2016.

There were issues with the tender document and terms of contract even before actual implementation commenced. Wastepickers, who had been issued identity cards by the PCMC since 1995, were not accorded priority as workers, contrary to existing State and Central Government directives and regulations. In Two (out of Four) divisions of the city there was another model operational, with recovery of cost being based on User Charges from citizens, sale of recyclables and a reducing viability gap funding by the PCMC (only for the initial 5 years of the contract, after which there was no funding obligation on PCMC). The contract to M/s BVG Kshitij Waste Management Services Private Limited was a weight based payment model (i.e. Tipping Fee) without any provision for direct collection of User fees from the citizens. This cost intensive model was starkly different in payment terms. The introduction of two dissimilar modes of waste collection in the same city was unfair to both the citizens of PCMC as well as to SWACH.

However disregarding the objections raised at the time by SWACH and KKP, PCMC went ahead with the contract.

Violations of Labour Laws by BVG Kshitij:

BVG Kshitij blatantly violates Labour Laws in actual operations. 'Helpers' appointed by BVG in Wards B and C, are paid less than what was due to them as per the Minimum Wage Rates for Sweepers and Scavengers and Belled Cart Workmen in Zone 1 (Municipal Corporation).

Minimum Wages: for Sweepers and Scavengers and Belled Cart Workmen in Municipal Corporation limits:

- a.i. January 1, 2012 to June 30, 2012:: Rs. 232.6 per day (Rs. 6049 per month)
- a.ii. July 1, 2012 to December 31, 2012: Rs. 240.52 per day (Rs. 6253.75 per month)
- a.iii. January 1, 2013 to June 30, 2013: Rs. 254.06 per day (Rs. 6605.50 per month)

*Statutory Benefits: In addition to Minimum Wages, workers are also entitled to House Rent Allowance @ 5% of Minimum Wages, as well as Employer's PF and ESI contribution @ 12% of Minimum Wages and 4.75% of Gross Wages respectively and monthly Washing Allowance.

Furthermore, BVG is doing so by falsifying Attendance Records in their Wage Register.

The waste collection work in Wards B and C is to be undertaken with deployment of 313 helpers on the waste collection vehicles, each of which operates for 30 or 31 days per month. Hence, the maximum total number of worker days required as per Agreement is 9390 and 9703 respectively (actual figures would be slightly less if some vehicles are kept as spares). The PCMC attendance records maintained at the Ward Level reflect figures approximated around this as the MOU stipulates a Penalty of Rs 300/- per day per absent worker. However, the worker days as per wage register maintained by BVG showed a major discrepancy (monthly attendance varies from 4300 to 4780) as against the requirement under the contract, as well as attendance records maintained by PCMC.

BVG does not provide 'Helpers' with an Attendance Card-cum- Wage Slip as per the Minimum Wages Act. Payment to the helpers is made directly to the bank accounts (and PayDirect Cards in some cases).

which is not permissible under Minimum Wages Act) of the Helpers who are not provided any bank statements or wage slips.

Helpers are also not provided with any weekly day of rest or compensatory days of rest or payment for overtime etc. by BVG. No safety Equipment is provided to workers.

Violations by PCMC:

PCMC floated an interim tender for waste collection for Wards A and D. With respect to these tenders, the PCMC itself was culpable of various violations.

The tender notices stipulated a remuneration of Rs. 6000 for every Worker (waste-picker) supplied which is less than the notified minimum wages.

The Contractors, (Shri. Sant Gadgebaba Maharaj Berojgaar Sanstha, M/s Ramabai Swayamrojgaar Seva Sahakari Sanstha Maryadit, M/s Mahalakshmi Swayamrojgaar Seva Sahakari Sanstha Maryadit) appointed for these wards are actually paying workers Rs. 3000 (2700 in A ward till recent) as against Rs. 6000 received against each worker. All the three contractors have submitted a joint affidavit to the Hon'ble High Court in Writ Petition No. 10052/12 affirming payment of Rs. 3000 per month this.-

Petitions:

As PCMC is the Principle Employer in relation to the said waste-pickers, KKPKP, made repeated petitions to PCMC urging them to resolve these issues at the earliest. Field visits made by the PCMC's Labour Welfare Officer, Shri. Chandrakant Indalkar, as well as statements made by the waste pickers in his presence corroborated the complaints of the wastepickers.

KKPKP also approached the Labour Department, Pune. The inspection report of Shri S S Phutane, Government Labour Officer, dated February 22, 2013 once again clearly corroborated all the contentions of KKPKP.

Verification drive:

Shri Ratnadeep Hendre, Additional Labour Commissioner, observed that the PCMC being the Principle Employer should look into the matter of ensuring due payments to workers and that claims should be filed by all waste-pickers for unpaid dues since January 1, 2012.

KKPKP demanded verification of wages for the month of February; ie checking the amount of actual payment received by waste workers as against their actual attendance under the various contractors in all 4 wards and confirm that the time, mode, rate, and amount of payment is as per Minimum Wages Act and Rules. PCMC was urged to ensure that workers receive their attendance and wage slips; PCMC was asked to withhold the monthly payment to the contractors till there is a written confirmation from the Contractors and the PCMC Labour Welfare Officer that the salary of February 2013 has been paid as per the statutory dues for the month.

Attendance records maintained by the PCMC at the Ward level, for the month of February were compared with the Wage register of the BVG and the attendance records of workers purported there. This was done in the presence of officials from the Health Department and the Labour Welfare Department of the PCMC. The discrepancies are glaring. Information compiled for 70 workers (data for

all wards was not available) show discrepancies of between 10 and 23 days in a 28 day month per worker with an amount of between Rs 2500/- and Rs 5800/- owed to each of them for just the month of February. Preliminary calculations reveal that the discrepancy in payment made to ALL wastepickers for the past 14 months will be to the tune of Rs 3,20,00,000/-. This does not include the amounts rightfully due to drivers and other employees of the contractors. The wages calculated as per actual days of work attended are as low as Rs 30/- for an 8 hour work day!

Demands of KKPWP wrt PCMC:

1. Workers be paid the difference in wages paid to them and those that are statutorily due to them for the month of February, before the 31st of March 2013.
2. Workers claim forms for: a. Payment of the difference in wages paid to them and those that were statutorily due to them for the period between January 2012 to January 2013, b. Payment for House Rental allowance in respect of such difference in payment, c. Employers and Employees Contribution for EPF and ESI in respect of such difference in payment, should be settled before May 31st 2013, along with interest and compensation in the nature of punitive damages.
3. Wage Slip - cum - Daily Attendance cards and protective gear be issued to workers immediately and regularly.
4. All future payments to contractors should be made contingent upon verification of payments to workers, in presence of an appointed PCMC official, against attendance records maintained by the PCMC and Attendance Cards issued to Workers.
5. All payments should be made to Bank Accounts as mandated by law and not through Pay Direct Cards.
6. Workers should be allowed Paid Weekly days of Rest as required under the Minimum Wages Act.
7. Workers should be allowed Paid National/State/Local Holidays as required under the Contract Labour Act.
8. No worker should be terminated without justification and show cause notice as is mandated by the Contract Labour Act.
9. Future contracts involving labour should have stricter monitoring and enforcement systems for ensuring compliance of labour laws by contractors, as also severe penal clauses leading to termination, blacklisting, punitive damages/compensation etc. for such non-compliance.

Other demands:

This kind of exploitation of unorganized waste workers by contractors in connivance with Municipalities is not limited to PCMC. Many cities also issue dual types of contracts with delegation of primary waste collection by municipal contractors/concessionaires to waste-picker groups without any monetary consideration (retention of recyclable waste being the entire remuneration).

Circulars issued by the Ministry of Urban Development are completely and blatantly disregarded while awarding such contracts.

The operation of waste contracts across the country and the situation of waste workers therein need to be urgently reviewed. ULBs should be held accountable to ensure contractors are not violating provisions of labour laws

The work of waste collection within SWM needs to be reserved for registered wastepickers who have years of experience, knowledge and expertise in handling waste. They should be paid a minimum wage for this work and have access to revenue from the sale of recyclables.