

ANSWERS TO QUESTIONNAIRE

of

Central Wage Board for Jute Industry :

by

BENGAL CHATKAL MAZDOOR UNION .

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2. Our Union has its branches in 59 mills in the Jute Industry in West Bengal. Our answers are of general reference to all Mills except where specifically indicated otherwise.

CATEGORIES UNDER INVESTIGATION

3. In our opinion, all categories of employees should be covered by this investigation.

4. The present occupational classification is only in respect of nomenclature. Hence, it is a purely technical and formal classification. Classification should be done scientifically according to the following categories :

- (a) Unskilled; (b) Semi-skilled; (c) Skilled; (d) Highly skilled; (e) Clerical Staff; (f) Supervisory Staff;
(g) Darwans; (h) Others, e.g. Malis, Drivers, Servants, Mill School Teachers, etc.; and (i) Apprentices & Learners.

5. Persons doing the same type of work throughout the industry should have a single nomenclature. Care should be taken to see that the actual content of the job does not vary from mill to mill though nomenclature may be the same. This is necessary in view of the practice by some employers of assigning to workers nomenclature inappropriate....

inappropriate to the nature of the work done by them and thereby paying them lower wages than they are entitled to.

6. We favour the inclusion of all categories of employees drawing up to Rs.500.00 per month in accordance with the spirit of the provisions of the Industrial Disputes Act. Subject to this salary limit we do not favour exclusion of any categories like Supervisory category or Clerical category.

7. The details of all categories to be covered, their nomenclature, classification according to skill, and method of fitting them into a new wage structure are given as Annexure "A".

8. Already answered in Question No.6 above.

9. Apprentices and Learners should definitely not be excluded from this enquiry. On the contrary, proper rules and regulations should be framed governing the conditions of apprenticeship, training, etc. so that these are not abused. It is necessary to discourage employers from deriving undue advantage out of employment of such categories by prescribing fair scales of remuneration for them.

The Wage Structure

10. /and Wages/ Dearness Allowance prevailing in the Jute Industry in West Bengal have been fixed by the Award of the 3rd. Omnibus Jute Tribunal, September 1955. Some modifications were granted in the case of the following smaller (non-IJMA) mills :

- (a) Nafarchandra, (b) Kedarnath, (c) Bharat, (d) Bhuturaia,
- (e) Victory, (f) Shri Gourishankar, (g) Shri Ganesh, and
- (h) Prabartak.

The existing standardised minimum basic wage and Dearness Allowance for the industry as a whole are as follows : -

Minimum basic wage : Rs.34.67 per month.
Dearness Allowance(fixed): Rs.32.50 per month.
Total minimum emoluments : Rs.67.17 per month.

11. The position with regard to minimum basic wage and D.A.

since 1946 is as follows :

<u>year</u>	<u>Minimum Basic p.m.</u>	<u>D.A. or amenity Allowance</u>	<u>Subsidised Rations</u>	<u>Total</u>
1946-47	Rs.18.00	Rs.19.50	Rs. 8.50	Rs.46.00
1948-51	26.00	32.50	x	58.50
1951-55	26.00	37.37	x	63.37
1955-61	34.67	32.50	x	67.17

12,13,) The present system of D.A., is a miserable failure from the
14,16) workers' point of view. The basic reason for this is, ofcourse, that the D.A. bears no living relation to changes in the cost of living. Not only is it a fixed D.A., but the quantum itself, is exceedingly low and has at best, neutralise only 74% of the rise in the cost of living. The present figure of Rs.32.50 p.m. (fixed and flat rate) is at the same level as was fixed ny the 1st. Omnibus Jute Tribunal fourteen years ago in 1947.

It is this D.A. system which is responsible for (a) a continuous decline in the level of real wages of the jute workers, and (b) a high rate of exploitation enjoyed by the West Bengal mills whose total wage bill remains more or less static over the period of successive Tribunal Awards.

This provides a glaring contrast with the D.A. system prevalent in the Cotton Textile industry in Bombay and Ahmedabad, which occupies a similar position in Western India to that occupied by the Jute Textile industry in Eastern India.

It should also be noted that the sliding-scale system of D.A. is prevalent even in the Jute mills of Kanpur and at Nellimarla and Chittavalsah in Andhra Pradesh.

Hence, the present sustem of D.A. in the West Bengal mills must be replaced. Its continuance would be the grossest injustice to the workers.

We are not in favour of the present system of a basic wage plus D.A. as it stands. Nor are we in favour of total merger of D.A. into basic wage. We would suggest a new scheme on the following basis:

The reality of experience, the actual movement of the cost of living Index figures since 1947, and the expert...opinions of leading economists all pointing to the conclusion. that prices are not going to fall below a certain limit in any forseesable future. The

C.L.I...

C.L.I. figures prepared by the office of the Labour Commissioner, West Bengal, give ample evidence that the lower limit of any possible future price stabilisation would not be lower than at an index of 325(1939:100)

We, therefore, maintain that the minimum basic wage should first be fixed at an index figure of 325, and for this purpose the required merging of D.A. into basic wages should be carried out to start with.

It will be recalled that the 1st. Omnibus Jute Tribunal Award (1947) had itself calculated (Pp16-17) that at an index figure of 325 the total cost of living of an average worker's family would be Rs.71.50, or roughly Rs71, per month, allowing cent per cent neutralisation over a prewar cost of living of Rs.22 p.m. per family.

The Tribunal's estimate of the pre-war cost of living is, of course, unreal and unacceptable, being far too low in our opinion. The minimum pre-war wage was estimated by L.A.T. in the Buckingham and Carnatic case at Rs.28 per month, by the U.P.Labour Enquiry Committee at Rs.30 p.m., and by Dr. Radhakamal Mukherjee ("Indian Working Class") at over Rs.35 per month. Nevertheless we would point out that even at a C.L.I. index of 400, the workers have been getting total minimum emoluments of only Rs.67.17 p.m. Even after the addition of Rs.3.42 p.m. granted as interim relief by the present Wage Board, the total falls short of the minimum figure of Rs.71.50 calculated by the 1947 Tribunal. This itself is a measure of the drastic cut in real wages to which the workers have been subjected.

We, therefore, propose that the existing D.A. and basic wage be merged together as a first step towards fixing the minimum basic wage at C.L.I. of 325 so as to grant cent per cent neutralisation for the rise in cost of living over the pre-war ⁽¹⁹³⁹⁾ level. In other words, at 325 there will be no separate D.A. payable but only a composite wage.

For every rise in the C.L.I. over 325, a separate D.A. would come into operation by way of compensation. The quantum of compensation for every point of rise in the C.L.I. may be worked out in the light of the principles recommended by the Wage Board for the Cotton Textile Industry. In any event, the basic principles of a sliding scale and cent per cent neutralisation, must be adopted. Accordingly, we would demand that for every point, rise or fall (above the floor index of *325), the D.A. should also be adjusted upwards or downwards by as many Nay Paise as would provide

full.....

full neutralisation for the Cost of Living Index.

The above system, apart from conferring an elementary & long overdue social & economic justice on the workers, has the added advantage of simplicity & clarity. In any case, it is essential in order to guard against any further decline in the worker's present ~~xxxx~~ real wages. (Ref/ Chapter 3, Para 47, of Cotton Textile Wage Board's Report).

14. In our view the basic wages should preferably be calculated on the 1939 basis (as base year) for ~~sake~~ sake of convenience & simplicity in calculations. However, if the purpose of this question is to ascertain a fair wage norm in terms of actual prices prevailing in any particular year, it does not make much difference if 1944 or any other year is taken as basis. The meaning of the ~~xxx~~ question as worded, is not clear.

17&18 In compiling the minimum wage the cost on education, medical requirements, amenities and other similar miscellaneous items should be taken to 20% of the minimum wage, as recommended by the 15th Indian Labour Conference,

19. The provision of a guaranteed wage for piece-rate workers is essential, particularly in the Jute industry. This is so because of several factors beyond the workers control which affect his output materially and thereby lead to sharp fluctuations in his earnings... below the average level of expected earnings. Specific features of the Jute industry are, for examples, variations in the quality of raw jute used and in the batching mix (resulting in varying strengths of yarn and number of breakages), shortage of beams and cops, defective working and breakdowns of old machines, frequent alterations by the management, the specifications of fabrics and arbitrary fixation of piece-rates for these etc.

Hence, we are strongly in favour of a guaranteed, fall back wage. This should not be less than the expected earnings as expressed in the corresponding time-rate suggested by us (See answer to question No. 25) for each category of piece-rated worker. It is assumed that the guaranteed wage is payable only in those cases of shortfall in output which are due to factors beyond the worker's personal control as indicated above. This being so there is no reason why the level of his expected earnings should not be maintained by the management.

20. Yes, there should be proper scales of wages and these should be as suggested by us later.

Seniority and service of existing employees should be recognised and remunerated by giving them three annual increments at the time of fitting them into the new scales.

21. At present, in view of the extremely low level of wages which has been prevailing in the Jute industry for several decades all non-neutralising wage increases should be given in cash only. The question of converting a portion of the cash wage into bonds, shares etc. can only be considered once the worker begins to be paid a living wage.

T H E W A G E S

22, 23, } We should proceed on the basis of the definitions given
25 & 26. } by the Fair Wages Committee of the concepts of minimum wage, fair wage and living wage, viz. :

"The living wage represents a standard of living which provides not merely for a bare physical subsistence but for the maintenance of health and decency, a measure of frugal comfort and some

insurance.

insurance against the more important misfortunes."

"The minimum wage must provide not merely for the bare sustenance of life but for the preservation of the efficiency of the worker by providing for some measure of education, medical requirements and amenities."

"While the lower limit of the fair wage must obviously be the minimum wage, the upper limit is set by the capacity of the industry to pay."

It is our contention that prevailing wages in the jute industry are far below even the minimum wage level and that as a first step, therefore, this level, (i.e. the lower limit of the fair wage) should be assured to the workers.

The minimum wage norm has already been set for us in the unanimously accepted, tripartite decision of the 15th Indian Labour Conference held in Delhi in August 1957. This decision amounts to a directive to all wage-fixing bodies to apply this agreed norm to a given industry in terms of the actually prevailing price-levels and to determine the cash equivalent of the minimum wage accordingly.

We wish to lay the strongest possible stress on the far-reaching significance of this need-based minimum wage norm. In the absence of any statutory minimum wage for the country as a whole, the unanimously accepted standard of the Indian Labour Conference gives concrete content and positive form to the minimum wage in terms of food, clothing, housing, etc.

This norm is morally binding, by virtue of its unanimous acceptance, on Government, employers and workers alike and, hence, on all wage-fixation authorities. There can be no resiling from the obligation to accept and honour it if the sanctity of agreed conventions is to be upheld.

Clause 3(b) of the Government of India resolution of 25.8.1960, setting up the Jute Wage Board, defines the Board's terms of reference as follows: "to work out a wage structure based on the principles of fair wages as set forth in the report of the Committee on Fair Wages." We are asking for a wage structure based on a minimum wage only (i.e. lower limit of the fair wage). To deny this claim would, in our opinion, mean non-implementation of the terms of reference quoted above.

The question to be settled first, therefore, is: what should be the minimum wage for the lowest-paid, unskilled worker in the Jute industry on the basis of an average family of 3 consumption units?

For purposes of such a calculation, we may take as a guide the figures worked out in the Report of the Official Committee for collection of Data having a bearing on determination of wages in the jute industry (1960), at Pages 25-27. This is an attempt to find out the minimum wage requirements for a Jute Mill worker in West Bengal on the average prices for 1958 and on the basis of the recommended need-based norm accepted by the 15th Session of the I.L.C.

We would refer the Wage Board to the results of the above study which work out to Rs.127.22 per month, as against the prevailing wages of Rs.67.17 p.m. The gap between actual requirements and prevailing wages would be even wider if the calculation is made on average prices for 1960 instead of for 1958.

Yet another attempt to translate the Indian Labour Conference's norms into monetary terms was made by the office of the Cotton Textile Wage Board in course of their enquiry in Calcutta in 1958. This calculation yielded the following results:

<u>Group</u>	Total monthly cost of minimum requirements	
	<u>With Veg. Diet</u>	<u>With Non-veg. Diet</u>
Food	Rs.86.76	Rs.104.90
CLothing	9.04	9.04
House Rent	12.50	12.50
Miscellaneous	27.07	31.61
(20% of total expenditure)		
	<u>Total:Rs135.37</u>	<u>Rs.158.05</u>

Here the cost of estimates was worked out for a balanced diet, vegetarian as well as non-vegetarian, as recommended by Dr. Akroyd and for a total calorific value of 2850 which, after making allowance for wastage, would yield a net value of 2700 calories as recommended by the Indian Labour Conference.

The minimum wage of the lowest-paid unskilled worker should, therefore, be between Rs.125/- p.m. and Rs.158/- p.m. according to the variations in calculations made by ~~the~~ official bodies. A fair average of the different estimates would work out to about Rs. 140/- per month. This amount would comprise of (i) a basic wage and (ii) a sliding scale Dearness Allowance linked with the cost of living.

Accordingly, the wage structure demanded by us on the basis for various categories of workers is set out in Annexure "A".

As far as estimates of a fair wage and a living wage are concerned, we feel these are largely hypothetical questions in the present circumstances of the Jute Industry which does not pay even a bare minimum wage or subsistence wage to its workers.

In this connection, and in order to focus the issue in its proper perspective, we would only draw the Wage Board's attention to the following extracts from the judgement of the Supreme Court (Jan.20, 1961) in the matter of two cross-appeals by the Standard-Vacuum Refining Co. of India, Ltd. and its workmen:

"In our opinion, on the material available in the present proceedings, it is impossible to resist the conclusion that even the highest average of Rs.370.11 nP shown by the appellant by calculating wages paid to the clerical staff is much below the standard of living wage We feel no hesitation in holding that the said average (Rs.370.11 nP) is much below the standard of living wage. The said average is much above the need-based minimum and may fall in the medium level of a fair wage; but that itself would show that it is much below the standard of living wage.

Similarly, Rs.274.65nP which is average of the operatives as well as Rs.301.16nP which is the average of the operatives and the clerical staff taken together may be regarded as constituting a wage structure which is above the need-based minimum structure and may be treated as approximating to the lower level of the fair wage. One has merely to take into account the various constituent elements of the living wage to realise that these averages fall far short of the standard of living wage."

The above opinions of the highest judicial authority in the country on the concepts of fair wage and living wage may assist the Wage Board in estimating a need-based minimum wage structure which we are demanding for the Jute Industry.

24 & 145 : Any attempt to arrive at the minimum requirements of a worker in an important industry should be mainly guided by the nutritional standard necessary to keep him and his dependents in continuous good health, so as to enable him to render uninterrupted service to the society. On the results of extensive researches in this direction done at the Nutritional Research Institute, Coonoor, Dr. V.N. Patwardhan prescribed a schedule of food items for a manual worker which is considered to be the minimum under the Indian conditions.

According to Dr. Patwardhan's scale the cost of a basket of food items for a manual worker's family of one adult male, one adult female and two children accounting to 3.10 adult consumption units 1/ is Rs.119.02. [vide table (145.1)] The prices used are the average price paid by the Calcutta jute workers during 1958-59 as found in the family budget sample survey^{2/} of Calcutta jute workers' families conducted during 1958-59. The survey shows that the cost of food items constitutes 60.08% of the total consumer expenditure. The total consumer expenditure of a manual worker's family of 3.10 a.c.u. works out to Rs.198.10 at 1958-59 prices and Dr. Patwardhan's standard.

The 'Working Class Consumer Price' index for Calcutta stands at 113.33^{3/} during September 1959-August 1960 as against 109.92 during September 1958-August 1959, the period of survey. The average consumer expenditure of the 'standard' family comes to Rs.204.24 at the 'September 1959 - August 1960' average prices. The indices for the subsequent period are not yet available.

It shall be of interest to compare the actual

actual conditions of the jute workers as revealed by the survey against the minimum requirements discussed above. The survey was conducted by a small group of social research workers of the Bengal-Chakral Hazdoor Union. The population consisted of all the manual workers in the jute factories in Calcutta proper. The sample was selected randomly. In all, family budgets of 59 families were collected.

Table (145.2) sets out the frequency distribution of the families by 'size' of family. It will be observed that 24 of the 59 are single member families. The average size of the non-single member families is 4.23 and that of all families is 2.91. In terms of adult consumption units the average size of non-single member families is 3.46 a.c.u. and that of all families is 2.46 a.c.u.

Another important aspect of these workers' families is the large number of 'dependants living away' from the workers. The potential earners of rural families migrate to industrial centres, and continue as single member families, maintaining their dependent families at home. Table (145.3) shows the distribution of families by 'size' and number of 'dependants living away'. 32 of the families have to support one or more, dependents, wholly or partly. All the 24 single member families have 'dependants living away'. The average number of dependents for the single member families is 4.83 and for all families this stands at 2.49.

Table (145.4) shows the distribution of families by size and number of earners $\frac{4}{5}$. Only 9 of the 59 families have more than one earner. The average number of earners per family is 1.22.

The average expenditure of these families on different items is shown in Table (145.5). The total average monthly expenditure on consumer items amounts to Rs. 60.86. The percentage expenditure on broad groups of consumer items to the total consumer expenditure is also shown in table (145.5). As was mentioned earlier, the expenditure on food items accounts for 60.08%.

The average monthly income of the sample families is Rs. 35.40. This records a deficit of Rs. 15.86 per month in the consumer budget itself.

The frequency distribution of sample families by level of 'monthly income' (of all earners) and 'monthly consumer expenditure' is shown in Table (145.6). 34 families have reported deficit budgets.

The deficit in the consumer budget works out to 24.88% of the total family income despite the fact that these families maintain on the verge of starvation. The gravity of the situation may be realised from Table (145.7) which shows the quantities of food items expected to be consumed on the average by these females as per Dr. Patwardhan's scale with their cost and the quantities actually consumed and their cost. The table provides an eloquent testimony of the miserable standard of food consumed. The food consumed is devoid of any ghee content. The consumption of fruit and eggs is next to nothing as against the expected quantities of 6.765 seers and 78.8 prices respectively. Except cereals, the consumed quantities of other items like meat, fish, pulses, vegetables, etc. come to about 1/3 to 1/2 of the expected consumption. Only cereal consumption exceeded the expected quantity by about 2.5 srs. It should of course be mentioned that

that these families consumed additional food by way of non- alcoholic beverages, snacks prepared meals, etc. of the value of Rs.13.12, taking the total cost of consumed food articles to Rs.48.40 as against Rs.94.44, the cost of the expected consumption. Thus, even in terms of value of the actual consumption constitutes just 51.31% of the expected.

The total consumer expenditure per family calculated according to Patwardhan's standard, comes to Rs.157.19 at 1958-59 prices showing a deficit of Rs. 91.79. This deficit amounts to 140.35% of the family income.

The method of calculation adopted by Dr. Patwardhan appears to be more scientific & careful than any method based simply on the Indian Labour conference "norms". The result shows that the latter may in fact be a serious underestimation of the actual cost of living requirements of a working class family.

1/ The scale of conversion adopted is

1 adult female = 0.9 adult male
1 child = 0.6 adult male

2/ The survey and the results are discussed below

3/ Simple average of the monthly indices

4/ includes earning dependents also

Table (145-1) : Cost of a basket of food items as per Dr. Patwardhan's standard for a manual worker's family of 3.10 adult consumption units :

Sl. No.	Item	Unit	Q U A N T I T Y		Average price paid by Calcutta jute workers during 1958-59 (Rs.0.000)	Cost of quantity of column (5) Rs.
			Prescribed by Dr. Patwardhan for one adult male.	For 3.10 adult consumption units as per Patwardhan's scale.		
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1.	Cereals		12.75 Srs.	39.325 Srs.	0.581 per sr.	22.96
2.	Pulses		2.75 "	8.525 "	0.749 "	6.39
3.	Edible oil & ghee *		1.8125"	5.619 "	2.028 "	11.40
4.	Meat & fish		2.75 "	8.525 "	1.935 "	16.50
5.	Eggs	30 pieces		93 pieces	0.154 per piece	14.32
6.	Milk		9.125 Srs.	28.288 Srs.	0.980 per sr.	27.72
7.	Green leafy vegetables		3.625 "	11.238 "	0.157 "	1.76
8.	Root vegetables		2.75 "	8.525 "	0.327 "	2.79
9.	Other vegetables		2.75 "	8.525 "	0.327 "	2.79
10.	Fruits **		2.75 "	8.525 "	0.75 "	6.39
11.	Sugar & jaggery		1.8125 "	5.619 "	0.982 "	5.52
Total						Rs.119.02

* No ghee was consumed by the workers. The average price is that of edible oil only.

** No price could be determined from the family budget survey. The price quoted is the best for any fruit in the market.

Table (145-2) : Frequency distribution of the sample Families of Calcutta jute workers by size of family:

Family size	1	2	3	4	5	6	7	8	9	10	Total
Frequency	24	4	10	6	11	2	-	-	1	1	59

Table (145-3) : Distribution of the sample families by size of family and the number of 'dependents living away' :

Depen- dants living away	Family size										Total
	1	2	3	4	5	6	7	8	9	10	
0		2	6	6	9	2			1	1	37
1	2		1		1						4
2	4										4
3	1	1	2		1						5
4	4										4
5	3		1								4
6	5										5
7	2										2
8	2										2
9											-
10											-
11											-
12	1	1									2
Total	24	4	10	6	11	2	-	-	1	1	59

Table (145-4) : Distribution of sample families by size of family and the number of earners *

Number of earners	Family size										Total
	1	2	3	4	5	6	7	8	9	10	
1	24	3	9	5	8	1					50
2		1	1	1	1	1			1		6
3					2						2
4										1	1
Total	24	4	10	6	11	2			1	1	59

Table (145-5) : Average monthly consumption (quantity and value) of the sample families.

Sl. No.	Item Description	Unit	Per Family	
			Quantity (4)	Value (Rs.0.00) (5)
(1)	(2)	(3)	(in seers)	
<u>1. Food items</u>				
1.1	Cereals	Seer	33.73	19.83
1.2	Pulses	"	2.55	1.01
1.3	Edible Oils	"	1.44	2.92
1.4	Meat & fish	"	2.15	4.16
1.5	Eggs	No.	0.39	0.06
1.6	Milk	Seer	2.01	1.97
1.7	Ghee	-	-	-
1.8	Green leafy vegetables	Seer	2.22	0.35
1.9	Root Vegetables	"	3.43	1.47
1.10	Other vegetables	"	5.39	1.93
1.11	Fruits	-	-	0.16
1.12	Sugar	Seer	0.46	0.49
1.13	Gur	"	0.10	0.06
1.14	Spices & condiments	-	-	1.52
1.15	Non-alcoholic beverages	-	-	0.22
1.16	Prepared mills & snacks	-	-	11.28
<hr/>				
1.0	Total food			48.46
Percentage expenditure on food to total consumer expenditure : $\frac{7}{10}$				
<u>2. Stimulants</u>				
2.1	Pan supari			1.32
2.2	Tobacco products			1.97
2.3	Alcoholic beverages			0.51
<hr/>				
2.0	Total stimulants			3.80

Percentage expenditure on stimulants to total consumer expenditure : $\frac{4}{10}$

(Table 145-5 contd.)

(15)

(1)	(2)	(3)	(4)	(5)
<u>3. Fuel & Lighting</u>				
3.1	Fuel			2.46
3.2	Lighting			0.91
3.0	Total fuel & Lighting			3.37
	<u>Percentage to total:</u>		<u>%</u>	
<u>4. Housing</u>				
4.1	House rent and repair			5.43
4.2	Servant, Scavanger etc.			0.16
4.0	Total Housing			5.59
	<u>Percentage to total expenditure:</u>		<u>%</u>	
<u>5. Clothing etc.</u>				
5.1	Dhoti	Yds	1.08	1.33
5.2	Sari	"	0.08	0.07
5.3	Shirts & Shirtings	"	0.42	0.60
5.4	Under wear	-	-	0.15
5.5	Blouse	-	-	0.02
5.6	Towel	Yds	0.24	0.16
5.7	Coat			0.00
5.8	Other misc. clothing	-	-	0.40
5.9	Chaduar	-	-	0.00
5.10	Bed sheets	-	-	0.02
5.11	Blanket	-	-	0.00
5.12	Cap & other head wear	-	-	0.00
5.13	Stitching & Mending etc.	-	-	0.03
5.14	Foot wear : (a) Adults			0.03
	(b) Children			0.05
5.15	Personal Effects etc.			0.47
5.16	Household appliances			0.02
5.17	Furniture & Furnushings			0.00
5.0	Total - clothing etc.			3.40

Percentage to total expenditure:

(Table 145-5 contd.)

(1)	(2)	(3)	(4)	(5)
<u>6. Miscellaneous</u>				
6.1	Washing			1.08
6.2	Hair dressing			0.45
6.3	Toilet soap etc.			0.33
6.4	Shaving & Hair cutting			0.30
6.5	Doctor's fees			0.05
6.6	Medicines			1.36
6.7	School & College fees			0.08
6.8	School & College Books			0.00
6.9	Newspaper			0.00
6.10	Other Expenses on Education & Reading			0.08
6.11	Transport			1.05
6.12	Subscriptions & contributions:			
	(a) Trade Union fees			0.14
	(b) Social Subscriptions			0.01
	(c) Religious observances etc.			0.00
	(d) Gifts, Charities etc.			0.01
6.13	Recreation & Amusement			0.48
6.14	Taxes			0.03
6.15	Interest on loans & Remittances			8.40
6.16	Provident Fund.			1.35
<u>6.0</u>	<u>Total : Miscellaneous.</u>			<u>16.04</u>
	<u>Percentage to total Expenditure :</u>		<u>23</u>	
<u>7. Savings and Investment.</u>				
7.1	Life Insurance			0.00
7.2	Purchase of Land, Ornaments etc.			1.93
7.3	Debts Repaid.			0.34
<u>7.0</u>	<u>Total : Savings & Investment.</u>			<u>2.27</u>

Total Expenditure : Rs. 82.93

Table (145-6) : Distribution of sample families by 'monthly income' and 'monthly consumer expenditure'.

Expenditure Income (Rs.)	Upto 60	60-90	90-120	120-150	150-210	210 and above Total.
Upto 30		1				1
30- 60	2	1				3
60- 90	7	30	5	1		43
90-120			6			6
120-150		1	4			5
150-210				1		1
210 and above	-	-	-	-	-	-
Total	9	33	15	2		59

Table (145-7) : Statement showing the quantities of food items expected to be consumed by Dr. Patwardhan's scale and the quantities actually consumed by the sample families.

Item	Expected to be consumed on Dr. Patwardhan's Scale		Actually consumed	
	Quantity	Value (at 1958-59 prices) (Rs.)	Quantity	Value (at 1958-59 prices) (Rs.)
(1)	(2)	(3)	(4)	(5)
1. Cereals	31.365 Srs.	18.22	33.78 Srs.	19.54
2. Pulses	6.765 "	5.07	2.55 "	1.91
* 3. Edible Oils & Ghee	4.459 "	9.04	1.44 "	2.92
4. Meat & Fish	6.765 "	13.09	2.15 "	4.16
5. Eggs	73.8 pos.	11.36	0.39 pos.	0.06
6. Milk	22.448 Srs.	22.00	2.01 Srs.	1.97
7. Green leafy vegetables	8.917 "	1.40	2.22 "	0.35
8. Root vegetab- les	6.765 "	2.60	3.83 "	1.47
9. Other veg- etables	6.765 "	2.21	5.89 "	1.93
**10. Fruits	6.765 "	5.07	-	0.16
11. Sugar & Gur	4.459 "	4.38	0.56 "	0.55
Total	-	94.44	-	35.34

* Consumed quantity is devoid of ghee context.

** Fruits are valued at the lowest price at which any fruit is available in market.

since 1947 have been due solely to three successive Tribunal Awards, as stated earlier. It is regrettable to find, however, that such changes have not at all helped/raise ^{to} the workers' standard of living which is proverbially low. The reason for this is not far to seek.

While the index of money wages has risen between 1947 and 1955 (the last year of change in rates) from 100 to 146.02, the cost of living index rose in the same period from 325 (1939 : 100) to 355 in 1951, 387 in 1958, and almost 400 in 1959. Hence, whatever apparent gains were made by the workers through the Tribunal awards were wiped out by successive upward spurts in the C.L.I. There being no mechanism to provide neutralisation of the rise in the cost of living by means of sliding-scale, automatically adjustable Dearness Allowance, the Jute workers actually suffered a fall in their real wages which even to-day are below the pre-war level.

In these circumstances, the standard of living of the workers has not only not improved but has actually deteriorated since 1947. Deficit family budgets, resort to large-scale borrowings and consequent indebtedness, and constant privations are the jute workers' lot.

It is interesting to note that while the money-wage Index for the Jute Industry rose from 100 to 146.02 between 1946 & 1959, the corresponding indices for the Cotton Textile and Engineerin Industries in West Bengal were 169.71 and 177.50 respectively.

W O M E N ' S W A G E S

28,29 } There is at present no differentiation in wages paid to men
& 30. } and women workers doing the same or similar type of work.

Wages were standardised, irrespective of the workers' sex, by the first Tribunal in 1947, and this pattern has continued.

31. Yes, the minimum level of earnings for men and women, whatever their occupations, should be the same. Unfortunately this has been made into a convenient pretext by the employers to retrench women workers on a mass scale. The solution for this problem of unemployment is not to abandon the principle of equal pay for equal work but to take parallel measures to safeguard the volume and potential of women's employment in the Jute Industry. But the Govern~~ment~~ has failed....

failed in this respect. Even the modest recommendations made by a tripartite sub-committee appointed by the West Bengal Government to safeguard at least the existing volume of women's employment could not be implemented.

32. The only occupations in the jute industry reserved exclusively for women are those of Creche-in-charges, Ayahs, etc.

33. The number of women workers employed in the industry in West Bengal has been drastically reduced, from about 39,000 in 1947 to 30,415 in 1951, 22,375 in 1955, and 11,281 in 1958. This figure has gone down further since then.

P I E C E - R A T E D W O R K

35. No, we are not in favour of extending the system of piece-rates to other occupations. Piece-rates may have some theoretical justification in cases of industries which are expanding and where the piece-rate system may enable the workers to have some incentive for increasing output to meet the requirements of a large total volume of production. No such consideration apply to the jute industry, which is following a policy of artificially restricting production and which is incapable of utilising even its installed capacity. Further, the piece-rate system without foolproof safeguards against excessive workloads and "speed-up" methods and without an adequate guarantee of fall-back wages is against the basic interests of labour and only serves to exploit it unduly.

36. Nearly 60% of the workers are already piece-rated. This may be allowed to continue subject to labour's conditions re: assessment of workloads, a guaranteed fall-back wages, etc.

In the case of occupations, however, which are not wholly piece-rated, i.e. partly time-rated and partly piece-rated, we are in favour of making them wholly time-rated.

37. We have already stated in reply to Question No.35 above that the need for incentives is quite unreal in the peculiar circumstances of the jute industry. In fact, a race for higher output by the workers might easily boomerang on their heads after a while, leading to so-called "over-production" followed by all the familiar capitalist

methods of curtailing production such as sealing of looms, shortening workers hours, and lay-off and retrenchment of workers.

Hence, an "incentive" scheme cannot be a prime necessity for the jute industry. We have no objection, however, to piece-rates increasing with the quantum of production over and above a level at which the worker's minimum earnings (as per a corresponding time-rate) have been guaranteed.

38 We have already stated above that the entire wage-structure of the industry should be revised on the basis of time-rated groups, with proper grades and scales, and classified according to skill. The details of our proposal are given in Annexure "A".

39. Installation of new machinery has not led to higher earnings by piece-rated workers, except to some extent in the case of the Beaming Department,

In the case of some categories of time-rated workers, however, in the Preparing and Spinning Departments the work-load per man has been revised and increased after installation of automatic canters, roll-formers, and new spinning frames. But the old time-rates have not been revised and large number of workers have been retrenched as "surplus".

In the case of Weavers, ~~the same~~ there has been an apparent increase in earnings where the double-loom or pair-loom system has been introduced. We do not know if the employers claim this to be an example of "new technique of production", since all it entails is doubling of workload on the already existing old looms. But even the apparent increase in earnings is largely negated here due to the average weaver's inability to manage two looms without the assistance of an 'unofficial' helper, who is privately employed by the weaver himself and has to be paid out of the latter's earnings. This primitive system of exploitation is clandestinely encouraged by the employers who stand to gain and lose nothing by it.

PRODUCTIVITY OF LABOUR

40. Trade Unions can contribute to the promotion of workers' efficiency and productivity only in a particular set-up and atmosphere, viz., where they are recognised by the employers, enjoy the rights of collective bargaining and bipartite discussions, have access to relevant data, and bipartite discussions, ~~and~~ are represented on some form of joint machinery for consultations, etc. Here, employer-employee relations are perhaps the most backward and primitive in the country. Trade unions are denied recognition and enjoy no rights.

41. Productivity of labour and wage levels are closely inter-linked. One reacts on the other. Present productivity and labour efficiency in the jute mills are no lower than can be expected at the present poverty level of wages. So far, productivity has been increased by the simple and one-sided expediency of arbitrarily increasing workloads and retrenching so called "surplus" hands. This process has been carried out since 1949 through (i) modernisation of plant, (ii) intensification of labour on old machines. Over 1 lakh of workers have lost their jobs over the last ten or twelve years, while those remaining have been denied a rightful share in the gains of the resulting higher per capita productivity. Lower costs of production have gone to increase profits only. The tripartite Delhi agreement on Rationalisation (15th I.L.C., 1957) has been violated all-round by the employers. Therefore, the present productivity of labour is quite unrelated to any corresponding quantum of fair or minimum wages, and wages are lagging far behind productivity.

42. No, productivity of labour is not lower than what it should be under the prevailing conditions of work, i.e. wage-levels, security of employment, conditions of machinery, trade union rights, management-labour relations, etc.

43,44,45 & 46 :

There can be no question that the productivity of jute mill labour has increased since 1947. The methods adopted unilaterally by the employers to bring this about have been mentioned already. The broad and incontestable fact stands out that the total annual output of the industry in 1947-49 continues to be maintained whenever necessary in subsequent years, while the total labour force has in the meantime been reduced by about one lakh. For example :

<u>year</u>	<u>production</u> (000 tons)	<u>no. of workers</u> <u>employed</u>
1948	1,048.8	302,505
1952	951.6	272,151
1959	1,052.4	210,000

A paper on "Labour Cost and Material Utilisation in the Jute Industry", produced recently by the Central Statistical Organisation of the Union Labour Ministry, gives following indication of labour productivity changes :

<u>Year</u>	<u>Labour Productivity</u> i.e. <u>Physical Output</u> Man hours	<u>Index of</u> <u>Labour</u> <u>Productivity</u>
1946	0.00138	100.00
1947	0.00143	103.66
1948	0.00144	104.3
1949	0.00150	108.6
1950	0.00147	106.5
1951	0.00151	109.4
1952	0.00156	113.0
1953	0.00154	111.55
1954	0.00162	117.3
1955	0.00167	121.0
1956	0.00181	131.1

In this connection, we would refer the Wage Board to "Trends in Labour Productivity in Jute Industry", a study by Shri Anil Kumar Chatterjee, a research worker of the ^{/Indian Statistical Institute and} Calcutta University. A copy of this study is appended as Annexure "B". We are in full agreement with the conclusions arrived at therein by Shri Chatterjee on the various aspects of the productivity question.

W O R K L O A D S

47,48,49, & 50 :

We do not favour assessment of workload by time and motion studies by an independent body because there are no such "independent" bodies in the industrial field. Generally all such bodies are found to be extremely partisan in practice on the side of employers, and their studies have become subjects of bitter controversy, apart from their

their findings being rejected by trade unions of all shades of opinion.

It is worth remembering in this connection that the model tripartite agreement on Rationalisation reached at the 15th Indian Labour Conference, 1957, says : "There should be a proper assessment of workloads by experts, mutually agreed upon and also suitable improvements in the working conditions." The underlying idea contained here correctly emphasises the importance of mutual agreement which cannot be reconciled with the imposition of findings by some "independent" body.

As for the method of time and motion study, we consider it far from perfect. This view has been expressed also by the Textile Enquiry Committee, Madras, (1953) and the Bombay Textile Labour Enquiry Committee. The latter has in fact remarked as follows :

"It must, however, be remembered that apart from investigation into the technical methods of production, time and motion study involves the measurement of both muscular strain and mental fatigue. It, therefore, calls for the services not only of trained engineers, but also of well-trained industrial psychologists and industrial physiologists. As the psychologists always insist on pointing out, time study and movement study as carried out by the industrial psychologist are totally different from the time and the movement study carried out by one whose outlook is dominated by a training in Engineering."

Other vital factors which determine whether the optimum efficiency can be reached are, for example, good quality of raw jute and batch-mixing, lowered speeds, good condition of machinery, reduction in breakages of yarn, good lighting, ventilation and humidification, etc. These have got nothing to do with "pure" time and motion studies.

In our opinion, a fair, reasonable and mutually acceptable assessment of workloads can best be arrived at through joint discussions between management and labour, because factors like (i) past experience, (ii) conventional practices, and (iii) rule of thumb determination often lead to better and more workable results than an abstract, 'Scientific' approach. This is particularly so in the case of old and conservative industries, of which Jute is an outstanding example.

51. At present no agreed basis for workload assessments exists as between employers and workmen in the Jute Industry. Unions have never been.....

been consulted in the matter. The Special Committee for the Jute Industry set up by the Industrial Committee for Jute in 1959 was in a position to investigate the question and make recommendations, but it ceased to function before it could even take up the issue.

52. Yes, we feel there is a real danger of extension of the piece-rate system leading to overwork and speed-up. We have dealt with this in our replies to the sections on Piece-rates and Productivity.

57. The computation of national income in our country is hardly a decade old. As yet there is no known way of relating the level of wages to the level of national income. In an under-developed country where the working class forms a negligible proportion (1.5 per cent) of the total population and a small minority (4 %) of the economically active part of it, there can hardly be a correspondence between the level of wages of workers in any particular industry and the national income as such. The only thing that can be said about the relationship between them is that with the general rise in national income indicating prosperity of the nation, the general wage level should also rise. This is agreed upon on all sides and is laid down in various plans of the country. Due to an extensive variety in the nature of industries, with all the shades of labour-intensive to capital-intensive, the only factor to be taken into consideration for determining the wage level in any industry is the net-value added by the industry. The question of relationship also has an ideological content. If the national income has to exercise any appreciable influence on the wage structure, surely profits, dividends, managing agent's commission, and salary of top executive have to come under its influence first.

Though average per capita national income cannot be the basis for fixing the minimum wages of industrial workers, it would be instructive to compare the earnings of jute workers with the average per capita national income in our country. According to the estimates of the Central Statistical Organisation, Government of India, the average annual per capita national income in 1958-59 was Rs.313.2 on which basis the monthly income of a 4 members would amount to Rs.104.40. But at present

the minimum total earnings of a jute worker ~~xxxxxx~~ only Rs.6717 per month, and average total earnings of the jute workers come to only Rs.82 p.m. And more often than not even this is denied to a large section of jute workers, due to short-time working, bad fibre and the like causes.

58. & 60

The place of the jute industry in the economy of the country as a foreign exchange earner (Rs.134 crores in 1960) with growing prospects and potentiality in the home and export market due to worldwide growth in the volume of production and trade is well known to all and needs no argument. During last five years the total annual production of jute goods has stabilised near 11 lakh tons increasing from an annual average of 950 thousand tons during 1st Five Year Plan. Even the latest expectations of the Jute Mill-owners expressed by the Chairman of Indian Jute Mills Association in its Annual meeting on 17th March 1961 are that : "the long term prospects are bright. Our products are in increasing demand for industrial purposes in USA, the consumption in India continues to rise and, notwithstanding the competition from Pakistan and from indigenous industries, I think that we can look forward to an expanding market in the developing countries of Africa and South East Asia."

In the above background when there is a bright prospect for expanding market, if there is a consistent effort to reach the target of living wage the importance of this industry in the economy of the country will be given its due recognition.

59. The accompanying tables showing profits etc. prepared from the published balance sheets give an idea and the trend of the financial position of the industry since 1946-47. But how far can it be declared an objective picture shall remain anybody's surmise. What undeclared profits, margins, commissions on raw materials and finished goods pass behind the balance sheets, in the hands of the managing agents and those who control the industry gets known ^{/and only} as a scandal. Some of the prosperity of the industry gets reflected in the amount of bonus shares given

gratis

gratis to the existing holders and in the tendency of many jute companies taking to new lines of production, from cement to carbide, completely unrelated to the production of jute and allied goods.

The tables show that the industry has reaped profits, declared dividends lavishly, and set aside comfortable amounts for reserve and depreciation throughout the decade. If a few companies have now and then put up a jarring picture in this period, it were their individual sins recoiling on them.

The financial soundness of the industry is also reflected in the fact that the jute industry has launched a modernisation plan and carried it successfully in most of its units spending Rs.21 crores upto 1959. This makes it face the future with confidence.

The figures in the first table below show that productivity of capital in jute industry has gone down sharply, by nearly 50% between 1949-51 and 1956-58. It may, perhaps, be argued that this steep fall indicates, further, the kind of depressing effect that excess capacity and the relative price of raw jute manufactures have wrought.

But, these figures, on the other hand do also suggest that while the recent round of modernisation has inflated the capital valuation of industry, it has had the queer effect of sharply reducing productivity of capital. With the wage-bill held constant the gains in labour productivity have, thus, tended to be eaten up by the inflation in the value of capital assets. On the face of it this cannot happen as a consequence of modernisation, if adoption of advanced production-equipment has to have any scientific rationale. One doubts, however, that the relative inflation of the value of capital assets is an accounting device aimed at reaping the benefits of extraordinarily heavy depreciation allowances on the one hand and of artificial appreciation of the value of capital assets on the other.

And...

And this is done to cover up the gains of the rise in labour productivity which must have occurred in the face of a constant wage bill and an altogether ^{/unrelated} rise in the index of jute prices.

Further, to the extent that the relative rise in productive capital is due to the rise in raw jute prices, it merely serves to cover up the gains that trading interests in raw jute are having apparently at the cost of the profitability of the jute industry, - apparently, because trading interests in raw jute are known to be often the same as manufacturing interests in the jute industry, by virtue of which what would show up as manufacturing company profits disappears in the form of personal trading profits.

Thus, behind the facade of a so-called distressed industry whose rates of return on capital have undergone a sharp fall lurks a whole series of loopholes through which the actual state of profitability and, hence of the so-called capacity to pay - is disappearing.

Table : 1
JUTE INDUSTRY

year	gross production	productive capital	$\frac{\text{gross production}}{\text{productive capital}}$
(1)	(2)	(3)	(4)*
1946	88,30,23,907	50,05,72,288	1.76
1947	1,26,68,99,857	51,78,31,935	2.45
1948	1,60,40,41,344	66,10,40,748	2.43
1949	1,43,07,27,958	66,08,23,674	2.17
1950	1,48,86,89,243	69,13,81,386	2.15
1951	2,11,49,92,128	77,79,77,111	2.72
1952	1,69,27,76,818	68,69,21,354	2.46
1953	1,12,90,09,257	66,86,02,738	1.69
1954	1,23,35,54,930	65,26,38,306	1.89
1955	1,35,26,16,413	71,47,96,053	1.89
1956	1,42,77,58,035	83,35,12,345	1.71
1957	1,36,04,45,849	89,53,01,382	1.52
1958	1,27,91,85,061	71,93,52,931	1.78

(From Census of Manufacturing industries)

* Col. 2 ÷ Col. 3 = Col. 4.

Table : 2

The following table given the gross and net profits in sixty jute companies during the period under review :-

(1946-47 to 1958-59)

(1) Sr. No.	(2) Year	(3) total gross profits (in Rs.)	(4) index '46-'47 =100	(5) total net profits (in Rs.)	(6) index '46-'47 =100	(7) net profit as % of gross profit	(8) No. of Coys. de: loss
1	1946-47	101637242	100.00	41752536	100.00	41.08	1
2	1947-48	113658211	111.83	52767470	126.38	46.43	-
3	1948-49	39859622	39.22	10227614	24.50	25.66	17
4	1949-50	60799757	59.82	29853402	71.50	49.10	13
5	1950-51	122381116	120.41	67735388	162.23	55.35	1
6	1951-52	121061617	119.11	53798729	128.85	44.44	14
7	1952-53	89282551	87.84	45331103	108.57	50.77	4
8	1953-54	66654638	65.58	42399989	101.55	63.61	2
* 9	1954-55	71276284	70.13	46151129	110.53	64.75	1
* 10	1955-56	38331058	37.71	15591338	37.34	40.68	26
* 11	1956-57	11516120	11.33	5579463	13.36	48.45	24
* 12	1957-58	56211245	55.31	44924290	107.60	79.92	11
* 13	1958-59	97610408	96.04	74218750	177.76	76.04	1

Table : 3

The following table indicates the allocation of depreciation and reserve fund :-

(1946-47 to 1958-59)

(1) Srl. no.	(2) year	(3) amount set aside for reserve in Rs.	(4) index '46-'47 = 100	(5) reserve as p.c. of net profit	(6) depreciation (in Rs.)	(7) depreciation index '46-'47=100	(8) depreciation as p.c. of net profit
1	1946-47	7181617	100.00	17.20	7308182	100.00	17.50
2	1947-48	13076881	182.09	24.78	7658412	104.79	14.51
3	1948-49	6670311	92.88	65.22	6163058	84.33	60.26
4	1949-50	13105100	182.48	43.90	8861979	121.26	29.68
5	1950-51	24607376	342.64	36.33	14177727	194.00	20.93
6	1951-52	20498009	285.42	38.10	12853285	175.87	23.89
7	1952-53	10197134	141.99	22.49	13108959	179.37	28.92
8	1953-54	10435348	145.31	24.61	16038844	219.46	37.83
* 9	1954-55	9748831	135.75	21.12	176691825	242.08	38.33
* 10	1955-56	6122188	85.25	39.27	20369347	278.72	30.64
* 11	1956-57	3502472	48.77	62.77	20644725	282.49	70.01
* 12	1957-58	11722557	163.23	26.09	25303777	346.24	56.33
* 13	1958-59	21051793	293.13	28.36	25682764	362.42	34.60

* includes 58 companies

* includes 56 companies

7.0 Total expenditure on consumer items 80.66
Percentage : 100

8. Savings and investment

8.1 Life Insurance 0.00
8.2 Purchase of land, ornaments etc. 1.93
8.3 Debts Repaid .34

8.0 Total : Savings and Investment 2.27

Total Expenditure : 82.93

The following table shows the variations in the total amount and rates of dividend paid to the share holders :-

dividend paid to the share holders (1946-47 to 1958-59)

Sl. No.	Year	Total dividends paid (in Rs.)	Index (1946-47 = 100)	Dividends as p.c. of net profit	Average rate of dividend	No. of companies paying no dividend
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	1946-47	23548451	100.00	68.38	19.2	1
2	1947-48		103.19	103.19	17.3	1
3	1948-49	17415159	61.00	170.28	8.8	10
4	1949-50	19403028	61.97	64.99	9.4	13
5	1950-51	40518202	141.93	59.82	16.8	3
6	1951-52	27905096	97.75	51.87	15.4	9
7	1952-53	23126064	81.01	51.02	10.7	10
8	1953-54	20601780	72.16	48.59	9.4	6
* 9	1954-55	21766518	76.24	47.16	9.8	4
*10	1955-56	15080054	52.82	96.72	7.7	17
*11	1956-57	11984671	41.98	214.80	8.3	31
*12	1957-58	17543210	61.45	39.05	9.5	21
+13	1958-59	24282495	85.06	32.72	11.7	11

* includes 58 companies

+ includes 56 companies

62. The most essential need of the jute industry in the developing economy of our country, which has adopted socialism as its goal, is of enforcing the proper outlook in the minds of industry owners and that unrestricted profits making as sole purpose of its existence will not be tolerated and their activities must conform to suit the needs of the national economy and tens of thousands of the peasant and worker families supplying raw jute and and labour power to run the industry. In the absence of such an outlook there goes on racketeering in the prices of raw jute in which the jute mill owners have substantial direct hand and interest as well as speculation in the finished goods prices. We, therefore, emphasise that as a curb on such activities and for stabilising the prices of raw jute which would make its steady availability possible (the growers will not in that situation speculate whether sow jute or not) the State should take over its trading in its hands as also the trading in the finished goods. This is the first essential step to be taken.

The second is to extend the demand of jute products for which they should be both diversified, that is, new lines of production of jute material should be worked out, and new markets explored in the countries not hitherto approached or approached half-heartedly.

The essential need is to have an efficient and contented labour force in the jute mills which must be rid of the nightmare of insecurity of employment, erratic wage-pattern and unstable wages, and hardly improving standard of living.

It is a pity that the oldest industry in the country, and easily the one of the most important in the nation's economy, has such features to its credit (?) that would have led to its nationalisation long ago. We, therefore, feel that so long as this is not restored to, the State must intervene in the manner suggested above.

63. For any export industry, to maintain its markets in outside countries, two things are necessary, (1) that it maintains
its...

its standard of quality and (2) that the price of its products is stable. Unfortunately, in both these aspects complaints from foreign markets are not lacking in respect of jute industry. There are strong elements of speculation which cause wide fluctuation in prices both for raw jute and finished ^{/jute} goods. This disturbance in price can only be stopped if the State takes the marketing of both raw jute and jute goods in its hands through State Trading Corporation. The State would then also be able to wield a strong hand in maintaining the quality of finished products.

The stabilisation of the price of raw jute, i.e., rescuing both raw jute and its cultivators from the stranglehold of the speculators in Calcutta and their local agents is a must for the future and the health of the jute industry, because raw jute costs are as much as 60% of the total cost of production of jute goods. And only a healthy industry can pay its workers decently and keep them in efficient trim.

An idea of erratic raw jute prices can be had from the data from Jute Bulletin, unwarranted by any natural circumstances:

average of		index (July 1914=100)
(1)		(2)
1944-48	-	188
1949-53	-	322
1954	-	248
1955	-	283
1956	-	293
1957	-	350

It is well-known that the benefits of rise in raw jute prices seldom, if ever, accrue to the cultivators and these too are only marginal. Almost all enquiry Committees testify to this. An instance of devastating consequences of such artificial pumping of prices of raw jute in 1960-61 is the present reduction of working hours in jute mills to 42½ from 48 a week, monthly lock-closure, further sealing of looms, thereby drastically reducing workers' earnings by 'lay-off' and retrenchment. That the so-called scarcity of raw jute and the crisis in its price is

is made-in-Calcutta is testified by the creators themselves, though by implication. The Chairman, IJMA, in his speech in the Annual General Meeting on 17th March 1961 said, "that there is speculation - and sometimes excessive speculation - in the Calcutta Jute trade, no one would attempt to deny. Speculation is a feature of all commodity markets and the jute market suffers from it more than most." Brave confession, indeed. One day earlier, in another Annual General Meeting, that of Jute Balers Association, Mr. T.Kanoria, declared, "raw jute availability during the current year was not as low as it had affected prices." Therefore consequences of speculation cannot be an argument in denying living wage to workers and the workers and peasants cannot be made to suffer for the sins of Lyons Range and Burtolla.

64, 66 & 69.

The types of competition that the industry is facing are well known and the din raised about it has become monotonous. These are broadly the systems of bulk handling and alternate package material, like paper and cotton bags. But not all the advantages lies towards them. Jute goods too have something to their credit, like durability and repeated use. And so there is a limit to which such substitute materials can displace the jute products and that is why jute goods world over are still in increasing demand.

The oft-repeated argument that increase in wages will lead to increase in prices of finished goods, and therefore would not be able to stand competition and would ultimately adversely affect the foreign exchange position and economy of the country, is fallacious and for the jute industry in any case, does not stand to the reality of the situation. Certain figures given below would be convincing. Since 1949 the workers have been given increased wages through tribunals lifting the minimum from about Rs.46 per month in 1948 to Rs.67.17 per month in 1955. But this has not increased the wage bill of the industry since 1949....

The....

The total wages paid by West Bengal Jute Mills in 1949 were Rs.23,87,23,000 which barely increased to Rs.23,97,37,000 in 1959 (data under payment of wages Act). While this was so, the index of price of jute manufactures has fluctuated as below :

average of year	index (July 1914=100)
(1)	(2)
1944-48	274
1949-53	431
1954	331
1955	328
1956	313
1957	320

(I.C.J.C. Bulletin)

It is apparent from the above that the prices of jute manufactures bear no relationship with the wages paid to the workers. It may also be mentioned that the proportion of wages and salaries constitutes only 20% of the total cost of production. If we take only the direct wages of labour, it would come to about 15% of the total cost of production. The little increase therefore in the wages of workers are hardly a factor in determining the price of finished goods about which such a hue and cry is made. As such we are of the firm opinion that the wage increases will not endanger targets of production, earning of foreign exchange, or any other goal set for the industry.

It would be relevant in this connection to mention that the horizons of the jute mill owners in looking for markets are very narrow. On their globe of markets only USA, Argentina, U.K., Western Europe and Australia seem to exist. To these places they send missions and roving ambassadors and in USA even have a permanent office. Recently countries in South-East Asia seem to have found place in their geography. The rest of the world, particularly the socialist countries of East Europe, Soviet Union and China do not exist for them. Whereas it is in these very countries whose economies are crisis-free and where production and trade are increasing by bounds that jute goods would find unsatisfied demand. It is a straw in the wind that, to quote the Chairman of IJMA, "Indeed, but for an unexpectedly large order from....

from China, which took about 50,000 tons more than usual, they (exports) would have fallen below the level of 1958". It may be noted that it was not the efforts of the IJMA which procured this large order from China and helped the export in that year. What conscious efforts to meet the markets of these countries would not achieve %.

67. From a prewar position of a very narrow home market for jute goods which absorbed about 8% of the total production of jute manufactures of this country, India in the phase of recent development has been consuming between 20 and 25 per cent of its total production of jute goods. There can be no doubt that the targets set for Third Five Year Plan and subsequently the need for jute goods would further increase and more of the capacity of the jute industry would be utilised, thus reducing its idle part.

70. The question of impact of fair wages on the employment position of an industry is rather bookish. The employment prospects in an industry are generally governed by various factors, internal and external.

Some economists argue that if wages are forced by trade union pressure above the competitive level, the serviceability of labour would diminish and consequently its demand. And so will follow unemployment. The hollowness of this theory has been so abundantly proved in practice, particularly after the depression of the 'thirties when no amount of cut in wages could stop the colossal growth of unemployment in that period even in the highly industrialised countries on the continent and U.S.A., that even economists like Keynes and his school have rejected it in toto. According to Keynes 'Change in money wages is not likely to lead to any great change in employment in either direction'. An extensive survey made by the I.L.O. into the effects of the different minimum wage legislation in different countries of Europe and America has also revealed that fixation of wages above a certain minimum has nowhere affected employment significantly.

As for the validity of this theory in the conditions of our country, where the industrial wage-bill is so insignificant compared to the total national income, it is ridiculous to suggest that a push-up in wages would cause unemployment. In the history of Jute industry itself has never been evident any correlation between changes in wages and employment. Rather the variations in the volume of employment have always been governed by the temporary & fluctuations in the fortunes of the industry, and never by wage changes. In this industry, the reduction of employment from a peak of 3,25,000 in 1949 to about 2,40,000 a decade later had nothing to do with the little increase in wages in this period, which are still far below a fair wage level. All round rationalisation was mainly responsible for such a reduction in employment which was done in order to keep the rate of profit at the abnormal levels, a taste of which the Jute industry has had too frequently throughout its career.

Regarding the question of the impact of any upward revision of existing wage level on the capacity of the industry to maintain production and efficiency, we strongly hold the view that such a revision would favourably affect the capacity of the industry to maintain production through increased efficiency and productivity of labour. If the jute workers are raised from the present bare subsistence level of living it will naturally be reflected in the form of increased production and consequently, the capacity of the industry to pay will also be raised.

Therefore, we hold that any upward revision of the existing wage level in the jute industry will not affect the level of employment or the capacity of the industry to maintain production and efficiency. In fact, it would increase both.

D I F F E R E N T I A L S

78. The existing differentials do not fairly reflect the differences in skill and workload if only for the simple reason that they have grown up haphazardly and in an anarchic manner over the years, without reference to any principle or criteria of measurement or evaluation.

79. The present structure calls for a general upward revision, it is in this context that the differentials will have ^{to} be considered. The wages of the lower paid, unskilled and relatively less skilled workers do not provide for even their actual minimum need-based requirements, while the relatively more skilled, skilled, and highly skilled categories are also getting far less than they deserve on counts, because their wages are pegged to an unreal differential in relation to the lowest paid worker. The real narrowing down which requires to be done is between the wages of the workmen, on the one hand and the high salaries and emoluments of management personnel on the other.

80. The present differentials provide little or no incentive to the workers for advancing their skill. For our suggestions in this regard, please refer to the wage structure proposed by us in Annexure "A".

81. The weightage to be given for the several factors to be taken into account in fixing up the wage differentials should be in the following order of priority :

- (1) Degree of skill; (2) Strain of work; (3) Experience involved; (4) Training required; (5) Fatigue involved;
- (6) Responsibility undertaken; (7) Disagreeableness of task;
- (8) Hazard of work; and (9) Mental and physical reasons.

B O N U S E T C.

82. There is no system of giving Bonus in the Jute Industry in West Bengal.

- 83.
- (a) Bonus should be paid to all workmen;
 - (b) It should be paid by all units according to an industry-wise scheme.

34. Unit-wise variations in the quantum of Bonus paid would not affect the standardised wage structure.

35. Bonus is claimed by us for the Jute workers primarily as a deferred wage, i.e. its role should be to fill up the gap between the existing very low wages and the living wage standard. At the same time, variations in the financial capacity of individual units may also be taken into consideration when determining the actual quantum of Bonus payable.

Hence, we demand :

- (a) that a Bonus Scheme covering the industry as a whole be introduced;
- (b) that a minimum Bonus equivalent to one month's wages per annum be paid by every unit, irrespective of profit or loss;
- (c) that units making profits be classified into 2 or 3 categories on the basis of their profitability for the purpose of paying a higher quantum of Bonus, i.e., over one month's wages and upto 3 months' wages per worker per annum.

In this connection, the Wage Board may refer for guidance to the prevalent Annual Bonus Schemes (industry-wise) in the Cotton Textile Industry at Bombay and Ahmedabad, and also in the Tea Plantation industry in West Bengal.

We would like to make it clear that we are putting forward the bare framework of a minimum Bonus Scheme only, which we shall elaborate at the time of hearing, because upto now, in the century or more of its existence, this major industry has never paid a single pie as Bonus to its workmen.

36. Yes, the rates prescribed in the Third Omnibus Tribunal Award for a weaver looking after two looms should be revised. The present rates are unfair and amount to exploitation. We demand that such a weaver must get his full piece-rate earnings

on the total production of both looms, instead of only 75% as at present.

87. Similarly, if a weaver looks after more than 2 looms he must be paid the full rate of earnings for the total production of each extra loom.

88. Workers employed in the 3rd. shift should get a special allowance of 10% addition wages over and above the normal wages paid for work in the other shifts.

89. The only existing retirement benefit is the Provident Fund Scheme which came into force from 1948. We consider this to be inadequate. Our demands are :

- (a) Introduction of a Gratuity Scheme at the rate of one month's wages for each year of service; and
- (b) Increase in the rate of Provident Fund contributions from $6\frac{1}{4}\%$ to $8\frac{1}{3}\%$.

Categories	Total Basic		D.A.	GRADE	and	SCALE
	Wage at	wage				
	CLI of	at CLI				
	387	of 325				
	Rs.	Rs.	Rs.			
<u>Manual Workers</u>						
Unskilled A	125/-	105/-	20/-	105-1.30-118-1.50-		125.50
Unskilled B	137/-	115/-	22/-	115-2.00-135-2.20-		146.00
Semi-skilled A	166/-	140/-	26/-	140-2.60-166-3.10-		181.50
Do B	187.50	157.50	30/-	157.50-3.25-190-3.50-		207.50
Skilled A	225/-	189/-	36/-	189-3.90-228-4.20-		249
Skilled B	250/-	210/-	40/-	210-5 - 260 - 6.50 -		292.50
Highly Sk.	275/-	230/-	45/-	230-7.50-305 -10-		355
Apprentice	125/-	105/-	20/-	105- 2-107 -2.50-		112-3-118

Details of the Piece-Rates will be submitted at the time of hearing.

Subordinate Staff

Office Peon and Labour Office Peon should be given the benefits of Unskilled B.

Office Bearer & Labour Office Bearer should be given the benefits of Unskilled A.

Storeman should be given the benefits of Semi-skilled B.

Canteen, Mill-Quarter Staff & General Dept.

Cook (Canteen): Same as Skilled A.

Masalchi, Serving Boys & Table attendants (Canteen), Cook, Bearer and Khanshama - Mill Qtr. : Unskilled B.

Canteen Cleaner & Quarter servant : Unskilled A.

Mali : Semi-skilled A

Head Mali : Semi-skilled B

Scavenger Staff :

Sweeper : Unskilled A

Mathors and

Septic tank cleaner: do B

Jamadar : Semi-skilled A

Watch & Ward Staff :

Darwans : Semi-skilled A

Dak-Darwan &

Line Jamadar : Semi-skilled B

Havildar and

2nd Jamadar : Skilled A

Head Jamadar : Highly skilled

Supervisory Staff :

Supervisors : Rs.50/- more than Highly-skilled

Technical Supervisor

and Draughtsman : Rs.50 more than Supervisors.

Clerks and Medical Staff should be placed in the following

Grades and Scales : Basic
Grade D : Rs.189 - 5 - 239 - 7.50 - Rs. 276.50
Grade C : 210 - 7.50 - 285 - 10 - 335
Grade B : 230 - 10 - 330 - 15 - 405
Grade A : 275 - 10 - 375 - 15 - 450
Special : 315 - 15 - 390 - 20 - 490-25- Rs.615

Dearness Allowance

Grade D : Rs.36/- ; Grade C : Rs.40/- ;
Grade B : Rs.45/- ; Grade A : Rs.50/- ;
Special : Rs.60/-.

Clerks and Medical Staff should be classified in the following manner (Teachers included) :

- Grade D : Measuring, Marking, Lapping, Billet, Welfare and Tally Clerks. Junior Nurse & Junior Mid-wives.
- Grade C : Senior Nurse, Senior Mid-wives; Compounder. Other Clerks not placed in any ~~gr~~ other group. Teachers and Moulavis.
- Grade B : Pay-sheet Clerk, Office Assistants, Labour Office Assistants, Costing Assistants, Typists, Provident Fund Assistants, Shipping Clerk, Departmental Assistants, Time-Keeper, Canteen In-charge. Junior Matron.
- Grade A : Departmental Head Clerk, Labour Office Head Clerk, Accountant, Stenographer, Senior Office Assistants, Head Typist(Senior), Comptometer Operator, Provident Fund Head Clerk, Costing Clerk, Head Paysheet Clerk, Head Time-Keeper. Senior Matron.
- Special : Office Head Clerk, Store Head Clerk, Costing Accountant. Doctor.

UNSKILLED

Department	Un/skilled A	Unskilled B Heavy or involving dirty or obnoxious or more hazardous work
Batching	Softner feeder, Softner receiver, Teaser feeder, Sweepers.	Teaser mazdoor, Dust shaker mazdoor, Root cutters, Jute piling mazdoor, cutting balés opener, Carrying mazdoor, Dollop weigh man, Departmental mazdoor, Softner cleaner, Ordinary cutter or B.R. Cutters, P.M. & Teaser mazdoor, Can transporter, Can tamper.
Prepairing	Breaker receiver ordinary, Card feeder ordinary, Card receiver ordinary, Drawing feeder ordinary, Roving feeder ordinary, Roving feeder large can, Sweepers, Departmental mazdoor not otherwise catered for	Dollop weighman, Breaker root dutter, Breaker feeder, Breaker receiver and card feeder ordina- ry, Card receiver and 1st drawing receiver ordinary, 1st drawing receiver and 2nd drawing feeder ordinary, Empty rove bobbins mazdoor, Picking mazdoor Waste mazdoor, Cleaners.
Spinning	Sweepers, Departmental mazdoor, Temper bankman.	Sliver spinning feeder, Rove bobbin mazdoor, Spinning bobbin mazdoor, Spinning doffing maz- door, weighing and carrying mazdoors.
Winding	Sweepers, Departmental mazdoors, Bobbin cleaners.	Bündlers, Cop'godown mazdoors, Spool delivery mazdoors.
Beaming	Sweepers	Dye mazdoors.
Weaving	Sweepers	Departmental mazdoors, Cloth carrier mazdoors, Cleaners.
Finishing	Sweepers	Departmental mazdoors.
Sewing	Cutting machine receiver, Sweepers.	Sliced bag joiners, Departmental mazdoors, Twist cutters, Helpers Cutting mazdoor, Hemming machine mazdoors.
Packing		Departmental Mazdoors.
Jute handling		Departmental mazdoors, Trolly mazdoors.
Branding		Mazdoors.

SEMI-SKILLED

Department	Semi-skilled A	Semi-skilled B Semi-skilled work with higher responsibilities.
Batching	Emulsion Tank attendant, Selectors, Ankrawala (picker), Garry mazdoors.	Selecting Sardars, Softner sardars, Jute cutting sardars, Teaser sardar.
Prepairing	Breaker receiver roll for- ming, Breaker receiver automatic cantampling, Card feeder rolls, Card feeder large can, Card	Breaker card sardar, Drawing line sardar, Roving line sardar, Shifter sardar,

receiver roll forming, Card Picker sardar,
 automatic can tampling, Finisher card sardar.
 Drawing feeder rolls,
 Drawing feeder large can,
 Drawing receiver roll
 forming, Drawing receiver
 automatic can tampling,
 Breaker receiver and card
 feeder rolls, Breaker
 receiver and card feeder large
 can, Card receiver and 1st
 drawing feeder rolls,
 Card receiver and 1st
 drawing feeder large can,
 1st drawing receiver and
 2nd drawing feeder rolls,
 1st drawing receiver and
 2nd drawing feeder large
 can, Rovers, Roving shif-
 ters, Sliver testers.

Spinning	Shifters, Twisters, Reelers, Head mazdoor sardar, Roller Bundlers, Chain pullers, man, List man, Yarn tester.
Winding	Reelers, Hessian warp winders, Sacking warp winders, Sale Twist winders. Line sardars, Hessian cop winders, Sacking cop winders, Dyed yarn winders, Mack roll winders (warp).
Beaming	Beam carrier mazdoor, Dyers, Hessian beamers, Sacking beamers, Dressers, Cotton netting beamers. Hessian 1st beamer, Sacking 1st Beamer, Pre-beamer's, Starchman, One-Mack Loom beamers.
Weaving	Mochi (Picker repairer) Cambman, Store man, Helpers.
Finishing	Damper feeder, Damper receiver, Calender feer, Calender receiver, Cloth examiners, Cloth repairers, Lapping machine feeder, Lapping machine receiver, Crisping machine operatives, Cropping machine feeder, Cropping machine receiver, Mangle feeder, Mangle receiver, Balegharry man, Lapping markman. Sectional sardars, Measuring machine man.
Sack-Sewing	Cutting machine feeders, Hand sewers. Hand sewers (wool packs, Cement bags, Splice bags, Double Sewing, Tar Sewing)
Branding	Branders Sardars.
General	Loading and un-loading mazdoors.
Packing	Bale godown and export mazdoors Hoop cutters, Pressmen,
Jute Handling	Tulandars.

SKILLED

Department	<u>Skilled A</u>	<u>Skilled B</u>
Batching	Head Sardar	Skilled with higher responsibilities

Cont'd.

Preparing	Head Sardar, Beltman	
Spinning	Shifter sardar, Reelers line sardar, Hessian warp spinner-ordinary, Self doffing slip, Controlled draft, Hessian weft spinners ordinary, Self doffing slip, Controlled draft, Sacking warp spinner-ordinary, Self doffing slip, Controlled draft, Sacking weft spinner-ordinary, Self doffing slip, Controlled draft, Beltman.	Second sardar, Line sardars.
Winding	Cop winding sardar, Warp winding Sardar, Cop winders with slab- clutchers.	Head Sardar.
Beaming	Pre-beaming machine 1st beamer, Carpet beamers, Broad loom beamers, Circular loom beamers, Jute canvas Beamers.	
Weaving	Hessian weavers, Sacking weavers, Cotton netting weavers, Jute backing weavers, Beltman.	Hessian line sardar, Sacking line sardar, Circular loom weavers, One-mack loom weavers.
Finishing	Beltman	Head Sardar.
Sack-sewing	Sewing machine operatives, Hemming machine operatives.	Departmental Sardar, Sewing machine operatives (for double sewing, Tar sewing, Wool packs, Cement bags, etc.)
Packing	1st Pressman, Press markman, Bale godwon markman.	
Jute Handling	Sajandars, Sarandars.	Sangras.
Maintenance Workshop, Mechanical	Softner, Teaser, Breaker, Card Mistries, Drawing and Roving mistries, Winding & beaming mistries, Loom mistries, Finishing, Sewing & Hemming mistries, Factory Pump mistries, Mill & Factory Shop Viceman, Joiners, Workshop viceman, Turners, (wood & iron), Saftic tank mistries, Moulders, Switch board attendants, Tinsmith, Machine men, Black- smith, Painters, Cheepers, Coreman, Tindals, Masons, Head engine boiler, Machine operatives, Fitters, Milling machine man, Drillers, Sheving machine operatives, Improvers, Line mistries, Fireman, Maintenance fitters.	Electric welder, Gas welder, Engine or Tur- bine mistries, Head Tin- smith, Head Blacksmith, Electric Mistries, Head Mason, Boiler Mist- ries, Head fier man, And Those who are now in "A" Grade should be fitted in this Grade.

HIGHLY SKILLED

Spinning Head Sardar.

Cont'd.

Beaming Carpet Head Beamer, Jute Canvas Head Beamer, Broad Loom Beamer.

Weaving Hessian Head Sardar, Sacking Head Sardar, Broad Loom Weaver, Jute Carpet Weavers, Jute Canvas Weavers, Two Looms Operatives, More than Two Looms Operatives.

Maintenance Head Mistries, Charge Hands, Head Engine and Turbine Workshop mistries, Chinese carpenters, Head Electric mistri, Mechanical Electric cum Gas Welder, Armature winder with high tension power, Cable joiners, Head Tindals, Head Moulders, Lorry Drivers, Car Drivers.

Beaming Carpet Head Beamer, Jute Canvas Head Beamer, Broad Loom Beamer.

Weaving Hessian Head Sardar, Sacking Head Sardar, Broad Loom Weaver, Jute Carpet Weavers, Jute Canvas Weavers, Two Looms Operatives, More than Two Looms Operatives.

Maintenance Head Mistries, Charge Hands, Head Engine and Turbine Workshop mistries, Chinese carpenters, Head Electric mistri, Mechanical Electric cum Gas Welder, Armature winder with high tension power, Cable joiners, Head Tindals, Head Moulders, Lorry Drivers, Car Drivers.

Insert in Para 4, Page 4 :

* In view of all these authoritative estimates it would, in our opinion, be perfectly fair and objective to take as the pre-war cost of living, not the unreal figure of Rs.22/- as calculated by the first Jute Tribunal, but a figure approximating to the average of the higher estimates, viz. about Rs.32/- per month.

Beaming Carpet Head Beamer, Jute Canvas Head Beamer, Broad Loom Beamer.

Weaving Hessian Head Sardar, Sacking Head Sardar, Broad Loom Weaver, Jute Carpet Weavers, Jute Canvas Weavers, Two Looms Operatives, More than Two Looms Operatives.

Maintenance Head Mistries, Charge Hands, Head Engine and Turbine Workshop mistries, Chinese carpenters, Head Electric mistri, Mechanical Electric cum Gas Welder, Armature winder with high tension power, Cable joiners, Head Tindals, Head Moulders, Lorry Drivers, Car Drivers.

Trends in Labour Productivity in Jute Industry

Anil Kumar Chatterjee

The importance of the study of 'labour productivity' can hardly be overemphasised, especially in an under-developed country where the task of planned growth and development of the national economy has been undertaken. In fact, the trend of labour productivity is an objective indicator of the country's progressive transformation to a higher stage. It shows to what extent the real resources of a country, - the natural resources, the existing capital~~ita~~,
ital equipment and the labour resources, - are effectively utilised in the national economy. Such a study helps us to make a scientific economic appraisal on the basis of which economic policies may be formulated.

It is well-known that the main problem in the industries of the under-developed countries is that here, both the labour productivity and the standard of living of the workers are exceptionally low, one vitally affecting the other. This is also true in case of jute industry. We believe that from the long-term perspective, continuous rise in real wages, higher standard of living and prosperous condition of the jute workers would ultimately depend on the steady rise in labour productivity in this industry. It is true that the existing economic condition of the workers may be considerably improved through more equitable distribution of industrial income. But this has its limits because labour productivity becomes the basic factor as soon as monopolistic exploitation or sweating is eliminated and labour is paid according to their marginal revenue product. Even then, the standard of living of the workers may be kept at a very low level if the productivity of the workers is too low, because wage rates cannot be increased beyond marginal productivity. As Richardson has observed that "the productivity of industry is the source from which wages are paid, and no legislative process or manipulation by state-established machinery can raise wages above the level that industry can bear."¹ In an economic
¹ Richardson - Minimum Wages - P.62.

system, as the scope for an increase in real wages depends on the quantity of goods and services available for consumption, it is largely the productivity of labour which determines the standard of living of the workers, provided they are given the just share of their produce. If the rise in wages is not accompanied by higher productivity, there is a danger of growing inflationary pressure which would ultimately lead to the further deterioration in the living standards of the workers. Thus the problems of higher labour productivity and of higher standard of living are inseparably inter-linked. As question of higher productivity, higher earnings, increased purchasing power and economic expansion are closely inter-related, the trend in labour productivity indicates changes in economic well-being and reflects shifts in pattern of living. That is why, in recent years, considerable emphasis has been laid on the study of labour productivity, which plays vital role in formulating wage policy and other economic decisions.

In this paper we shall try to deal with the various aspects of the problem of labour productivity in jute industry. It should be noted at the very outset that a proper study of labour productivity faces formidable difficulties, both conceptual and practical, and consequently, our study has its limitations. It is desirable that these limitations should be thoroughly discussed before actual estimation is made.

Our study on labour productivity has been divided into several parts. Firstly, we have discussed the conceptual problems and the problems in actual measurement of labour productivity. Secondly, we have made an attempt to estimate labour productivity, at first, its trends over a period of time (1946 to 1957), and then its variation in different regions and size-classes. And lastly, we have tried to analyse our findings and also to determine the conditions for higher productivity.

Our estimates are based on the figures of the 'Census of Indian Manufactures' for the year 1946 to 1956. As the Census figures of the earlier years are not available, and no particular year covered by our study appears to be fully normal, the year 1946, which is the

earliest available year has to be taken as the base year though this year can not be considered as a normal year. The coverage of the Census in different years varies from 91 to 100 per cent of the total jute mills.

Conceptual problems.

One of the major difficulties in the way of measuring 'labour productivity' is that the term has been defined in various and conflicting ways and interpreted in a variety of senses¹. In a wider sense productivity is defined as the measurement of the economic soundness of the means. From a more technical standpoint, productivity may be defined as 'production per factor unit.' If the production is considered in relation to a given factor, the specific productivity of the factor concerned is obtained. According to O.E.E.C., "productivity is the quotient obtained by dividing output by one of the factors of production. In this way it is possible to speak of the productivity of capital, investment, or raw materials, according to whether output is being considered in relation to capital, investment or raw materials, etc."²

Now a days, in different countries of the world, the most general and widely accepted meaning of productivity is the productivity of human labour. When the word productivity is used without further qualification, the productivity of labour is understood³. According to Dr. Rostas and Dr. Seigel, 'labour productivity' is the more appropriate concept and has a more general significance; labour productivity may be said to provide a general idea of the economy and efficiency with which human labour is used⁴. Thus the productivity of labour is generally defined as "the ratio of output to the corresponding input of labour".

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1. I.L.O. - Methods of Labour Productivity statistics.
O.E.E.C. - Productivity Measurement, - Concepts.
O.E.E.C. - Measurement of Productivity, - U.S.A.
Balkrishna, R. - Measurement of Industrial Productivity.
Davis, Hiram S. - Meaning and Measurement of Industrial Productivity Wisconsin - 1951.
 2. O.E.E.C. - Terminology of Productivity, 1950, Paragraph 2.
 3. Ibid, paragraph 3.
 4. O.E.E.C. - Productivity Measurement - Concepts. PP 33 and 44-45 Siegel, Irving H. - Concepts and Measurement of Production and Productivity. BLS. Washington, 1952.

This definition has been criticised on the obvious ground that it has related output to one factor of input only, namely labour, though productivity is influenced by the combined effect of a large number of separate but interrelated factors, such as, quality of equipment and raw material, technological improvements, managerial efficiency, degree of utilisation of equipment, skill and efficiency of labour, etc.

But inspite of the limitations involved in this definition, the concept of the 'productivity of human labour' has been accepted in various studies of productivity, because, firstly, insurmountable practical difficulties are involved in taking into account all the input factors and they are not additive. As a result, combined measurement of all elements of input in relation to output has not so far proved successful. Separate measurement of ratios of capital to output or of raw material input to output, though undoubtedly of much value, also suffers from the same limitations as of labour output ratio. Moreover, they do not possess the same general significance as the measurement of the productivity of human labour. Secondly, labour holds the central place in a society and plays a dual role both as an agent of production and as a consumer. Moreover, labour is an important element of costs in all sectors of productive activity, and as an input factor is an easily measurable quantity. Thus, the practical choice is limited to the significantly measureable ones such as input of labour which is more readily measureable. In fact, the actual measurements of productivity hitherto made by the Bureau of Labour Statistics in America and other competent authorities in most of the European countries are based on the definition of productivity as the ratio between output and the human labour input measured in hours of work. These considerations have let us to accept the most widely prevalent definition of productivity, namely, productivity of human labour. It should be noted that productivity measures are computed for a variety of purposes and there is no master formula applicable to all cases and all situations. And for our purpose, the measurement of the productivity of human labour appears to be most suitable, though no single measure of productivity is in it-

itself entirely satisfactory.

But the acceptance of the above definition does not imply labour is the only relevant factor in production, nor that there is any direct casual relationship between the effort made by the worker and labour productivity. As productivity depends on various other factors, productivity of labour should be regarded as a measurement of general efficiency in the use of labour and not of the effort of the labour. In other words, the trends of labour productivity do not indicate changes in the intrinsic efficiency of labour, but simply the changing effectiveness with which labour is utilised in conjunction with other factors of production. It should be remembered that human effort is always limited in itself, but the influence of other factors is decisive in improving labour productivity. In most cases a rise in productivity is due, not to greater effort on the part of the workers, but to better use of this effort, and to other factors of production. So labour productivity reflects at best, the average productivity - not the marginal productivity - of labour in a sequence of static equilibrium situations.

In the connection, it should be mentioned that the concept of productivity is not synonymous with efficiency. Efficiency expresses an aptitude or capacity, in short, a quality of the unit, the productivity of which is under consideration. On the other hand, the concept of productivity expresses the idea of relationship between the product and the factors of production.

Therefore, the results of labour productivity should be analysed with much caution and be viewed in the light of numerous reservations and qualifying conditions it must also be clearly realised that trends in labour productivity do not in themselves provide any indication as to the causes of any particular change in productivity.

Problems in Measurement

Besides the conceptual problems involved, there are serious statistical problems in measuring labour productivity¹. The greatest

1 I.L.O. - Methods of Labour Productivity Statistics.
O.E.E.C. - Productivity Measurement - Concepts.
Rostas, L. - Comparative Productivity in British and American Industry.
O.E.E.C. - Measurement of Productivity - U.S.A.
Cartar, Reddaway & Stone - The Measurement of Production Movements.

difficulty in the way of measuring labour productivity is the non-homogeneity of both the variables, labour and output. As most of the industries produce a large number of different products and most products very considerably in quality, it is difficult to add their output up in terms of a single physical unit. Similarly, the work of labour is also not a homogeneous entity, because the effort content in labour varies according to differences in sex, age, skill and training of the workers.

Generally, labour productivity is measured either in terms of physical ~~xxx~~ output or in terms of the value of products. The greatest advantage of the first method is that it relates directly to what we want to measure, and it requires no correction for price movements. But its greatest limitation is the insuperable problem of the summation of heterogeneous output of different qualities, types and sizes into a meaningful aggregate. This type of measurements are mostly based on incomplete coverage and inadequate analysis and totally ignore the quality factor of the product. The second method, i.e., the measurement in terms of the value of the products overcomes the limitations of the first, because they can be easily aggregated and will automatically make some allowance for shifts in the quality of the articles produced. But here the main difficulty is the inadequate supply of information about price movements which is required for deflating the value of products in order to eliminate the influence of changes in prices.

In our study, we have considered all these statistical limitations and have tried to eliminate the influence these vitiating factors as far as possible.

Labour productivity over a period of time

In our estimates of labour productivity over a period of time, i.e., between the years 1946 and 1957, we have at first constructed the quantity index of output in jute mills, applying the following 'Laspeyres' formula with 1946 as the base year,-

$P_i^{(0)}$ and $q_i^{(0)}$ represent price and quantity respectively of the i-th product in the base year; $q_i^{(t)}$ represent quantity of the i-th product in the t-th year.

It should be noted that in our estimate of productivity we have taken into account the 'gross product' and not the 'net product' of the industry¹. As jute industry produces a number of products, account has been taken of the total quantity produced of each product as given in the 'Census of Manufactures', to arrive at the relevant aggregate product of the industry, that is q_i's in the above formula for computing the quantity index of output.

Then using the figures of 'man-hour worked', we have constructed the indices of 'labour productivity' per man-hour. Side by side with the indices of 'output per man-hour', we have also constructed the indices of 'labour requirements per unit of output', for convenience of comparison.

In a labour productivity study, because many persons are more interested in measurements of absolute value than in the form of indices, we have also calculated labour productivity per man-hour in real rupee terms. For this purpose, to eliminate the effect of price variation, we have revalued the output in terms of base year (1946) constant prices of the individual products. The expression of labour productivity in terms of absolute value will give us opportunity to make comparisons with other industries which is not possible through the labour productivity indices.

As the 'man-hour' concept is considered as most useful in determining the output in relation to time or productivity capacity, in our estimate input of labour is represented by 'man-hours' instead of by 'man-years'. In estimating labour productivity in jute industry, the 'man-hour' concept appears to be more meaningful as in this industry there has been frequent short-time working and partial closure of mills. In our estimates we have considered it preferable to count the man-hours of 'workers' only and have excluded

XXXX

1 Gross product means, - ex-factory value of products, exclusive of transport charges from the factory. Net product or Value added by manufacture means, - total ex-factory value of products, i.e., gross product as defined above, minus the value of fuels and materials used, work done by the factory by other concerns, and depreciation of fixed assets.

the office and executive staff who are not directly connected with the manufacturing process. Here, all hours of work are counted in the same way, and no distinction is made between workers of different age, sex or skill, because of the absence of relevant data.

The following tables give our estimate of 'labour productivity' for for the years 1946 to 1957 made on the lines indicated in our preceding discussion. These estimates are based on the findings of the 'Census of Indian Manufactures' for these years. Our estimates are related firstly, to the jute mills of West Bengal, and secondly the Jute mills of all states combined, covered by the census.

In the first table we have expressed 'labour productivity' per man-hour at constant prices both in the absolute terms and also in the form of indices. In the second table we have expressed 'labour productivity' in the reverse way, i.e., 'man-hour requirements' per rupee unit of output (constant prices) and also their indices during the period under review.

Table 1: Productivity per man-hour at constant prices

Years	jute mills in West Bengal		jute mills in all states combined	
	value in Rs.	indices	value in Rs.	indices
(1)	(2)	(3)	(4)	(5)
1946	1.19	100.00	1.18	100.00
1947	1.23	103.36	1.21	102.54
1948	1.25	105.04	1.24	105.08
1949	1.22	102.52	1.21	102.54
1950	1.22	102.52	1.20	101.69
1951	1.25	105.04	1.23	104.24
1952	1.25	105.04	1.24	105.08
1953	1.34	112.61	1.32	111.86
1954	1.38	115.97	1.36	115.25
1955	1.39	116.81	1.38	116.95
1956	1.50	126.05	1.48	125.42
1957	1.63	136.97	1.59	134.75

Table 2: Man-hour requirements per Rupee unit of output
(constant prices)

years	jute mills in West Bengal		jute mills in all states combined	
	hours	indices	hours	indices
(1)	(2)	(3)	(4)	(5)
1946	0.84	100.00	0.85	100.00
1947	0.81	96.43	0.82	96.47
1948	0.80	95.24	0.81	95.29
1949	0.82	97.62	0.83	97.65
1950	0.82	97.62	0.83	97.65
1951	0.80	95.24	0.81	95.29
1952	0.80	95.24	0.81	95.29
1953	0.74	88.10	0.76	89.41
1954	0.72	85.71	0.73	85.88
1955	0.72	85.71	0.73	85.88
1956	0.67	79.76	0.68	80.00
1957	0.61	72.62	0.63	74.12

The results of our estimate given in the above tables clearly indicate that there has been a considerable rise in 'labour productivity' in the jute industry in recent years compared with the base year level. It will be seen that in 1947 and 1948 there was an upward trend in labour productivity, but in the two subsequent years it showed a slight decline. Since 1952 labour productivity in this industry showed a steady and consistent rise resulting an increase of 36.97 per cent and 34.75 per cent respectively in West Bengal and in all states combined in the year 1957 compared with the base year level. Similarly, the indices of 'man-hour requirements' per unit of output showed a decline of 27.38 per cent and 25.88 per cent respectively in West Bengal and all states combined during the same period.

Thus our estimates clearly show a marked rise in labour productivity in the jute industry in recent years, though the time series in our study is not long enough to determine any precise trend.

Regional and Size-Wise Variations in Productivity.

In the preceding section we have attempted to study the trends in productivity over a period of time. Now we shall try to estimate and compare the variations in productivity firstly, between regions of the country where jute products are manufactured, and secondly, between the mills of different size groups.

In our estimates of regional variation in productivity, as the following tables will indicate, we have taken into account both 'gross' and 'net' products, and the productivity has been expressed in forms of 'gross' and 'net' product per man-hour. Since the revaluation of products at constant prices is not essential in the study of regional variation, both the 'gross' and 'net' products have been taken at current prices. These estimates are also based on materials published in the 'Census of Indian Manufactures' and cover a period of only six years. The nature of data available in the Census has prevented us from giving all the regional break-downs where jute goods are manufactured.

Table 3: Region-wise variation in Productivity in jute industry

sr. no.	states	gross output per man-hour (current prices) in Rs.						net value added per man-hour (current prices) in Rs.				
		1946	1950	1953	1955	1956	1957	1946	1950	53	55	56
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
1. West Bengal												
1.	West Bengal	1.19	2.50	1.97	2.22	2.31	2.52	0.50	0.74	0.72	0.60	0.67
2. Andhra												
2.	Andhra	-	2.40	1.62	2.21	2.16	2.07	-	0.72	0.61	0.72	0.67
3. Uttar Pradesh												
3.	Uttar Pradesh	-	2.31	-	1.72	1.88	1.92	-	0.68	-	0.45	0.53
4. Andhra, U.P. and Bihar												
4.	Andhra, U.P. and Bihar	1.00	-	-	-	-	-	0.55	-	-	-	-
5. U.P., Bihar and M.P.												
5.	U.P., Bihar and M.P.	-	-	1.50	-	-	-	-	-	0.40	-	-
6. Bihar and M.P.												
6.	Bihar and M.P.	-	1.98	-	1.83	1.97	1.88	-	0.56	-	0.54	0.59
all States combined												
	all States combined	1.18	2.49	1.95	2.20	2.28	2.46	0.49	0.74	0.71	0.60	0.66

It is interesting to note that considering 'gross' product per man-hour, labour productivity is consistently higher in West Bengal compared with that of other regions. Andhra comes next to West Bengal.

If we take 'net' value added per man-hour as an indicator, we find that in four years (1946, 1950, 1953, and 1957) labour productivity was highest in West Bengal, in one year (1955) it was highest in Andhra; and in 1956, both West Bengal and Andhra second first place.

It is also to be noted that considering both 'gross' and 'net' products per man-hour, labour productivity in rest of the states was much lower than that of West Bengal and Andhra.

Now we shall attempt to examine the relationship between labour productivity and size of establishment in the jute industry.

Our estimates of size-wise variation in productivity are also based on the data contained in the 'Census of Indian Manufactures'. In the census, size is determined by the total number of persons employed in different mills and detailed figures according to size are available only since 1953. We have measured productivity both in terms of 'gross' and 'net' output per worker which have been expressed at current prices. In absence of state-wise figures, our estimates of size-wise variation in productivity are related to the jute mills of all states combined together as is given in the census. We find from the census figures that in the jute industry concentration of number of factories is in the larger size-classes. The highest concentration is in the size-class employing 2000 to 5000 persons. The next higher concentration is in the size class employing 1000 to 2000 persons.

These two size-classes combined account for nearly 90 per cent of the total factories in this industry. The following table given the size-wise variation in productivity in jute industry since 1953:-

Table 4: Size-wise variation in productivity in jute Industry

Sl. No.	size (as denoted by the total number of persons employed)	gross output per worker employed (current prices) in Rs.					net value added per worker employed (current prices) in Rs.					
		1953	1954	1955	1956	1957	1953	1954	1955	1956	1957	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
	100-149	3053	3166	5301	6272	5104	3147	3313	1348	2085	(-)	2462
	250-499	4419	4461	-	-	5256	579	931	-	-	-	836
	500-999	4075	5012	5340	5383	5757	1023	1393	1353	1367	1521	
	1000-1999	4705	4902	5223	5426	5211	1754	1670	1316	1546	1325	
	2000-4999	4327	4719	5275	5515	5843	1493	1593	1490	1596	1635	
	5000 & above	4649	5429	5547	5766	6283	2339	1714	1448	1733	1624	
	total	4424	4039	5303	5536	5786	1603	1619	1451	1606	1566	

It is a widely belief that labour productivity trends in general to increase with increases in the size of establishment; and this generalisation seems to be supplemented by the experience of the industries of Western Countries.

But it will be seen from the figures of the preceding table that it is very difficult to establish any meaningful correlation between size and productivity which vary from year to year.

The figures of the 'gross output per worker' show that except in two years (1955 and 1957), productivity was highest in smallest size-class employing 100 to 249 workers per mill. In 1955 and 1957 highest productivity was recorded in the largest size-class. In two years (1954 and 1956) largest size-class occupied second place in respect of productivity, and in the remaining years the second highest productivity was recorded in medium-sized plants. Though there is considerable difference in productivity between various size-classes, no consistent pattern will be seen, which again fluctuates from year to year.

If we take the 'net output per worker' as an indicator, it will be seen that except in 1957 in all the years highest productivity was recorded in smallest size-class shown negative output. In four years (1953, 1954, 1956 and 1957) largest size-class occupied second place in respect productivity and in one year (1955) second highest productivity was recorded in medium size class. As in the case of 'gross output', here also, no consistent pattern is evident from the productivity figures of various size classes. Though productivity in all the size-classes varied from year to year, yet it appears that, barring the smallest size-class, in general, productivity is higher in larger size-classes.

The above findings lead us to the conclusion that there does not exist any definite inter-relationship between the relative size of the plant and relative output per worker in jute industry.

Analysis of our findings

Inspite of conceptual problems, practical difficulties in measurement and other limitations, our estimates give broad indication regarding productivity of labour in jute industry. It should be admitted

that in absence of precise and refined estimates, even crude indices have some value when used as pointers, in order to be fair, these data should be analysed with much caution and be viewed in the light of numerous reservations.

From our findings on labour productivity, stated earlier, it appears that, firstly, there has been considerable rise in labour productivity in jute industry in recent years compared with the base year level; secondly, in general, labour productivity is higher in West Bengal and Andhra compared to that in other regions where jute products are manufactured; and thirdly, there does not appear to be any definite inter-relationship between the relative size of the plant and relative output per worker in jute industry. Since our findings do not in themselves provide any indication as to the causes of any particular change in productivity, here we shall attempt to analyse our results and to determine the causes of productivity variation in jute industry.

The variation in productivity in jute industry should not be attributed to any particular factor since it is a function of many variables¹. General factors, such as climate, supply of labour, labour turnover, variation in the composition of output, etc., organisational and technical factors, such as, degree of integration, percentage of capacity utilised, size and stability of production, quality of raw materials, rationalisation and standardisation of work and material, lay out and location of the plant, extent of mechanisation, etc., and human factors, such as labour-management relations, wage incentives, working and living conditions, etc., all play important role in determining the level of labour productivity. The increase in the productive forces are conditioned not only by machine equipment but also by the best possible organisation of the labour processes, and by the application of improved methods of production. The increase in the productivity of labour may be due to introduction of modern machines and technological improvements, rationalisation of production, fuller

1 I.L.O. - Methods of Labour Productivity Statistics.
I.L.O. - Higher Productivity in Manufacturing Industries.
Rostas, L. - Comparative Productivity in British and American Industry.
Ministry of Commerce & Industry, Govt. of India - Report of the
Indian Productivity Delegation to Japan. cont..12.

utilisation of equipment and better social organisation and planning, greater individual diligence of the workers themselves as well an improvement in the quality of their labour, improvement of the organisation of the enterprises and better industrial relations. Now it will be desirable to study the effect of some of the important variables on labour productivity in jute industry.

The rise in productivity in jute industry in recent years may be largely attributed to the installation of modern machinery and introduction of labour-saving devices, increased workload on workers and more intensive work of labour and other rationalised methods of production, such as, better organisation and management, etc./ The increase in wage rates as a result of three successive tribunal awards might have also exercised a favourable influence on productivity.

Here we need not discuss in detail the various forms of rationalisation introduced in the jute industry during the last decade. Nevertheless, it may be noted that with the cessation of Second World War, the work of replacement and renovation of old and worn out machinery in the jute industry was seriously taken up as it was considered an urgent necessity from the ~~xxxx~~ ~~xxx~~ stand point of production. After that, the full-scale modernisation and introduction of various rationalised methods of production (resulting heavier workload on workers) started. The close correlation between the implementation of modernisation and rationalisation programme on the one hand and the steady and consistent rise in productivity on the other suggests that the former exercised a great influence on the latter.

In our estimates of regional variation in labour productivity, we have seen that broadly speaking labour productivity in West Bengal jute mills is higher than that of the mills in other regions. Though these differences in productivity may be due to the operation of various factors, yet it may be noted that both the capital intensity and earnings of the workers are higher in West Bengal jute mills compared to those of other regions. Therefore, it is not unlikely that these factors have considerably influenced the productivity of labour. A large number of the jute mills in West Bengal have been modernised, better

1
better methods of production have been introduced and more skilled and higher-paid workers are engaged in these factories; it is quite likely that all these factors have favourably influenced the productivity of labour. Moreover, as the jute mills are concentrated in West Bengal, there is considerable benefit derived by external economies. These advantages enjoyed by West Bengal jute mills are mainly responsible for the increased productivity compared to other regions.

In our estimates of productivity in different sized groups we have seen that there hardly exists any relationship between labour productivity and size of establishment; and it is more difficult to explain the causes of variation in productivity between different size-classes and also the variation in productivity in these units in different years. It is interesting to note that both the capital intensity and the earnings of the employees are lowest in the smallest size-class, i.e., in the units employing 100 to 250 workers, and yet the productivity is highest in these units. But if we examine the figures of other size-groups, we find no definite relationship between productivity on the one hand and capital intensity or earnings of the employees on the other. But it should also be noted that barring the smallest size-class, broadly speaking, labour productivity is higher in bigger sized plants. This may be partially due to the fact that in the bigger units capital intensity is very high because of the installation of modern machines. In these units the average earnings of the employees are also higher (where probably more skilled workers and technicians have been employed) compared to other smaller units. Moreover, the bigger units probably enjoy the advantages of better organisation and management and also the improved and rationalised methods of production.

Conditions for higher productivity

So long we have tried only to explain the causes of variation in productivity in jute industry over a period of time, and also between different regions and size-classes. But since there is a growing tendency to condemn the workers employed in our industries as 'extremely inefficient' and to hold them responsible for lower productivity, it is desirable that the validity of this contention should

should be examined and we should try to ascertain whether the necessary conditions for higher productivity really exist in the jute industry or not.

We have already explained the factors which have contributed to the improvement in productivity in jute industry in recent years. But there are some other factors which have prevented further improvement in productivity in this industry. These factors are, lower standard of living of the workers, unsatisfactory working and living conditions, low wage rates and non-existence of effective wage-incentives, strained relation between labour and management and frequent recurrence of industrial disputes, lack of efficient organisation and management, inferior quality and irregular supply of raw materials, frequent breakdowns of old machines, under utilisation of the total productive capacity, chronic unemployment and underemployment of the workers, etc. Here we need not explain all these factors which we have done in course of our discussion on different aspects of our study. But it should be noted that all these factors combined constitute a stumbling block in the way of steady and rapid rise in productivity in jute industry. Considering all these facts, there is no wonder that the labour productivity in India Jute mills is much lower compared to that of Western Countries or of Japan. This fact alone does not prove the absolute inefficiency of Indian workers as the productivity of labour is the combined result of various factors taken together. Therefore, it is simply fantastic to compare the labour productivity to Indian jute industry with that in the jute industries of industrially advanced countries and to condemn Indian workers as 'inefficient'. The actual condition of production in these units differ fundamentally. The higher productivity in other countries is as much due to improved technology and advanced methods of production as to higher efficiency. Again, when we consider the question of low efficiency of Indian labour the observation of the Royal Commission on Labour made as early as in 1931 appears to be still valid. The Commission strongly advocated the removal of the 'vicious circle' under which 'poverty leads to bad conditions, bad conditions to inefficiency and inefficiency to poverty'.¹

1 Report of the Royal Commission on Labour, 1931. P.208

Thus if the productivity of Indian jute worker is comparatively lower, it is not wholly due to the defects in the worker himself. It is due to complex factors whereby productive capacity of the labour could not be fully developed or utilised as in the industrially developed countries. Despite tremendous difficulties and many deterrent factors, Indian workers are struggling hard to increase productivity. In the post-Second World war period, Indian jute industry encountered numerous problems and yet, in these difficult days, jute workers maintained their pre-war level of productivity. The Chairman of the Indian Jute Mills Association admitted that "comparisons made over the past thirteen years reveal, however, that comparable output per man-hour is today every bit as great as in previous years"¹. And our estimates have shown that since then, labour productivity in the industry has considerably improved.

Therefore, we may conclude that inspite of the existing lower level of productivity, Indian jute workers are no less efficient than their foreign counterparts; and the steady and rapid rise in productivity in this industry may be guaranteed if necessary conditions are created and the factors hampering higher productivity are eliminated.

¹ Report of the Indian Jute Mills Association, 1951. Presidential address of Sri K.D.Jalan.

Government of India
Ministry of Labour & Employment

Dated, New Delhi, the 25th Jan. 1961.

RESOLUTION

No.WB-5(3)/61: The Central Wage Board for the jute industry, set up by the Government of India by their Resolution No.WB-5(1)/60, dated the 25th August, 1960, has considered the demands of labour in respect of interim relief, as required in para 5 of the said Resolution. The Board has come to a unanimous decision regarding interim relief and its recommendation on the subject is appended herewith.

2. The Government of India have accepted the Board's recommendation and decided to request the jute mills to implement the same as soon as possible.

APPENDIX

RECOMMENDATION OF THE JUTE WAGE BOARD
FOR GRANT OF INTERIM RELIEF

1. Every worker - whether permanent, temporary or badli - shall be paid interim relief at the rate of Rs.2.85 per month from 1-10-60 to 31-12-60, and at the rate of Rs.3.42 from 1-1-1961.
2. The arrears of interim relief from 1-10-60 to 31-12-60 will be paid to the respective workers on or before 15-2-1961.
3. The amount of interim relief from 1-1-1961 onwards will be paid each month in one lump sum on the first pay day of the next month.
4. In case of workers who did not or do not work for the entire month, or for calculating wages due for any broken part of a month e.g., by going on leave or sick leave etc., the amount of interim relief payable to them will be worked out on the same principles as govern dearness allowance.
5. The amount of interim relief shall be paid as a separate item till the final award of the Wage Board and would be adjusted according to that award.
6. The above recommendations apply to all Jute Mills in all parts of India, except that the Katihar Jute Mill will pay interim relief at the rate of Rs.3.42 with effect from 1-9-1961.

Sd/- P.M. Menon
Secretary to the Government of India.

GOVERNMENT OF INDIA
CENTRAL WAGE BOARD FOR JUTE

2222 (32) 21/4

WHEREAS the Government of India in the Ministry of Labour & Employment have, by Resolution No. WB-5(1)/60 dated 25.8.1960, set up a Central Wage Board for the Jute Industry and

WHEREAS the Board has been asked to submit its recommendations regarding demands of labour in respect of interim relief,

The labourers working in the Jute Industry are hereby called upon, either themselves or through their unions, to submit on or before 7.11.1960, to the Chairman, Central Wage Board for Jute, C/o. Directorate of Labour, New Secretariat Buildings, 11th Floor, 1, Hastings Street, Calcutta-1, their demands in respect of interim relief with ten copies thereof.

New Secretariat,
11th Floor,
Calcutta-1,
24.10.60.

[Signature]
CHAIRMAN,
CENTRAL WAGE BOARD FOR JUTE.

So

Secretary,
Kansur Maydoor Union,
269, Railbazar, Kansur.

2 FEB 1961

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INDIAN POSTS AND TELEGRAPHS DEPARTMENT

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A. I. T. U. C.
Received... 12/18/8-5-61.
Replied.....

From : A. Sarveswar Rao,
Joint Secretary,
Jute Labour Union,
(Regd.No.1082)
ELURU.

To
The Honourable Minister for Labour,
Government Of Andhra Pradesh,
HYDERABAD.

Respected Sir,

Sub:- Nonpayment of Interim Relief amount-
Recommended by the Jute Wage Board and
the Govt. Of India to Jute Mill workers
By the Mill management.

You sare aware that the Central Wage Board
for the Jute Industry set up by the Government of
India has come to a unanimous decision regarding in-
terim relief to the Jute Workers and its recommendation
has been accepted by the Central Government. Accordingly
every worker shall be paid interim relief at the rate
of Rs. 2.85 per month from 1.10.1960 to 31.12.1960 and
at the rate of Rs. 3.12 from 1.1.1961.

I submit, according to my information, that al-
most all the managements of Jute Mills in India, except a
very few here and there paid the interim relief to
their wor kers. Out of four Jute Mills in Andhra Pradesh
Chittivalasa and Nellimerla Mills paid interim relief
to their workers where as Eluru and Gu tur have not
paid so far.

We have tried our best since a long time but
our efforts bore no fruit. It needs no telling your good
ness that the workers are very much dissatisfied and
worried at the attitude taken by the Management.

I request you to be pleased to see that the
reccommendations are implemented without delay.

Be pleased to consider,

Eluru,
D.1.5.1961.

A. Sarveswar Rao

Copy submitted to the:-

1. The Special Officer, Evaluation & Implementation
Committee, Govt. Of Andhra Pradesh,
2. Labour Commissioner, Government Of Andhra Pradesh,
3. Andhra Pradesh Trade Union Congress, Hyderabad
4. Labour Minister, Govt. Of India, Newdelhi,
5. All India Trade Union Congress, NewDelhi

February 21, 1961.

JUTE WAGE BOARD QUESTIONNAIRE.

Dear Comrade,

Your Union must have received by now the Questionnaire prepared by the Central Wage Board for Jute Industry and despatched to all Unions. If by any chance, you have not received it, you should immediately get your copy from the Office of the Jute Wage Board, 22, Raja Santosh Road, Calcutta-27.

The replies to the Questionnaire have to be submitted by 15th April, 1961. It would be best for the A.I.T.U.C. to submit one centralised memorandum instead of sending separate replies from the various A.I.T.U.C. unions. At the same time, for obvious reasons, the memorandum will have to be mainly based on conditions in West Bengal. Those conditions in respect of which mills in other States differ from conditions in West Bengal have also to be properly stated and demands formulated accordingly.

As it is not possible to hold a Central All-India meeting of Jute comrades, it is proposed that you should send your suggestions and data directly to the Secretary, Bengal Chatkal Mazdoor Union, 249, Bowbazar Street, Calcutta-12, by March 15th positively. This will enable the comrades in Bengal to incorporate your points in the central memorandum and submit it in time. *A copy of the same should be forwarded to this office.*

Please pay special attention to Questions Nos.1-56, 82-89 and 145.

With Greetings,

Yours fraternally,

K.G.
(K.G. SRINASTAVA)
SECRETARY.

31 JAN 1961

No. WB-5(3)/61
GOVERNMENT OF INDIA
MINISTRY OF LABOUR & EMPLOYMENT

From

Dr. B.R. Seth,
Deputy Secretary to the Govt. of India.

To

The General Secretary,
All India Trade Union Congress,
4, Ashok Road, New Delhi.

30 JAN 1961

Dated New Delhi, the

Subject:- Grant of interim relief to workers in jute mills.

Dear Sir,

The Central Wage Board for Jute Industry set up by Government of India by their Resolution No. WB-5(1)/60, dated the 25th August, 1960, has made a unanimous recommendation for grant of interim relief to workers in jute mills. The recommendation has been accepted by Government of India vide their Resolution No. WB-5(3)/61, dated the 25th January, 1961 (copy enclosed). I am to request that the Labour unions affiliated to your organisations may kindly be informed accordingly. % Spare copies of the above Resolution are enclosed.

Yours faithfully,

B.R. Seth

(B.R. Seth)
Deputy Secretary

d. a. refd. to
h. s.

*Send one copy to all jute
unions.
Punjab, etc.
1/11/61*

U . P . - T R A D E - U N I O N - C O N G R E S S -

Mazdoor Sabha Bhawan,
12/1, Gwaltoli, Kanpur.

Dated: November 5, 1960.

FROM: General Secretary,
U.P. Trade Union Congress,
Kanpur.

TO: The Chairman,
Central Wage Board for Jute Industry,
New Secretariat, 11th Floor,
Calcutta-1.

Sub: Submission with regard to the Interim Relief.

Sir,

In accordance with the notification of the Wage Board dated 24.10.60, we submit below in brief the claim of Kanpur Jute workers for Interim Relief. For the information of the Board we would like to mention here that the Kanpur Mazdoor Union, Railbazar, Kanpur, a registered union of the jute workers of Kanpur, is affiliated to our federation.

There are two jute mills at Kanpur viz. M.D. Jute Mills Ltd. and J.K. Jute Mills Ltd which employ about 5000 workers.

The workmen belonging to jute mills at Kanpur are being paid at an average of Rs.13.00 per month, the basic wage being between Rs.11.00 to Rs.15.00 per month and the Dearness Allowance being Rs.1.44 to Rs.1.56.

The rates of dearness allowance payable at present to jute workers were fixed in 1943 and since then they have not been revised.

The workers in Jute mills at Kanpur constantly agitated for the fixation of Rs.30.00 as minimum wage which was awarded to them by Kanpur Labour Enquiry Committee presided over by Sri Nimbkar (1946-1948). They have also been agitating for revision of the rate of dearness allowance but the U... Government that has power to refer the the industrial dispute for adjudication has constantly refused to refer the wage and dearness matters for adjudication.

In the year 1953 the workers of M/s M.D. Jute Mills Ltd. organised a 40-day strike demanding reference of wage-increase demand for adjudication which was backed by one day strike of 40,000 workers on 'May Day' in 1953.

In the year 1955, when the textile workers of Kanpur led by Suti Mill Mazdoor Sabha organised their famous 83-day

general strike against huge increase of work-load and pseudo-rationalisation, the workers of the said two jute mills also joined the strike demanding wage-increase, and at the time of settlement of the said general strike, the Chief Minister of Uttar Pradesh assured the labour-representatives that the matter of wage-increase would ~~not~~ be referred for adjudication. But as usual the assurance remained on paper and did not materialise.

The Cost of Living Index Number has increased from 306 in 1943 to 469 in 1959 at present which has created a very wide gap in the earnings of the workers and the prices prevailing at present.

Year Cost of Living Index Number for Kanpur.

1943	306
1946	329
1949	478
1952	441
1955	371
1958	468
1960 59	469

1960. < Jan. 460, Feb, 468, March, 460, April, 463.
May, 461, June 463, July, 483, Aug, 485, Sept, 484

The above narration of facts clearly indicate that the Wage Board would be completely justified in awarding Interim Relief to the workers at Kanpur even before it goes into details of the matters referred to it for decision vide Government Notification No WB-5(1)/60 dated 20.8.60.

It is, therefore, requested that the workers in this region be awarded Interim Relief to the extent that their basic wages reach the minimum of Rs. 30.00 per month and the dearness allowance per day should be atleast Rs. 2.00.

Yours faithfully,

R. Asrey
(RAM ASREY)

GENERAL SECRETARY.

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8 NOV 1960

Phone : 34-2044

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BENGAL CHATKAL MAZDOOR UNION

(Regd. No. 289)

249, BEPIN BEHARI GANGULY STREET, CALCUTTA-12

President: SRI BANKIM MUKHERJI, M. L. A.
Working President: SRI INDRAJIT GUPTA, M. P.
General Secretary : SRI BHOWANI ROY CHOWDHURY

Ref.....

Dated...3rd..NOV...1960.

Comrade K.G. ~~S~~iwastava,
Secretary,
All India Trade Union Congress,
4, Asoke Road,
New Delhi.

Dear Comrade,

As directed by Com. Indrajit Gupta, I am enclosing the copy of the Statement submitted before the Jute Wage Board (prepared by him, of course) for interim relief.

You are aware that due to recent sealing of looms by IJMA to the extent of 10% over and above 9% already sealed, a serious situation has been created. About 20,000 workmen have already become unemployed. Never in the history of Jute industry such a large number of looms were sealed. State Labour Commissioner convened a joint conference on 26.10.60 wherein he suggested that pending discussion, recently sealed looms be unsealed and ways and means be found out for the solution of the 'crisis'. All the four central TU representatives agreed to it but the IJMA turned it down. It is apprehended that the IJMA is moving with the ulterior motive to influence the Wage Board.

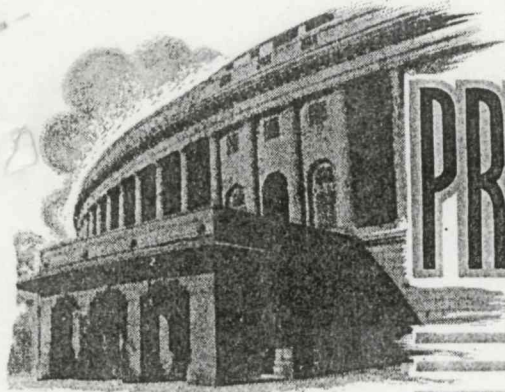
Series of meetings have been held through out the jute belt. More meetings and demonstrations have been planned. In one area there was a joint meeting addressed both by local INTUC leaders and our comrades. In Anglo-India Jute Mill, Kankinara, where 258 looms have been sealed affecting a large number of permanent workmen, the workers staged a protest strike for two hours. Later, a joint committee comprising representatives of all the Unions, has been formed to conduct the struggle unitedly.

Hope to send you a detailed report within next week.

Greetings,

Comradely Yours,

Bhowani Roy Choudhury
(Bhowani Roy Choudhury)
GENERAL SECRETARY.



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"12.6"

INTERIM RECOMMENDATION OF JUTE WAGE BOARD
ACCEPTED BY GOVERNMENT

New Delhi, Chaitra 3, 1883.
March 24, 1961.

The Union Deputy Minister for Labour, Shri Abid Ali, stated in Lok Sabha today that the recommendation of the Jute Wage Board regarding grant of interim relief to workers in jute mills, submitted in January 1961, had been accepted by Government. The final report was awaited, he added.

Shri Abid Ali was replying to a question by Sarvashri Ram Krishan Gupta, Subiman Ghose, Pangarkar, S.M. Banerjee, Tangamani, Triidib Kumar Chaudhuri, Muhammed Elias, Aurobindo Ghosal, S.L. Saksena and P.C. Borooah.

SKD/Rao.
PARL

250/24.3.61/11.30/812/1.