

REPORT

OF THE

Bihar Labour Enquiry Committee

VOLUME I

RECOMMENDATIONS.



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It is much to be regretted that Professor R. K. Saran, B.Sc. (Lond.), the Secretary of the Labour Enquiry Committee could not see the results of his hard labour in final print due to his sudden and untimely death on the 16th June 1940.

VIDYABHUSHAN SHUKLA,

Assistant Secretary,

Bihar Labour Enquiry Committee.

GOVERNMENT OF BIHAR.

REVENUE DEPARTMENT.

RESOLUTION NO. 827-COM.

Patna, the 17th March 1938.

The Bihar Legislative Assembly passed a resolution on the 3rd September, 1937, recommending to Government that a Committee of the members of the House and outside experts be appointed by the Premier to investigate into the conditions of industrial labour in Bihar and make recommendations on the same within six months.

In accordance with this recommendation the Hon'ble the Prime Minister has been pleased to appoint a Committee with Dr. Rajendra Prasad as Chairman for the purpose of conducting an enquiry into the conditions of (Industrial) labour prevailing in the important industrial centres and industries of the province with particular reference to each important industry and locality and to make such recommendations as may appear practicable for the purpose of improving the level of wages, conditions of work, employment, etc., in the important industries and localities concerned.

This Committee will consist of—

1. Dr. Rajendra Prasad—*Chairman.*
 2. Prof. Abdul Bari, M.L.A.
 3. Babu Jagat Narain Lal, M.L.A.
 4. Mr. M. P. Gandhi.
 5. Dr. Radhakamal Mukharji.
 6. Mr. H. B. Chandra.
 7. Prof. R. K. Saran, M.A.—*Secretary.*
- and will have powers to co-opt (one or more) representatives of capital and labour in each area which may be visited by it or be under its consideration.

ORDERS.—Ordered that the foregoing resolution be published in the *Bihar Gazette* and a copy forwarded to all members of the Committee including the Chairman and also to the other Departments of Government concerned.

By order of the Governor of Bihar,

A. G. K. LAL,

*Secretary to the Government,
Revenue Department.*

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No. 3818.

FROM

R. K. SARAN, Esq., B.Sc. (Lond.),
SECRETARY, LABOUR ENQUIRY COMMITTEE,
BIHAR,

TO

R. A. E. WILLIAMS, Esq., I.C.S.,
SECRETARY TO GOVERNMENT OF BIHAR,
REVENUE DEPARTMENT, CAMP RANCHI.

Patna, the 12th June 1940.

SIR,

I HAVE the honour to submit herewith the Report of the Bihar Labour Enquiry Committee.

I have the honour to be,

SIR,

Your most obedient servant,

R. K. SARAN,
Secretary.

REPORT

OF THE

Bihar Labour Enquiry Committee.

CHAPTER I.

INTRODUCTION.

Terms of Reference.

1. In pursuance of a resolution of the Bihar Legislative Assembly on the 3rd of September 1937, the Government of Bihar appointed a committee on the 17th March 1938 for the purpose of "conducting an enquiry into the conditions of industrial labour prevailing in the important industrial centres and industries in the province with particular reference to each important industry and locality and to make such recommendations as may appear practicable for the purpose of improving the level of wages, conditions of work, employment, etc., in the important industries of the localities concerned". The Committee originally consisted of the following :—

- (1) Dr. Rajendra Prasad—*Chairman*.
- (2) Professor Abdul Bari, M.L.A.
- (3) Babu Jagat Narain Lal, M.L.A.
- (4) Mr. M. P. Gandhi.
- (5) Dr. Radha-Kamal Mukherjee, M.A., Ph.D.
- (6) Mr. H. B. Chandra, M.L.A.
- (7) Professor R. K. Saran—*Secretary*.

Mr. R. R. Bakhale was appointed Deputy Chairman of the Committee on the 2nd December 1938.

Mr. A. M. Hayman, O.B.E., M.L.A., was added to the Committee as a Member on the 19th February 1939.

Pandit Vidyabhushan Shukla, M.A., Labour Assistant to the Bihar Ministry was appointed Assistant Secretary of the Committee on the 16th April 1938.

Questionnaire.

2. The work of the Committee was inaugurated on the 13th April 1938 with a message from the Hon'ble Babu Anugraha Narain Sinha, the Minister in charge of Labour, the text of

which is reproduced in Appendix 'A'. The Committee discussed its terms of reference and adopted a general questionnaire. It was felt that some of the problems of sugar and coal industries required separate treatment and, therefore, the Committee decided that a supplementary questionnaire in regard to them should be prepared in consultation with the interests concerned. Before the Committee adjourned on the 16th April 1938, it authorised the Chairman to nominate representatives of capital and labour to serve on the Committee as Co-opted Members for the main industries and to take steps to conduct an investigation into the conditions of the workers in the main industrial centres of Bihar.

3. The general questionnaire was issued towards the end of April 1938 to all registered factories and licensed mines, the trade unions, both registered and unregistered, Industrial Associations of Employers, Chambers of Commerce, Government Departments, District Magistrates, Civil Surgeons, Chairmen of Municipalities and District Boards, journalists, Professors of Economics and social and welfare workers. To enable others who might also be interested in labour to make their contribution to the work of the Committee a notification was issued to the press that copies of the Questionnaire would be supplied to them on application. We are gratified to note that the questionnaire was in great demand not only in this province but also outside.

4. The supplementary questionnaire on sugar was issued in August 1938 and that on coal in September 1938. These were sent to the interests concerned. The full texts of the general and supplementary questionnaires are given in Appendix B.

5. We are pleased to say that the response to our questionnaires was satisfactory. We received to our general questionnaire 155 replies from the employers and their associations; 49 from the workers and their trade unions and 44 from Government officials and others. In addition, we received 3 replies from employers and their associations and 4 from workers and their unions to the supplementary questionnaire on sugar; and 46 replies from the employers and their associations and 6 from the workers and their unions to the supplementary questionnaire on coal. These replies represent a great deal of thought and effort on the part of those who prepared them and were of great help to us in our deliberations.

Family Budget Enquiry.

6. In accordance with the decision of the Committee to carry out an investigation into the conditions of the workers in the main industrial centres of the province, four investigators were appointed. Mr. Harnandan Prasad, a Member of the Provincial Civil Service, who had obtained a first class degree in Economics at the M. A., was placed in charge of the investigation at Jamshedpur. Dr. Balraj Seth who had been awarded a Doctorate by the Lucknow University for his thesis on labour in the coal industry, was deputed to the Jharia coal-fields. Mr. Devaki Nandan Prasad who was for some time an Inspector of Labour on the railways was entrusted with the investigation at Jamalpur while Mr. Rameshwar Dayal who had interested himself in the labour problems of the province was assigned to Dehri-on-Sone. They joined their duties in the third week of June 1938. Before setting out on their work, they had the scope and the method of investigation explained to them by the Secretary in a meeting on the 15th June 1938, convened for the purpose. A number of senior students of Economics were selected to help the investigators. A family budget form was prepared on the lines of the one used for the Royal Commission on Labour in India; and copies were supplied to them. In order to secure uniformity in the method of collecting the data and in their interpretation, the investigators and their assistants were given necessary instructions. For their guidance, a memorandum of instructions was drawn up by the Secretary and given to them, a copy of which is reproduced in Appendix C.

7. The investigations were completed in about three months. During this period the Secretary visited different centres to satisfy himself that the instructions were being strictly followed. On the basis of these investigations, Mr. Harnandan Prasad prepared reports on Jamshedpur, Jamalpur and Dehri and Dr. Balraj Seth on Jharia. The investigators and their assistants carried out their duties with zeal and efficiency and the reports which they submitted to us have been of considerable help to us, and are printed along with this report.

Inspection and Evidence.

8. The Committee began its tour on the 9th December 1938 with a visit to the Jamalpur centre. Mr. G. W. Browne, Deputy Chief Mechanical Engineer, East Indian Railway, Jamalpur and Mr. Nirapada Mukherji, M.L.A., the President, Tobacco Manufacturing Workers' Union, Monghyr and East

Indian Railway Labour Union worked with the Committee at Jamalpur and Monghyr as representatives of capital and labour respectively. The Committee during its stay visited the East Indian Railway Loco Works, Jamalpur, Technical Institute, Jamalpur Railway Hospitals, the factories of the Tobacco Manufacturers (India), Ltd., and the Printers (India) Ltd., Monghyr, and took the evidence of B. K. Gokhale, Esq., I.C.S., District Magistrate, Monghyr (in camera), of Messrs. H. D. Cornish and R. Rowatt on behalf of the Tobacco Manufacturers (India), Ltd., of Mr. Nirapada Mukherji on behalf of the Tobacco Manufacturing Workers' Union, Monghyr, of Mr. G. W. Browne on behalf of the East Indian Railway Workshops, Jamalpur and Mr. Nirapada Mukherji on behalf of the Jamalpur Railway Workers' Union.

9. After finishing the work there the Committee proceeded to Dehri-on-Sone on the 17th December 1938. Mr. Shanti Prasad Jain, the Managing Director of the Rohtas Industries, Ltd., and Mr. Basawan Singh, President, Dehri Mazdoor Sangha, joined the Committee as co-opted members. The Committee inspected the Dalmia Cement Factory, Dalmia Sugar Factory and the Paper Factory (in course of construction) and the P. W. D. Engineering Workshop at Dehri. A day was spent at Dumarkhar visiting the quarries, the workers' quarters, the market and the dispensary.

10. Mr. Shanti Prasad Jain was examined as witness on behalf of the Rohtas Industries, Ltd., Mr. K. B. Upadhyaya on behalf of the Quarries at Dumarkhar, Mr. Basawan Singh on behalf of the Dehri Mazdoor Sangha, Mr. C. A. Browne on behalf of the P. W. D. Engineering Workshop at Dehri, and Mr. M. H. Oakley on behalf of the Dehri-Rohtas Light Railway Co.'s Workshop.

11. The Committee left for Boulia on the 20th December 1938 and after visiting the quarries, the quarters of the workers, market and the hospital crossed over to Japla. On the 21st December 1938 the Committee paid a visit to the Sone Valley Portland Cement Co., Ltd., and the quarters of the workers and took the evidence of Mr. C. T. Harvey on behalf of the Sone Valley Portland Cement Co., Ltd., and the quarries at Boulia. Mr. C. T. Harvey and Mr. Basawan Singh acted as co-opted members for the Japla centre. The Committee adjourned on the 21st December 1938 for Christmas,

12. It re-assembled at Patna on the 16th January 1939 and after four days' work at Patna which included visits to (1) Shree Madhav Mills, Ltd., Patna City, (2) Sri Biharijee Mills, Patna City, (3) Shamlal Iron Foundry, Patna City, (4) Bihar Survey Drawing Office, Gulzarbagh, Patna, (5) Bihar Government Printing Press, Gulzarbagh, Patna, (6) Bihar Cottage Industries, Gulzarbagh and (7) South Bihar Sugar Mills, Bihta and the recording of evidence of Rao Bahadur K. S. Rao, Textile Expert and Acting Director of Industries, Mr. J. F. Gantzer, Deputy Director of Surveys, Bihar and Mr. R. Ghosh, Superintendent, Government Printing, Bihar, left on the 20th January 1939 for a tour of North Bihar.

13. Mr. C. A. Tookey, Manager, Barrah Sugar Factory, Barrah Chakia (Champanan) accompanied the Committee as a co-opted member for the sugar industry during its visits to the Sugar Mills in North Bihar. The following factories were visited by the Committee:—

(1) Tirhut Technical Institute, Muzaffarpur, (2) Arthur Butler's Engineering Workshop, (3) Motipur Sugar Factory, (4) Jhapaha Sugar Factory, (5) Sitalpur Sugar Factory, Chapra, (6) Marhowrah Sugar Factory, (7) Saran Engineering Works, Marhowrah, (8) C. and E. Morton (India), Ltd., (9) Marhowrah Distillery, Marhowrah, (10) Indian Sugar Works, Siwan, (11) New Savan Sugar Factory, Siwan, (12) Bihar Sugar Works, Pachrukhi, (13) Shree Krishna Gyanoday Sugar Mill, Hathwa, (14) Sasamusa Sugar Works, (15) Vishnoo Sugar Mills, Ltd., Gopalganj, (16) Bharat Sugar Mills, Ltd., Sidhwalia, (17) Parsa Sugar Factory, Lauriya, (18) Sugauli Sugar Works, Ltd., Sugauli, (19) Messrs. Motilal Padampat Sugar Mills, Manjhwalia, (20) Sri Hanuman Sugar Mills, Ltd., Motihari, (21) Champanan Sugar Works, Barrah-Chakia, (22) Belsund Sugar Company, Ltd., Riga, (23) Ryam Sugar Factory, Lohat, (24) Sakri Sugar Works, Sakri, (25) Rice Mills at Jayanagar, (26) Samastipur Central Sugar Factory, Samastipur, (27) Rameshwar Jute Mills, Muktapur, (28) Chowdhuri Oil Mills, Katihar, (29) Rai Bahadur Hardatroy Moti Lal Jute Mills, Katihar, (30) E. B. Ry. Running Shed and Repairing Workshop, Katihar, and (31) New Katihar Jute Mill, Katihar.

14. In the course of this tour the Committee took the evidence of (1) Mr. Russell, Manager, Arthur Butler's Engineering Company, Muzaffarpur; (2) S. S. Phatakwal, and

Superintendent, Tirhut Technical Institute Workshop, Muzaffarpur; (3) Mr. E. C. Danby, Managing Proprietor, Dholi Indigo Concern, Dholi; (4) Khan Bahadur S. M. Amir, District Magistrate, Muzaffarpur; (5) Mr. James Gordon, Manager, Saran Engineering Works, Marhowrah; (6) Mr. F. H. Lefson, Director, C. and E. Morton (India), Ltd., Marhowrah; (7) Mr. Satrugnan Nath Tiwary, Secretary, Arthur Butler Labour Union; (8) Thakur Yugal Kishore Sinha, Secretary, Riga Labour Union, Riga; (9) Mr. N. C. Kumar, Head Clerk, Belsund Sugar Factory and Vice-President, Belsund Factory Labour Union, Riga, (10) Babu Nathuni Singh, Secretary, Labour Union; (11) Babus Bindhyachal Prasad and Sarjug Prasad, Mukhtars, Gopalganj; (12) Mr. Anisur Rahman, President, Shree Rameshar Jute Mills Workers' Labour Union, Muktapur; (13) Pandit Ramnandan Misra, President, Samastipur Railway Workshop Labour Union, Samastipur; (14) Mr. L. J. Dargie, Manager, Shree Rameshwar Jute Mills, Muktapur; (15) Dr. K. L. Kundu, President, Katihar Labour Union, Katihar and (16) Dr. Nawal Kishore Nayyar, Manager, Rai Bahadur Hardatroy Jute Mills, Katihar and returned to Patna on the 8th February 1939.

15. It again left on the 11th February 1939 for tour of the coalfields. Mr. J. E. Phelps and Mr. Amrit Lal Ojha were co-opted as Members. The former represented the Indian Mining Association and the latter the Indian Mining Federation and the Indian Colliery Owners' Association. Mr. K. N. Sen Gupta, the President of the Indian Colliery Labour Union and Mr. K. N. Bhattacharjee, the President of the Indian Miners' Association were co-opted to represent the colliery workers.

The Committee paid visits to (1) Jamadoba Colliery, (2) Kustore Colliery, (3) Katras and Lodna Collieries, (4) Tisra Diamond Collieries, (5) Ashakuti group of collieries, (6) Barari Coke Plant, (7) Sijua Electric Power House, (8) Chandore Collieries, (9) Serampur Colliery, (10) Indian Mica Supply Company, Ltd., (11) Coke Plant at Giridih, (12) Kargali Colliery, (13) Jairangdih Colliery, (14) Joint Bokaro Colliery at Bokaro. Evidence was taken of the following gentlemen in the course of this tour: (1) Mr. B. N. Sinha, Chief Medical Officer, Jharia Mines Board of Health, Dhanbad, (2) Mr. Sant Ram, Assistant Engineer, Jharia Water Board, Kusunda (Manbhumi), (3) Rai Bahadur N. N. Roy, Additional Deputy Commissioner, Dhanbad, (4) Mr. Mukutdhari Singh, Secretary,

Chota Nagpur Mazdoor Sangha, Jharia, (5) Mr. Shiva Kali Bose, General Secretary, Indian Colliery Labour Union and Tata's Colliery Labour Association, Bhaga, (6) Dr. Satyanarayan, Ph.D., President, Coal Workers' Labour Union, Giridih, (7) Mr. Ramanugrah Prasad, Secretary, Bokaro Colliery Labour Union, Bokaro, (8) Mr. E. O. Pearce supported by Messrs. J. E. Phelps, and S. F. Tarlton on behalf of the Indian Mining Association, (9) Messrs. W. A. Spray, Colliery Superintendent, Giridih, W. Fairfield, Colliery Manager, Serampore and Mr. W. T. Stanton, Colliery Manager, Karabaree jointly on behalf of the E. I. R. Collieries at Giridih, (10) Messrs. J. B. Campbell, Manager, Indian State Railways, Kargali Colliery, Lwatts Morgan, Manager, Indian State Railways, Joint Collieries of E. I. R. and B. N. R., and L. S. Corbett, Officiating Manager, Jarangdih Colliery jointly on behalf of Railway Collieries of B. N. R., E. I. R. and B. B. & C. I. R. at Bokaro. On its way back to Patna the Committee stopped at Khalari for a day to visit the Khalari Cement Factory and Quarries and recorded the evidence of Mr. S. Moolgaonkar, Manager, the Associated Cement Company, Ltd., Khalari Works and of Messrs. (1) C. S. Creet, (2) Narayan Das, (3) Ram Kripal, (4) Chandrapada Banerji and (5) Ramji Gupta, Contractors.

16. The Committee also stopped at Gaya for a day, visited the Gaya Cotton and Jute Mills and examined Mr. K. M. Goghari, Manager, the Gaya Cotton and Jute Mills, Ltd., Gaya and Mr. Basawan Singh, the President, Gaya Cotton and Jute Mills' Labour Union, Gaya and returned to Patna on the 1st March 1939 and broke up for the Holi recess.

17. The final tour of the Committee commenced at Ranchi on the 17th March 1939. While at Ranchi the Committee visited Murhu Lac Factory and the Welfare Work of the S. P. G. Mission at Murhu, the Palandu and the Sebaya Tea Estates, the Depot for Assam Tea Garden Coolies at Ranchi, and took the evidence of Mr. S. K. Roy who was deputed by Lord Bishop of Chota Nagpur. The Committee then left for Jhalda where it visited the Shellac Factories of Messrs. A. M. Arathoon, J. A. Emins, Gregory, J. S. Creet as well as some *bidi* making establishments. It also inspected some small shellac manufacturing establishments at Thulin. Messrs. J. A. Emins, M. C. Gregory, J. S. Creet and Prabhash Mukherjee tendered joint evidence on behalf of the shellac manufacturers while Mr. Kalipada Haldar and Dr. Prafulla Chandra Mitra

of the District Congress Committee represented the grievances of the shellac and *bidi* workers. The Committee proceeded to Jamshedpur and stayed there from the 22nd March 1939 to 5th April 1939.

18. The Committee had the assistance of Mr. T. H. Clifford, Assistant General Superintendent, Tata Iron and Steel Company, Ltd., and Mr. M. John, General Secretary, Tata Workers' Union (Jamshedpur only), Mr. J. N. Mitra for places other than Jamshedpur as co-opted members.

19. The following factories were visited by the Committee during the period: (1) The Tata Iron and Steel Co., Ltd., (2) Indian Cable Company, Ltd., (3) Tatanagar Iron Foundry, (4) Indian Steel and Wire Products, (5) the Tinsplate Company of India, Ltd., (6) E. I. R. Tatanagar Workshops, (7) the Indian Copper Corporation, Ltd., Ghatsila and also (8) the Stone Quarries at Kendradih, (9) the Copper Mines at Musabani and (10) Iron Ores at Noamundi and (11) Gua.

20. (1) Sir A. R. Dalal, Director, and Mr. J. J. Ghandy, the General Manager, offered evidence on behalf of the Tata Iron and Steel Company, Ltd., (2) Messrs. E. D. Johnson and D. J. MacIntosh on behalf of the Indian Cable Company, Ltd., Golmuri, (3) Mr. N. N. Rakshit, on behalf of the Tatanagar Iron Foundry, Jamshedpur, (4) Mr. V. P. Dubey on behalf of the Indian Steel and Wire Products, (5) Mr. R. B. Penman, Mining Engineer on behalf of the Indian Iron and Steel Company, Ltd., Gua, (6) Mr. H. R. Mackilligin, General Manager on behalf of the Indian Copper Corporation, Ltd. (Mines and Works), (7) Dr. F. G. Percival, for the Noamundi Iron Ore Mines, (8) Mr. H. D. Townend, Chairman and Mr. W. D. Russell, General Manager on behalf of the Tinsplate Company of India, Ltd., Golmuri.

21. The evidence on behalf of the Tata Workers' Union was offered by Mr. M. John, supported by Mr. J. N. Mitra and others. Mr. J. N. Mitra and others offered evidence on behalf of the (1) Indian Cable Company, Ltd., Labour Union, (2) the Tatanagar Iron Foundry Worker's Labour Union, (3) the Indian Steel and Wire Products Company, Ltd., Workers' Union, (4) the Indian Copper Corporation Workers' Labour Union, Moubhandar, and Musabani Copper Mines Labour Union, (5) Golmuri Tinsplate Company Workers' Labour Union. In Jamshedpur as in some other places the Committee asked representative workers to place before the Committee their grievances so that the Committee may know their point of view

as they themselves would express it. The Committee returned to Patna on the 17th April 1939 visiting Kumardhubi, Pakur, Bhagalpur, Sheikhpura and Kodarma on the way and inspected (1) Kumardhubi Fire Clay and Silica Works, (2) Kumardhubi Engineering Works, (3) Kumardhubi Eagle Rolling Mills, (4) Pakur Stone Quarry, Ltd., (5) Lac Factories at Pakur, (6) Ram Bishnu Silk Factory at Bhagalpur, (7) Bhagalpur Central Jail, (8) Stone Quarries at Sheikhpura, (9) F. F. Chrestian and Company Mica Mines and Mica Factory, (10) Chhotu Ram and Horil Ram Mica Mines and Factories as well as the Mica Mines at (11) Phaguni, (12) Kohukua, (13) Bandarchoa and (14) Manjor.

22. The following gentlemen were examined: Mr. S. A. Roberts, Mr. A. C. Combe, Mr. W. K. Dixon, Mr. W. G. Pirrie, jointly on behalf of the three works at Kumardhubi, Mr. Moin Uddin Ahmed, Secretary, Kumardhubi Labour Union, Mr. H. K. Mukherjee, Stone Merchant, Pakur, Mr. Omkar Nath Agrawalla, Shellac Merchant, Pakur, Mr. Hubert Hughes, O.B.E., Ex-Engineer, Pakur, Mr. Chandrika Prosad, Partner, Rambansi Silk Factory, Bhagalpur, Mr. Sahdeo Singh, Contractor, Sheikhpura, Mr. S. N. Panday, Deputy Magistrate, Monghyr, Mr. Nasir Uddin Ahmad, Pleader and Secretary, Hazaribagh Labour Welfare Society, Giridih, Srimati Saraswati Devi, Vice-President, Mica Workers' Labour Union, Kodarma, Dr. Satyanarayan, Ph.D., President, Bihar Mica Workers' Union, Giridih, Mr. U. C. Lal, Representative, Messrs. Chotturam Horilram, Ltd., Mr. Lambert, Representative of Messrs. F. F. Chrestian and Company, Ltd., Mr. D. B. Sahana, Secretary, Kodarma Mica Mining Association, Mr. B. C. Bhattacharya, Indian Mica Supply Company, Ltd., Mr. N. C. Chowdhury, Secretary, Bihar and Orissa Mica Association, Giridih. Immediately on return to Patna the Committee left for Samastipur to visit the Bengal and North-Western Railway Workshop. This concluded the tour programme of the Committee.

23. The Committee met at Patna and sat from 22nd April to 2nd May 1939 and examined (1) Mr. Viswanath Sahay Verma, President, Patna Electric Supply Company Workers' Union, (2) Mr. Ram Nihora Singh, General Secretary, Patna City Mazdoor Union, (3) Mr. Basawan Singh, President, and Mr. A. Rahman, Vice-President, Boulia Labour Union, (4) Mr. Basawan Singh, President and Mr. Habib Khan, Vice-President, Japla Labour Union, (5) Mr. G. P. Pagay, Head Clerk, Representative of Bengal-Nagpur Railway Labour Union,

Adra, (6) Mr. T. Parmananda, Secretary, Patna Press Workers Federation, Patna, (7) Mr. M. M. Ghoshal, Secretary, Gulzarbagh Government Press Employees Association, (8) Mr. Narayanjee, President, Digha Ship-workers Labour Union, Digha, Patna, (9) Mr. J. Cruickshank, Engineer-in-charge, River Steam Navigation Company, Ltd., Digha, (10) Mr. J. Gordon, Resident Engineer, Patna Electric Supply Company, Ltd., Patna, (11) Mr. Rameshwar Dayal, Investigator, Labour Enquiry Committee, (12) Professor S. R. Bose, M.A., B.Sc. (Lond.), Professor of Economics, Patna College, Patna, (13) Mr. Nagendranath Dutt, City Magistrate, Patna, (14) Mr. Deokinandan Prasad, Investigator, Labour Enquiry Committee.

24. The Committee again met at Ranchi on the 21st May 1939 and took the evidence of (1) Mr. P. C. Bose, General Secretary, Indian Miners' Association, Jharia, (2) Mr. S. B. Sen, General Secretary, Tata's Collieries Labour Association and East Indian Railway Coal Company, Workers' Union, Jealgora, (3) Messrs. M. N. Mukherjee, G. S. Rawal, Rao Bahadur D. D. Thacker, J. Dholakia jointly on behalf of the Indian Mining Federation and Indian Colliery Owners' Association, (4) Messrs. R. L. Nopany, Gurusharan Lal and Qazi Abdul Hameed, Delegates of the Indian Sugar Mills Association, Calcutta, (5) Mr. A. Farquhar, Superintendent, Coal Department, Tata Iron and Steel Company, Jamadoba, (6) Mr. W. T. S. Cairns, Loco Superintendent, Bengal and North-Western Railway, Samastipur, (7) Mr. A. M. Robertson, Chief Mechanical Engineer, Bengal-Nagpur Railway, Kharagpur, (8) Mr. Harnandan Prasad, Investigator, Labour Enquiry Committee, (9) Mr. Nageshwar Prasad, Mining Officer, Chaibassa, (10) Dr. Balraj Seth, M.A., Ph.D., Investigator, Labour Enquiry Committee, (11) Rai Bahadur A. G. K. Lal, Secretary to Government, Revenue Department, (12) Mr. W. Kirby, Chief Inspector of Mines, Government of India, Dhanbad, (13) Mr. R. E. Russell, C.I.E., I.C.S., Chief Secretary to Government of Bihar, (14) Rai Bahadur P. Mallick, Civil Surgeon, Manbhum, (15) Mr. S. R. Zaman, I.C.S., Collector, Motihari, (16) Mr. H. M. Rai, Chief Inspector of Factories, Bihar and Orissa, Ranchi, (17) Mr. B. P. Mozoomdar, Officiating Director of Public Health, Bihar, (18) Mr. N. Bakshi, I.C.S., Registrar, Co-operative Societies, Bihar, (19) Mr. E. O. Lee, I.C.S., Registrar, Trade Unions and Commissioner of Excise, Government of Bihar, (20) Mr. C. V. H. Rao, Editor, *Indian Nation*, Patna.

25. During our tours we inspected 78 factories and 21 mines and quarries. During the course of our inspection, we made careful enquiries from the workers themselves about their conditions of employment and paid visits to their houses to see for ourselves how they lived. We discussed with them their needs and difficulties. Wherever possible, we took the opportunity of talking informally to the management to find out how far these difficulties were real and could be removed. We included in our inspections hospitals, schools, institutes, welfare centres, markets and liquor shops. The experience gained in these visits has provided the basis for judging the desirability of the many reforms which we propose in the report. We are pleased to note that the management allowed their employees to represent their grievances freely; and what is equally important, the employees fully availed themselves of the opportunity. On the basis of the memoranda supplied to us, we examined the witnesses on behalf of the employers, and the workers as well as those not connected with either party. In the case of the witnesses for the workers, we did not, in view of their special difficulties, insist on a formal memorandum before examining them. In the course of the evidence we were able to get an intimate insight into the point of view of the witnesses. We have made every endeavour not to miss any point of view or material fact which could be helpful to us in forming our conclusions. Appendix D gives the details of our visits and oral evidence.

Sphere of legislation.

26. Throughout our work we have been conscious of the difficulties which would result to the industries of the province if labour legislation here were far in advance of that in other provinces. While fully appreciating the need for uniformity in labour legislation, we do not accept the argument that no major labour legislation should be initiated by particular provinces. Already there is, as between provinces, marked inequality in some matters in labour legislation; and this is more apparent when we compare conditions with those in most of the Indian States. But there is, as far as we are aware, no evidence to show that more liberal labour legislation has been detrimental to the industrial progress of the province concerned. In a country as big as India, some diversity of legislation to suit the needs and peculiar conditions of the industries situated in different provinces is inevitable. We would welcome closer collaboration by the provincial

Governments in regard to labour legislation and we are aware that the provincial Governments themselves are alive to this need. But we would not like any provincial Government to postpone action unless all others have decided to follow suit, if it is convinced of its necessity. Progress in the past not only in India but elsewhere has come by the more earnest taking the lead and others being forced or encouraged to follow them. It is for this reason that we recommend to the Bihar Government to introduce several measures which other Governments have not undertaken till now.

27. It is, we think, with a view to securing necessary uniformity without sacrificing healthy diversity that nearly all important subjects relating to labour have been placed in the Concurrent List in the Government of India Act. In regard to them the provincial Government has the full power to take initiative; and we expect the provincial Government to make full use of the powers which the constitution has given it.

Economic Depression.

28. It is a well known fact that a period of severe depression commenced in 1929 and lasted for several years. The industries of Bihar like those of other places, with perhaps the possible exceptions of sugar and steel, were generally speaking hit hard. Faced with disastrous shrinkage in demand and prices they were obliged to adjust their scale of operations to these conditions; and the adjustment has inevitably entailed sacrifices on all the partners in production. Labour has had to bear a large share of these sacrifices which it could ill-afford. In making this statement we are not unmindful of the fortuitous benefit which has accrued to labour from a reduction in the cost of living.

29. With improvement in the conditions of business the old wage levels and other benefits are being gradually restored, although in many cases progress is slower than can be justified and in some cases the desire to stabilise the existing conditions is only too apparent.

War.

30. While we were considering what recommendations we should make the threat of war in Europe and the possibility of the extension of hostilities in the Far East loomed large on the horizon. We had an uneasy feeling that if these fears were

realized the economic basis of our proposals would be seriously undermined. Unfortunately the war has broken out in Europe although a comparatively quieter atmosphere has prevailed in the Far East. The war has created an economic situation which is undergoing rapid change of which nobody can foresee the end. All our data relate to the conditions which prevailed before the war and our conclusions rest upon these data. It is not possible for us at this stage to revise our data and conclusions for that would mean undertaking a fresh enquiry in regard to several matters and even then we could not feel sure that finality would be reached for the economic conditions are in an extremely fluid state. We have, therefore, decided to make our recommendations on the basis of conditions as they existed before the war. We have not taken into account the conditions created by the war resulting in increased cost of living and in some industries in additional profits. These, in our opinion, call for compensatory increase in wages and a juster distribution of excess profits while these conditions last.

Plan of the Report.

31. We may here indicate the plan of the Report. We present in Chapter II a brief survey of the industries of the province which form the essential background for the study of our report. In Chapter III, general observations are made about the characteristics of industrial labour in light of statistical data obtained by investigations in the principal industrial regions of the province. Methods of recruitment in force are described in Chapter IV. The abuses to which they are liable and the means by which they can be controlled or removed are discussed in the same chapter. "Contract Labour" raises special issues and, therefore, it is treated in a separate chapter (no. V). Restrictions on and protective measures for "contract labour" are suggested therein. Chapters VI and VII contain a comprehensive discussion of the terms of employment which regulate the administrative relations between labour and the management and prescribe the obligations and privileges of the workers. Wages-terms are excluded from consideration here. We suggest in these chapters the need for standardized service rules, the permissible forms of disciplinary action, conditions of apprenticeship, the fair basis for promotion, schemes of Provident Fund and Retiring Gratuity, enactment of legislation for Maternity Leave on well-established lines, and for Holidays

with Pay and Sick Leave subject to certain qualifications. Chapter VIII is devoted to the description of the legal and actual position in respect of hours of work in mines and factories. Conditions in factories are described in Chapter IX which also contains our recommendations for improving those conditions. Conditions in coal mines are described in Chapter XVIII dealing with the Coal Industry. Scientific progress has brought to the forefront the question of rationalization. Its effects on the position of the workers are considered in Chapter X. The allied problem of intensification of labour is the subject matter of discussion in the same chapter. The conditions which affect the health, comfort and well-being of the workers outside their places of work are discussed in the two chapters on Welfare Services of which the first (Chapter XI) deals with housing and the second (Chapter XII) with medical relief, education, recreation and temperance. We describe in Chapter XIII the standard of living of the workers in the main industrial centres as disclosed by our investigations and, in particular, examine whether their consumption of food is adequate. As one of the major factors affecting the standard of living is indebtedness, the subject is analyzed in Chapter XIV and several suggestions are made for alleviating the burden.

32. The present provisions of the Workmen's Compensation Act as well as proposals for improving the administration of the Act are considered in Chapter XV. The question of wages covers two chapters. Chapter XVI discusses the provisions and administration of Payment of Wages Act, the distinction between time-work and piece-work and the special safeguards for the piece-workers, the distinction between daily-rated and weekly-rated and monthly-rated workers and the demand for the conversion of daily-rated and weekly-rated workers into monthly-rated workers, the distinction between the daily-paid, weekly-paid and the monthly-paid workers and the choice of the workers in regard to the wage-period, the question of bonus and demand for amalgamating it with the basic wage, the linking of wages with the cost of living and the size of the family, and a special consideration for wages in protected industries. In Chapter XVII a proposal is made, after reviewing the circumstances which lead to low wages, for the legal fixation of a minimum wage; a scale of living wage is prescribed; conditions under which relief or exemption can be claimed by an industry are outlined; and an effort is made to anticipate how the industry will

adjust itself to the new burden and whether the adjustment will involve harmful consequences. The machinery for the fixation or regulation of wages is described in the same chapter.

33. Having considered the problems which affect more or less all the industries of the province, we turn to the special problems of the main industries of the province. These are coal, iron and steel, sugar, mica and shellac. Their special problems are discussed in Chapters XVIII, XIX, XX, XXI and XXII respectively.

34. In Chapter XXIII the present conditions of trade union work and the causes of its slow progress are analyzed and suggestions are made for placing the trade union movement on sound and practical basis. A scheme for settling industrial differences is presented in Chapter XXIV and the questions of policy and administration which arise in the event of a strike or lock-out are considered. In Chapter XXV suggestion is made for the creation of a Labour Department for collection and publication of Labour Intelligence, co-ordination of authority dealing with labour, and peaceful settlement of labour disputes.

35. We are required by our terms of reference to consider the conditions of workers in the main industrial centres and the main industries of the province. There is a certain amount of overlapping in the subject matter of the inquiry entrusted to us and this has led us into a certain amount of repetition which could not have been avoided by any arrangement of chapters. We have tried to minimize repetition by cross-references where such a course could be adopted.

Underlying Principles.

36. It is necessary for the proper appreciation of the report that we should state briefly at the very outset the main considerations by which we have been guided in making our recommendations. We have taken care not to place on the Government a burden which may be beyond its capacity to bear. The financial resources of the Government are limited and there is a multitude of pressing demands to be satisfied.

37. We have avoided suggesting any new machinery of administration when the existing machinery could be adapted or extended to serve the purpose. We have attempted to compute the cumulative financial effects of our recommendations on industry and have proposed no burden which may seriously

affect it. We are aware that it is a task of great complexity to estimate with any degree of assurance the capacity of an industry to bear a given burden. We have, therefore, made provision for relief or exemption where the burden might prove too heavy as well as for sufficient time for adjustment. We have recommended as the basis of legislation principles which command wide assent. Where we have adopted a foreign enactment as a model or basis for legislation, we have given careful consideration to the differences in conditions. Labour unrest in the province has engaged our anxious attention. Industry cannot afford the many ameliorations for workers unless it enjoys peace. Nor can peace be permanently established unless the basic reasonable needs of the workers are satisfied. This thought has been uppermost in our minds at all stages of our work. The improvement of the condition of industrial workers has throughout received our most careful consideration and while giving the most earnest thought to the often conflicting points of view of capital and labour, we have endeavoured to strike a balance which we hope will be considered fair. Our recommendations have been framed with emphasis on their practicability in the hope that both the employer and the worker would make efforts to give effect to them in a spirit of mutual accommodation and adjustment.

Final stage.

38. The Committee met at Patna from the 23rd November 1939 to 2nd December 1939 to consider the draft proposals. After making amendments in the draft proposals and directing the draft report to be prepared in the light of these amendments, the Committee adjourned on the 2nd December 1939. The Committee met at Patna again on the 26th March 1940 and sat from day to day till the 12th April 1940 when the Draft Report having been considered in detail was adopted and signed.

CHAPTER II.

A SURVEY OF INDUSTRIES IN BIHAR.

Mines.

39. Bihar like the rest of India is predominantly agricultural but the unrivalled mineral resources with which it is endowed by nature have attracted a large number of organised industries, the most important of which are coal, iron-ore, copper, mica and limestone. The total number of people employed in mines and quarries of all descriptions to which the Indian Mines Act is applicable was 170,217 in 1938. We give below a statement received from the Chief Inspector of Mines showing the number of workers in different mining industries together with the output of those industries.

TABLE I.
1938.

Name of mineral.	Number of mines.	Number of persons employed.	Output:
Coal	365	122,018	15,362,604 tons.
Chinaclay	8	1,182	7,493 "
Chromite	13	782	5,194 "
Copper-ore	5	2,737	288,076 "
Fireclay	9	231	8,871 "
Gold	3	129	16 ozs.
Gravel	Figures included in those for stone.		14,117 tons.
Iron-ore	8	9,666	1,421,090 "
Kyanite	1	161	830 "
Limestone	16	3,298	613,138 "
Manganese	16	991	24,469 "
Mica	689	23,358	84,235 cwts.
Sandstone.. ..	2	133	18,612 tons.
Slate	3	66	820 "
Steatite	3	85	692 "
Stone	60	5,380	616,995 "

40. There are many mines and quarries which are not subject to the Indian Mines Act and therefore the number of persons employed in them have not been included in the statement. Their number, in our opinion, is fairly considerable.

Factories.

41. According to the Chief Inspector of Factories, Bihar, the total number of workers employed in establishments subject to the Indian Factories Act was 93,034 in 1938 of whom 72,276 were in perennial factories and 20,758 in seasonal factories. The workers are distributed in the different industries as follows :—

TABLE II.

Statement showing the various industries and their average daily number of workers in Bihar.

Name of Industries.	Perennial.	Total.
Cotton	...	2,102
Electrical Engineering	...	1,313
Electrical Generating and Transforming Stations	...	515
Engineering General.	...	6,119
Railway Workshops	...	11,849
Ship-building	...	258
Copper Smelting	...	1,557
Foundries	...	1,483
Iron and Steel Smelting	...	22,543
Mica	...	125
Coach-building	...	96
Water Pumping	...	43
Woollen Mills	...	320
Breweries and Distillery	...	239
Flour Mills	...	433
Ice	...	12
Rice	...	3,521
Dal	...	367
Tobacco Manufacturing	...	1,763
Oil	...	1,999
Chemical Miscellaneous (Bye-Product Plant).	Coke	2,065
Paper and Printing	...	1,633

TABLE II—*concl.*

Name of Industries.				Total.
Brick and Tiles	...	...	...	3,911
Cement	...	...	...	2,549
Saw-mills	...	...	...	21
Stone Dressing	...	...	...	77
Jute Spinning and Weaving	...	..	..	5,013
Silk Factories	...	...	...	108
Miscellaneous (Quarry)	...	...	...	242
				<hr/>
		Total	...	72,276
				<hr/>
	<i>Seasonal.</i>			
Bakeries and Biscuits	...	...	...	58
Sugar	...	...	...	18,110
Tea	...	...	...	341
Tobacco Leaf Conditioning	...	...	...	193
Lac	...	...	...	1,741
Indigo	...	...	...	290
Cotton Gins and Presses	...	...	...	25
				<hr/>
		Total	...	20,758
				<hr/>
		Grand Total	...	93,034
				<hr/>

Out of 93,034 there are 86,137 Men; 6,384 Women; 291 Male (Adolescents); 35 Female (Adolescents); 156 Boys; 31 Girls.

42. These figures relate only to the workers employed in the factories and leave out of account the workers employed by contractors on behalf of the factories. Our investigations have shown that the number of such workers is considerable. In forming a correct idea of the magnitude of industrial labour in the province this fact must not be overlooked.

Unregulated Establishments.

43. Besides, the workers employed in factories there are workers employed in unregulated establishments not governed by the Indian Factories Act. The number of such establishments was, according to the Chief Inspector of Factories, 436 in 1937. Of these 126 mica factories employed 11,395 persons; 112 shellac factories employed 4,172 persons and 198 miscellaneous factories including jute, presses, rice, dal, oil, flour

and *bidi* making employed 6,735 persons. The total number of persons employed in unregulated factories was 22,302 which forms nearly 25 per cent of the number employed in registered factories. We do not know how these figures were obtained by the Chief Inspector of Factories but our investigations lead us to think that these figures underestimate the actual volume of employment. One of the important witnesses on behalf of the mica industry put the number of workers employed in mica excluding the home producers at a figure much higher than that given above.

44. Outside the mines and factories there are quite a large number of workers who must be regarded as industrial workers. Of them the largest group would be the transport workers.

Relative Importance of Industries.

45. It would appear from the foregoing table that Iron and Steel smelting offers the largest employment in the province. Sugar is the next most important industry which, owing to the natural advantages for the cultivation of cane, has been localised mostly in the north of the Ganges. Next come the Railway Workshops of which the one at Jamalpur is by far the most important. If to the number of mica workers in registered factories are added those employed in unregulated premises, the total amounts to 11,520 which is nearly equal to the total number of workers in the Railway Workshops. Rice, Dal, Oil, and Flour Mills are numerically the largest group and are spread over nearly all the districts of the province but are of some importance in Darbhanga, Bhagalpur, Purnea and Champaran. The number of workers in them is not large being only 6,320. There are a large number of Engineering Establishments of which the largest is at Kumardhubi and employ a total number of 6,119 persons. Almost of equal importance is Shellac Industry which accounts for 5,933 of which 1,741 persons are employed in registered factories. The number of workers in Jute Spinning and Weaving is 5,013. There are two large Jute Mills in Katihar and one near Samastipur. The Cement Industry has grown at Japla and Khalari adjacent to the sources of raw material and at Dalmianagar which derives its raw material from a place about 30 miles away. The Cement Industry provided employment to 2,549 persons. Cotton employed 2,102 persons, the largest Cotton Mill being at Gaya. Paper and Printing

employed 1,633 persons. This number will now be much larger since the Paper Plant at Dalmianagar has come into operation. The only Tobacco Factory of the province is situated in Monghyr which employed 1,763 persons. Copper Smelting is done at the works of the Indian Copper Corporation at Moubhandar and employed 1,557 persons.

46. There must be in the province a considerable number of Cottage Industries which afford employment and livelihood to not a small proportion of its population. We have given no account of them for they are outside the scope of our enquiry.

Total Industrial Labour.

47. Thus, excluding transport workers, persons employed by contractors and in Cottage Industries, the number of industrial workers is 285,553.

48. We have discussed in some detail the problems of the main industries of the province elsewhere while making our suggestions for improving the conditions of workers employed in them.

49. We have given above the number of persons directly employed in the different industries of the province on the basis of the statements submitted to us by the Chief Inspector of Mines and the Chief Inspector of Factories. In order to form a correct opinion about the place of the industry in the economy of the province, it is necessary to take into account the number of people supported by the industry. Unfortunately we have no figures to show the number of dependents on industrial workers except for a limited number of working class families. These show that the ratio of dependents on industrial workers is as large as in the population generally.

CHAPTER III.

NATURE OF LABOUR.

Mobility of Labour.

50. Since the Royal Commission on Labour in India made their recommendations in 1931, there has been no marked change in the characteristics of industrial labour. Then, as now, a vast proportion of unskilled labour is drawn from agriculture and mostly from the neighbouring villages. This is the case in sugar, mica, shellac, *bidi-making* and rice, oil, *dal* and flour mills as well as the railway workshops at Jamalpur, Samastipur and Adra. We have noticed some degree of inter-district mobility of labour. In the quarries at Boulia and Chunhatta which are situated in the Shahabad district there are to be found quite a large number of workers who have come from the adjoining district of Palamau; while in the collieries one meets with workers from many districts of the province some of them a long way from their places of work.

51. Their attachment to the village is still very strong. Some of them may actually be part-time agriculturists, either because there is no employment for them in industry in some seasons as in sugar or rice or oil, or because their present employment leaves a margin of leisure. There may be others who, though themselves employed the wholtime and throughout the year as in railway workshops at Jamalpur or Samastipur have small holdings which are looked after by other members of their families. There are still others who have no land of their own but would turn to the fields when temporary employment on them is available. And probably outside of Jamshedpur there are hardly any workers who do not wish to return to their ancestral homes and live among peoples and surroundings familiar to them since childhood, when industry no longer needs them.

52. An investigation conducted by investigators appointed by the Committee in Jamshedpur, Jharia, Jamalpur and Dehri throws light on the nature and territorial origin of

labour in the areas concerned. The investigation included the question of the migration of labour to the industry. There is some difficulty in interpreting the answers from the workers about the causes of their migration for, they may refer either to the immediate and superficial or distant and deep-seated causes. Sometimes migration took place so long ago that the causes have been effaced from the memory. Besides, the workers cannot be expected to analyse the causes too closely. There might be various motives at work and often the least important one might have proved decisive. The data which are here presented should, therefore, be treated with reservation.

53. *A. Jamshedpur*.—Of 1,040 families which were investigated, 280 were from Bihar. Of the latter 105 belong to the Singhbhum district and 175 are drawn from the districts of Bihar as shown below :—

Manbhum	...	...	...	...	42
Ranchi	...	...	...	...	30
Saran	...	...	...	...	19
Monghyr	...	...	...	...	19
Hazaribagh	...	...	...	...	17
Gaya	...	...	...	...	14
Shahabad	...	...	...	...	11
Patna	...	...	...	...	8
Muzaffarpur	...	...	...	...	6
Darbhanga	...	...	...	...	4
Champaran	...	...	...	...	3
Bhagalpur	...	...	...	...	2
					<hr/>
				Total	175

54. The remaining 760 families are distributed over the different provinces and States as follows :—

Bengal	...	...	...	...	107
Orissa	...	...	...	...	121
United Provinces	...	...	...	...	97
Central Provinces and Berar	...	...	...	...	149
The Punjab	...	...	...	...	79
Madras	...	...	...	...	98
North-West Frontier Province	...	...	...	...	10
Bombay	...	...	...	...	7
Assam	...	...	...	...	5
Indian States	...	...	...	...	47
Nepal	...	...	...	...	40
					<hr/>
				Total	760

55. The migrant workers account for 935 families or 90 per cent of all the workers.

Cause of Migration.	Number of families in which the cause occurs.
1. Family dispute	3
2. Social disabilities	nil.
3. <i>Economic causes</i> :—	
(a) To earn living	301
(b) Unemployment	223
(c) Poverty	156
(d) In search of job	91
(e) Lack of resources at home	40
(f) To supplement family incomes	53
(g) Followed relations who had migrated earlier	10
(h) In course of business	1
(i) Loss of family holdings	9
(j) Death of breadwinner	6
(k) Discharge from old jobs	5
(l) Indebtedness	26
(m) Pressure on land	4
(n) Invited by Employers	7
Total	935

56. The following analysis of the frequency with which the immigrant worker visits his home is important as showing his intimate connection with land :—

Frequency of visit.	Number of families.
1. Not visiting at all	221
2. Visiting once in less than a year	105
3. Visiting once in one but not two years	278
4. Visiting once in two but not three years	148
5. Visiting once in three years and above	183
Total	935

57. Occasions on which these visits were made are of some interest as will be seen from the following table :—

Occasion of last visit.	Frequency.
A. Personal or social causes not being social ceremonies.	390
(a) Holidays	8
(b) Meeting relations	216
(c) Change	20
(d) Bringing family to place of work	60
(e) Reaching family home	1
(f) Illness of worker or of members living with him.	40
(g) Illness of other members of the joint family.	45
B. Social ceremonies	210
(a) Marriage own or of members of the family residing with the worker.	124
(b) Marriage of other members of the joint family.	47
(c) Death of members of the worker's family residing with him.	8
(d) Death of other members of joint family	27
(e) Birth in the joint family	2
(f) Upanayan ceremony	1
(g) Hair cutting ceremony	1
C. Religious causes	20
(a) Festivals and worship	14
(b) Religious pilgrimage	6
D. Economic causes	94
(a) To build or repair houses	24
(b) To help in agriculture	19
(c) To settle land for cultivation	6
(d) Disputes regarding property	4
(e) Litigation regarding property	15
(f) To pay debt	1
(g) To pay rent	3
(h) Involuntary unemployment—	
(i) Company works closed	5
(ii) Discharge	4
(iii) Compulsory leave	2
(iv) Temporary loss of job	4
(i) Voluntary unemployment—	
Strike	7
	714

58. *B. Jharia*.—One thousand and thirty budgets were collected from the colliery workers on the basis of representative samples. 865 workers who formed 84.2 per cent of the total number were from Bihar, drawn from different districts as shown below :—

Hazaribagh	...	...	...	244
Manbhum	...	...	...	225
Monghyr	...	...	...	172
Gaya	...	...	...	145
Bhagalpur	...	...	...	21
Santal Parganas	...	...	...	20
Patna	...	...	...	12
Palamau	...	...	...	8
Shahabad	...	...	...	7
Arrah	...	...	...	3
Singhbhum	...	...	...	3
Ranchi	...	...	...	3
Chapra	...	...	...	2
				<hr/>
			Total	865
				<hr/>

The remaining 165 came from outside the province as follows :—

Central Provinces	...	...	...	73
United Provinces	...	...	...	35
Bengal	...	...	...	22
Orissa	...	...	...	14
Punjab	...	...	...	8
Central India	...	...	...	6
Cutch	...	...	...	2
Nepal	...	...	...	2
Bundelkhand	...	...	...	1
Madras	...	...	...	2
				<hr/>
			Total	165
				<hr/>

59. Four hundred and four families out of 1,030 were landless workers who had to leave their native places in search of employment. Fifty-four families had migrated even when employment was available at home to earn higher wages in the coalfields. Pressure on land was responsible for the migration of 163 families. Twenty-seven had left their homes to escape

prosecution for debts or to earn to pay the landlord and the money-lenders their dues. Twenty families attributed their migration to the decline of village industries. A large proportion of workers from the depressed classes as found in the collieries lends some support to the belief that they have left their native places to escape social indignities and other forms of harassment. The frequency with which the workers visit their homes is shown in the table below :—

No. of families.	Frequency of visits.
30	Daily.
8	Once a week.
17	Thrice a month.
13	Twice a month.
14	Once a month.
7	Once in two months.
21	Once in two or three months.
40	Once in four months.
120	Twice a year.
224	Once a year.
34	Once in two years.
28	Once in three years.
12	Once in four years.
11	Once in five years.
6	Once in 10 years.

Total 585

60. Four hundred and forty-five families did not visit their homes at all. They may, therefore, be supposed to be more or less permanently settled in the coalfields. The Muhammadans are the most important in this class and are mostly concentrated in Giridih. We also give below tables showing the cause and the length of the visit :—

Number of families.	Cause of visit.	Percentage.
218	To see friends, relatives and family members.	40.7
111	For negotiating and attending marriages.	20.7
66	For harvesting, land cultivation, partitioning of lands, purchasing of lands and sharing agricultural produce.	12.3

Number of families.	Cause of visit.	Percentage.
40	To see and attend sick relatives and family members.	7.6
20	To attend festivals	3.6
19	For personal sickness and change of climate.	3.5
19	For bringing wife, mother, sisters, or daughters and to attend to other domestic matters.	3.3
19	To attend sradh and funeral ceremonies.	3.5
10	For handing over money to relatives, paying land revenue, borrowing money to liquidate debts.	1.8
10	For unemployment at colliery, recruiting workers, litigation, child birth or pregnancy, to attend to his private business.	1.8
7	For repairing and building house	1.3

Some idea about the length of the visit can be obtained from the following facts:—

No.	Length of time.
23	A week or less than a week.
119	A fortnight or less.
150	A month or three weeks.
60	Two months or less.
19	Two months or more.
21	Four months or less.
3	Five months or less.
7	Six months or less.
8	Eight months or less.
4	Nine months or less.
7	A year or less.
5	One and half year or less.
1	Two years or less.

61. *C. Jamalpur*.—Jamalpur relies almost exclusively on local labour, the migrant labour being 4.07 per cent of the total labour force. Local labour has been defined to include persons living within 20 miles of Jamalpur and collected from the villages by workmen's trains.

62. *D. Dehri-on-Sone*.—The investigation at this centre covers workers employed in the Rohtas Industries, Limited at Dalmianagar, the Portland Sone Valley Cement Company at Japla, and the quarries at Dumarkhar, Boulia and Banjari. The 254 family budgets collected for this centre are distributed over the different places and are drawn from different provinces as follows:

Province or State.	Dalmianagar.	Japla.	Dumarkhar.	Banjari.	Boulia.	Total.
1	2	3	4	5	6	7
Bihar ..	89	69	6	18	10	192
The Punjab ..	18	..	2	..	..	20
United Provinces	7	1	..	2	..	10
North-West Frontier Province.	..	..	10	..	..	10
Central Provinces	..	..	8	1	..	9
Rajputana ..	..	..	7	..	..	7
Nepal ..	..	1	2	..	1	4
Bengal ..	2	..	..	..	..	2
Total ..	116	71	35	21	11	254

63. Out of 254 families, 73 come from districts outside those in which they work. Of these 73, 62 belong to workers from provinces or states other than Bihar so that of the Bihari families working here only 11 belong to districts other than those in which they work. As many as 181 out of 192 Bihari families or 94.27 per cent are local. The causes which have brought these 73 families to this centre have not been precisely stated. Unemployment in the home province has been shown to be the driving force in 36 cases; poverty in 16; and 21 families have been attracted by offer of work. Of the 73 families of the migrant workers 17 have never visited home and may be taken

as settled; 10 visit home more often than once a year; 37 visit home once in one but not in two years; five in two but not three years; and four in over three years. Fifty-six visited home for the following purposes:—

Marriage	...	...	...	...	8
To see relations at home	...	...	...	...	37
Illness	...	...	...	...	5
Funerals	...	...	...	...	2
Religious observances	...	...	...	...	4
					<hr/>
				Total	56
					<hr/>

It appears from the table that the contact with the home is more social than economic in character.

Industrial Labour and Agriculture.

64. The investigation confirms the belief that industrial labour in India continues to be closely bound up with agriculture. This fact gives it a character wholly different from what it is in the West and one which we have many reasons to like. It tends to spread out more evenly economic pressure arising from industrial fluctuations. When the worker is no longer wanted in the industry, he can return to agriculture. There is always some work for him, however little it may yield. At all times, in old age and sickness and unemployment, the joint family system provides a welcome refuge. Until the State has made a complete provision against all contingencies of industrial life as has been done in a country like England—it will take many long years to do it—the intimate connection between agriculture and industry must continue to be a source of strength to the industrial worker.

65. On the other hand, the amorphous character of labour gives rise to some evils of which the most important are that it tends to impede improvement in efficiency and organisation of labour and dislocates industry. We feel that in some centres and for some industries it is both possible and desirable to build up a stable labour force by providing better wages, more attractive dwellings, pleasanter working conditions as well as social amenities. Those who have had the vision to spend money on them are reaping the reward in the contentment of labour and their own prosperity. The high turn-over of labour in many factories and more particularly in the mines shows how much industry has yet to do to win the permanent

allegiance of workers. Our proposals in the report, we feel sure, will strengthen the tendency towards the stability of labour.

66. The foregoing observations relate to unskilled labour. As regards semi-skilled and skilled labour the position is markedly different. We give below tables of the distribution of these two classes of labour in Dehri and Jamshedpur. There is no accepted basis for the classification of labour into skilled and semi-skilled. The classification conforms to convention or to usual practice.

JAMSHEDPUR CENTRE.

Provinces from which the workers come.	Unskilled.	Semi-skilled.	Skilled.	Total.
Bihar	133	79	68	280
Bengal	6	55	46	107
Orissa	33	47	41	121
Central Provinces ..	68	65	16	149
Madras	12	47	39	98
United Provinces ..	17	45	35	97
Punjab	4	32	43	79
North-West Frontier Province ..	..	9	1	10
Bombay .. ..	..	5	2	7
Assam .. ..	..	3	2	5
Native States	27	14	6	47
Nepal	5	26	9	40
Total	305	427	308	1,040

DEHRI CENTRE.

Provinces or States from which the workers come.	Skilled.	Semi-skilled.	Unskilled.	Total.
Bihar	55	23	114	192
Punjab	10	1	9	20
United Provinces ..	5	1	4	10
North-West Frontier Province.	..	10	..	10
Central Provinces ..	2	6	1	9
Rajputana	1	6	..	7
Nepal .. ..	..	3	1	4
Bengal	2	..	..	2
Total	75	50	129	254

67. It would appear from the first table that 24.28 per cent are skilled and 22.21 per cent are semi-skilled workers that Bihar supplied, while the unskilled form 66.5 per cent of the total number of workers. In Rohtas centre the position is markedly different. Bihar contributes 46 per cent of the semi-skilled and 73.27 per cent of the skilled workers. The position of semi-skilled and skilled labour is in marked contrast with that of unskilled labour.

CHAPTER IV.

RECRUITMENT.

Methods of Recruitment.

68. There are two methods of recruitment, that is, direct recruitment by the management, or recruitment through intermediaries who are called by different names such as contractors or jobbers or *sirdars*. Many variations of these methods are actually found in operation.

69. Where labour is plentiful in all the seasons recruitment is done directly by the management and does not present any difficulty except perhaps in the matter of selection. This is true of all the districts north of the Ganges. But in the coalfields of Jharia, Bermo and Karanpura, the mica mines of Hazaribagh and Gaya districts, the limestone quarries in Dumrakhar, Boulia and Khalari, the ore mines in Noamundi and Gua and manganese mines in the jungles of Singhbhum, the contractor is largely relied upon for recruitment.

70. Even when the management assume direct responsibility for recruitment, the methods followed are not the same. Many concerns hardly follow any method at all. They pick up the man who is available at the gate or is recommended by the *mistri*. Some of the larger establishments have prescribed for their own use rules of recruitment while the biggest of them, the Tata Iron and Steel Company, Limited, has in addition to them a well organised Labour Bureau under a superintendent. The methods of recruitment vary in detail according to the nature of labour whether it is unskilled, semi-skilled or skilled. For skilled and semi-skilled labour it is usual and indeed necessary to have some sort of practical tests unless the candidates possess the requisite credentials, while the methods employed for recruitment of unskilled labour are of the rough and ready type.

Preference in Employment.

71. Some establishments give preference in employment to their former employees who have given good service but been retrenched or discharged for want of work. This is as much an act of prudence as of obvious justice. We desire all establishments to adopt this practice and to treat such former employees as having indeed the first claim on employment. It is also usual to give preference to the relations of the employees for not only does it strengthen attachment to the employer but has a further advantage of retaining the wages in the family. We endorse this practice but would like to point out that unless the preference is limited in a more definitive manner it may fail to achieve its object. For this reason we suggest that the preference should be confined to only the near relations of those employees who have put in not less than five years' service. There is a risk that this consideration, if acted upon to the exclusion of other considerations, may turn an industry into a close preserve of those already employed in it. Where the people of the province form a small part of the total labour force, the effect of it will be to perpetuate their disadvantage. We are anxious to place the children of the soil in a position to secure their rightful share of the employment in the province. For this reason we suggest that preference should be given to them and none of the above considerations should be pushed to the point of depriving them of what is their legitimate claim.

Registration.

72. It follows from what we have said that every establishment should maintain a register of its former employees and their near relations as is already done by some of them and it is further necessary that endeavour should be made to convey to these persons information about suitable vacancies in any manner that may, in the circumstances, be practicable. In some cases these persons are found to attend the yard every day in search of possible employment. If some method could be found by which this necessity was obviated it will be a great relief to them.

Employment of the Peoples of the Province.

73. In order to ensure that the children of the soil are receiving the consideration in the matter of employment which, as we have already pointed out, is their due, we propose that the Government should require all employers in the province to

submit an annual statement showing the number and proportion of employees by provinces and nationalities in different classes of work under them.

Rules of Recruitment.

74. Our observations confirm the popular belief that the representation of the people of this province in the higher grades of services in industry is extremely inadequate. We think that this is not entirely due to the relative scarcity of such persons with requisite qualifications or efficiency. Many complaints have reached us about the claims of such qualified persons having been disregarded in matters of appointment and promotion. We had not the opportunity of investigating them. Nor are we of opinion that all of them are justified. The Committee nevertheless feels that in the past the natives of the province have failed to receive proper consideration. Discrimination against provincials if and wherever it exists cannot be too strongly condemned. This must cease immediately and yield place to the recognition that due regard being given to educational, technical and other qualifications the people of the province have a better claim on the industries exploiting its resources than others.

75. All establishments should have definite and published rules about recruitment. As the workers are as much concerned about them as the management itself, it is desirable that they should be framed in consultation with the union of the workers. These should be registered with the Labour Commissioner. If any changes are to be made in them the same procedure with regard to consultation and registration must be followed. The effect of our recommendation will be to place recruitment on a reasonable basis and to free it from many of the evils of corruption and favouritism. We expect that the workers will represent to the management, if these rules are not observed in any individual case and in serious cases ask for an investigation by the Labour Commissioner or an officer authorised by him. While providing for those principles of preference in employment referred to in the preceding paragraphs and such others as may be found to be necessary, these rules will prescribe in detail the methods which should be employed to give effect to them. In all establishments which employ not more than one thousand persons, the employment should be made personally by the manager or in his absence by the next senior officer. Our object in making this proposal is to take out employment from the hands of *mistries* and the like who, we have found enough evidence to convince us, abuse

their power for the purpose of making money and holding workers in submission to them. We understand that in several big concerns, recruitment of skilled labourers is made by the Superintendent of the Employment Bureau or the Employment officer in consultation with the Technical Superintendent of the department concerned. We recommend that this procedure should be extended to the recruitment of semi-skilled labour.

Recruitment by Contractors.

76. The other method of recruitment is by contractors, jobbers or *sirdars*. These people ordinarily lack the sense of moral obligation towards labour which the employers or their managers are expected to have and therefore do not often hesitate to exploit the helpless position of labour in their charge. We have discussed in our chapters on the main industries of the province the circumstances which account for the existence of these contractors and the methods employed by them to exploit labour. We are strongly of the opinion that recruitment through contractors should be discontinued as early as possible. But where these or similar agents are for some time indispensable, we recommend that they should be licensed by the State and required to maintain a register of all payments including travelling allowances and advances which should be open to inspection by the Labour Commissioner or a Magistrate or any authorised public servant. If any of them are found guilty of unfair dealings towards labour their license should be withdrawn and a further penalty imposed on them. In other words we desire that they should be compelled to conform to standards of conduct similar in effect to those which have been recently imposed on the money-lenders in Bihar.

Protection of Imported Labour.

77. We hold that the employer who has imported workers for his industry has special obligation towards them as these workers have more difficulties to contend with than the local ones. One of these difficulties is that they may not find it possible or easy to return to their native homes when their services are no longer required by the industry. In one of the major quarries we found hundreds of people with their families who had been brought from Partabgarh, Rewa and Jaipur because they were believed to be efficient in quarrying. Their journey expenses to the quarry were paid and also a small advance was made for current expenditure. At the time of

our visit we found them in a position in which there was neither enough work nor enough wages for them. They were getting deeper and deeper into debt without any hope of ever being able to pay off their debts and return to their homes. When we visited it, the whole colony was seething with discontent. This is precisely the situation for which we are anxious to provide a remedy. We recommend that where workers have been imported by an employer or his agent and he is unable to find employment for them on adequate wages for more than a month, the Government should assume power to compel the employer to repatriate them at the cost of the employer when requested to do so.

Employment Exchange.

78. In their replies to our questionnaire as well as in oral evidence before us many labour unions and a few employers have suggested that the State should establish Employment Exchange in suitable areas to regulate recruitment. We are constrained to think that there is some misconception in their minds about the function of the Employment Exchange. Employment Exchange, at any rate as it exists in England, is an agency maintained by the State for bringing together the workers seeking an employer and the employer seeking a worker. Employers notify to it the jobs which are available, the qualifications required and the wages offered for them and the workers get themselves registered with it supplying the necessary particulars. There is neither obligation on the part of the worker to register himself nor any on the part of the employer to engage the worker through the Exchange. The Exchange, therefore, does not control or regulate employment. It acts as a link between the prospective worker and the prospective employer. It facilitates the adjustment of the supply of labour to the demand for it.

79. Most of the employers state in their replies to our questionnaire that the Labour Exchange, however constituted and by whomsoever controlled, will serve no useful purpose as they are able to obtain all the labour required without any difficulty. It may, however, be useful in those places where there is scarcity of labour, at any rate, in certain seasons. These are the places where mining or quarrying operations are carried on.

80. Some witnesses who supported Employment Exchange in evidence before us did so, we believe, on the assumption that the right of the employer to employ whomsoever he likes

will be abrogated by the obligation to employ whoever is offered to him by the Exchange. This is a misconception, for the Employment Exchange does not in any way affect such right of the employer although it facilitates contact between him and the worker.

81. The witnesses on behalf of the Indian Mining Association, the Indian Mining Federation and the Indian Colliery Owners' Association stated to us that most of the big collieries had built up and perfected, through long years of experience, elaborate organisations for recruitment and that they could not be expected to disband them in favour of the Employment Exchange unless the latter had proved itself capable of meeting their needs. They point out that the Employment Exchange will have the same difficulties as the Contractors have in recruiting labour and indeed the difficulties may be greater, for, the officials of the Employment Exchange will have to work according to prescribed instructions, while the methods of contractors were more elastic. The contractors or *sirdars* by virtue of their position in the village economy or the caste are able to exercise a degree of pressure which the officials could never be allowed to do.

82. The objection of the Coal Industry is valid if the Employment Exchange is regarded as a substitute for the existing machinery. But as Mr. M. N. Mukherji admitted in his evidence, the Employment Exchange as supplementing the private efforts of the collieries for recruitment was an experiment which could be given a trial. According as and to the extent that the Employment Exchange proves successful, the collieries will gradually abolish their own arrangement. We, therefore, propose that an Employment Exchange under State control should be established for the Jharia coalfields. It is not uncommon to find a surplus of labour in one colliery co-existing with scarcity of labour in another. The Employment Exchange should be able to improve if not to put an end to this state of affairs.

83. We are aware of the many difficulties which the Employment Exchange will have to face not the least of them being the indifference of the workers to register themselves. To overcome this indifference active propaganda among them is necessary and the response which will be forthcoming will depend in the largest degree on the willingness of the collieries to make use of the Employment Exchange. It would be fair to expect the employers to pay and we hope they will be quite

willing to pay a fee for every worker who was supplied by the Exchange and found suitable by them. This will meet a part of the cost of the scheme which we think should not make a heavy demand on the State. The Employment Exchange which we have proposed differs from that in England inasmuch as the former will attempt to recruit labour for industry while the latter is concerned with merely registration of labour. The Employment Exchange here, as in England, may become in course of time a machinery for the administration of unemployment relief or insurance when one is instituted.

CHAPTER V.

CONTRACT LABOUR.

84. By contract labour we mean labour employed by a contractor doing work for the management. This is distinguished from what is called departmental or *Sarkari* labour, that is, labour directly employed and controlled by the management.

85. It is difficult to compute the number of workers employed by the contractors from the memoranda which we have received. Usually such labour has not been included in the total labour force of the employer and even when it has been included it is impossible to separate it from the consolidated figure. But our direct investigations show that contract labour is widespread and is conspicuous in mining and quarrying industries.

Kinds of Contract Labour.

86. There are two systems under which work is done under "contract". In the one, a group of workers undertake to perform an assigned task on the piece-rate basis and the payment received for it is shared by them according to individual contributions. It is usual for this group to have a mate or *sirdar* who accepts the responsibility for the work on behalf of the group and usually he works with them as one of their number. This kind of contract labour has come under our observation in the sugar industry and a variant of it is found in Boulia and Chunnhatta quarries where the mate is called a sub-contractor.

87. The other and the much more important form of contract labour, and which we now propose to deal with, is labour under a person who by virtue of his position or resourcefulness has succeeded in securing a big contract and sets men to execute it, himself providing capital and supervision, but not otherwise taking part in the work. This is most prevalent in mining and quarrying with the exception of mica and copper.

The main kinds of work that fall under this system of contract are the following :—

- (1) The raising of coal and other minerals at the collieries, mines and quarries.
- (2) The construction of buildings and structures and the erection of plant and machinery.
- (3) The loading and unloading of materials.

88. In Chapter XVIII of our Report we have dealt fully with the question of the raising contract system at the collieries. The observations we have made there apply *mutatis mutandis* to the raising contract system in other mines and quarries in the province.

Scope of Contract Work.

89. In regard to the second class of work every undertaking has a normal, however small, size of this class of work which has to be done from year to year. In addition, from time to time, the construction of buildings, plant and structures for new undertakings or substantial additions and alterations to existing ones have to be undertaken. The normal work we consider should be done departmentally and in regard to the other work the contract system should be discouraged.

90. In respect of the third class of work, viz., loading and unloading, we appreciate the difficulties referred to by employers of maintaining a regular standard force to handle the work which from a variety of causes is both irregular and intermittent but we do not think they are insurmountable. Here we would like to mention that the Fireclay and Silica Works at Kumardhubi and the Sugar Mill at Barrachakia have successfully eliminated contract work from loading and unloading. We understand that the Tinsplate Company also has displaced contract labour by departmental labour in respect of loading and unloading.

91. All our enquiries and observations lead us to the conclusion that almost generally contract labour is underpaid and is in many respects without the most elementary protection which the Factories Act and the Payment of Wages Act is intended to give. But employers are generally of the opinion that they cannot do without contract labour. We are unable to accept this view and consider that much can be done by efficient organisation of work and more intelligent anticipation of demand to reduce contract work to the very minimum. We, therefore,

propose that Government should assume the power to prohibit contract work except for such work where the special circumstances and conditions make it inevitable.

92. Mr. Hayman does not agree with this recommendation. In his opinion, which he claims is based on practical experience, the contract system often acts as a valuable "cost regulator" and checks extravagance, particularly in supervision, when work is done departmentally. He thinks that the contract system is more suitable for construction work and for loading and unloading work and that it has its value in checking extravagance in the raising costs of coal and minerals when such work is done departmentally. He wishes to stress the point that economy in production costs, without detriment to the legitimate claims of labour, is beneficial both to the industries and to the consumers.

Statutory Safeguards.

93. But wherever contract labour is employed we are unanimously of opinion that the following measures for the protection of the workers should be provided for by law:—

- (1) (a) Stipulation in the agreement between the employer and the contractor that the contractor shall pay his unskilled labourers the minimum wage provided by legislation for departmental unskilled labourers in the same place or in the vicinity if no similar work is performed in that place.
- (b) The piece-work rate, if any, fixed by the contractor for workers of this class shall be such that any such worker who works efficiently and diligently for a reasonable number of hours a day shall earn not less than what he would have earned on the time basis.

The Labour Commissioner shall have the right to revise the piece-rates to secure the fulfilment of the condition.

- (2) The provisions of the Payment of Wages Act shall apply to the workers of the contractor.
- (3) Where the contractor employs at least 100 workers the provisions of the Indian Factories Act and the Indian Mines Act, as the case may be, shall have full effect.

- (4) Every contractor employing at least 100 workers shall be required to take out a license from the Government.

Other Safeguards.

94. We think that in all cases where a contractor employs more than 100 labourers for a contract, the employers should require the contractor to provide suitable permanent or temporary structure for housing the workers as the circumstances of each case may require.

95. Where work of a permanent character is given out on contract we consider that the obligations of the employer to provide housing accommodation for the workers should be the same as if the workers were departmental employees.

Fixation of Loads.

96. Dr. Mukerjee considers that in loading and unloading materials the maximum head load of workers should be fixed, and this separately for men and women labourers. Both in the mines and quarries the load and standard of depth and lead should also be prescribed. If the fixation is attempted, Mr. Gandhi suggests that in order that it may be done scientifically it should be undertaken after the Institute of Psychology and Fatigue reports on it, after a careful investigation.

97. These conditions will secure to labour its elementary rightful dues and will to a large extent prevent employers from resorting to the contract system in order to obtain economy resulting from the exploitation of labour.

98. But for the fact that our proposals for the grant of a minimum wage and other privileges and concessions to departmental employees are calculated to throw a heavy burden on particular industries and undertakings we should have recommended that contract labour should also have been given the benefit of our recommendations in regard to leave, provident fund, etc.

CHAPTER VI.

CONDITIONS OF EMPLOYMENT.

A.—Service Rules.

99. We discuss in this chapter the conditions under which a contract of employment is held by the workers. We have been surprised to find that in not a few cases the workers were not aware of these conditions and some of them who had been recently engaged did not even know the wages which they were to receive. This is, in our opinion, a position which is, in the highest degree, unfair to the workers. They have a right to know the conditions on which they have been employed and it is a poor answer to say that they could easily know them, if only they cared to. An indifference which is born of ignorance or sometimes excessive trust in the employer should be no justification for carrying on business in that manner. Our proposal is that every establishment must have published Service Rules and these must be exhibited in a conspicuous place and copies of them given to workers on engagement. Nearly all big establishments have these Service Rules and a few have them under preparation. The smaller establishments do not seem to think that there is any need for them. Our proposal is intended to bring them into line with others who have of their own accord adopted fair and businesslike methods.

100. But, in our opinion, it is not sufficient to bring to the notice of the workers the conditions on which they are employed. It is neither desirable nor practicable to limit the operation of democratic principles to the Government and keep industry for ever in old and decaying forms of authority. It is necessary to associate the workers with the making of these rules. The Bombay Industrial Disputes Act (1938) has laid down that rules relating to the undermentioned subjects shall be framed in accordance with procedure indicated here, viz.,—

- (1) Classification of employees, e.g., permanent, temporary, apprentices, probationers, badlis, etc.

- (2) Manner of notification to employees of periods and hours of work, holidays, pay days and wage-rates.
- (3) Shift working.
- (4) Attendance and late coming.
- (5) Leave and holidays: Conditions, procedure and authority to grant.
- (6) Liability to search an entry into premises by certain gates.
- (7) Temporary stoppages of work and rights and liabilities of employers and employees arising therefrom.
- (8) Termination of employment. Notice to be given by employer and employee.
- (9) Suspension or dismissal for misconduct and the acts or omissions which constitute misconduct.
- (10) Means of redress for employees against unfair treatment or wrongful exaction on the part of the employer or his agent or servant.

These rules are submitted by an employer to Labour Commissioner who has the power to settle them after hearing the parties concerned. In case of any party being dissatisfied an appeal is provided to the Industrial Court whose decision shall be binding on all parties. Any change in the 'standing orders', as these are called, can be introduced by following a similar procedure. We recommend that in Bihar also similar law should be enacted. We think it will be of much advantage and conduce to harmony of relations if employers, while framing the rules, consult the trade union or in its absence representatives of workers before submitting them to the Labour Commissioner. Mr. Hayman thinks that this consultation should be only with recognised trade unions. Arbitrary will of the employer will thus be replaced by open, agreed and approved rules of employment. Lack of system that prevails in many establishments today will give place to order and regularity. Industry will take on the character of a public service rather than continue to be a purely private affair.

B.—Disciplinary Action.

101. Our enquiries have revealed that there is among the workers the most anxious desire to attain security of service or

employment. With this desire everybody has the greatest possible sympathy. To appreciate the problem which it presents to the employer, it is necessary, however, to make a distinction between permanence of employment and security of employment. Permanence of employment depends upon the employer being able to sell his normal or standard output at a price which gives him a fair reward for his investment, risk and management. Conditions beyond his control may force him to reduce his output or even to close down his business altogether. In such an event some or all his employees must be thrown back on the labour market. Permanence of employment is a privilege which the industry, at least on its present basis of organisation, is unable to afford except under favourable conditions. Security of service, on the other hand, is a problem of a different kind. It implies that no worker shall be subjected to any penalty except for a proved offence and in accordance with definite provisions with regard to it. This security, the industry is in a position to give and the proposals that we make herewith are intended to give it.

Needs for Discipline.

102. Before we make these proposals we feel obliged to emphasise the fact that discipline is most essential in a modern industry. It is as essential for the efficient working of the industry as for the safety of the workers. Discipline, we admit, is unpleasant and irksome to those who are required to submit to it. But we would ill-serve labour if we allow our sympathy for it to give the remotest support to any act of indiscipline in the industry. We may add, however, that discipline can be more effectively and more easily assured by engendering a sense of mutual co-operation between the workers and the management. Herein lies one of the difficult problems of human management for the right limits of authority and obedience cannot be pre-ordained by law or formula but have to be nicely drawn in the complexities of actual life by broad common sense and humanity.

Procedure and Authority for Punishment.

103. Our proposals do not suggest anything new but merely attempt to extend to all the best methods which have already been adopted by some. We recommend that for all offences for which a warning is not deemed sufficient and fines are considered necessary, the procedure laid down in the Payment of Wages Act, section 8 (3) should be strictly followed. In

case of more serious offences a formal charge sheet should be served on the worker concerned; and no punishment should be inflicted without a formal enquiry in accordance with the rules laid down in that behalf. Our recommendations, however, should not be taken as curtailing any privileges which workers enjoy at present in any establishment. We know that the workers, ignorant as they are, are often unable to effectively defend themselves by refuting defective evidence against them or presenting their own case intelligently. Therefore, they should be allowed the services of a representative who may be either himself a worker or a nominee of the labour union of which they are members. For trivial offences for which a fine is sufficient, the immediate superior authority must have the power to deal with them. The General Manager alone shall be competent to inflict the punishment of discharge or dismissal. For intermediate forms of punishment the General Manager may delegate his power to the General Superintendent (or Works Manager) in regard to the works establishment and to heads of departments independent of the General Superintendent (or Works Manager) in respect of their establishment. In all cases a worker will have a right of appeal to the General Manager.

Forms of Punishment.

(a) Dismissal or Discharge.

104. We shall presently discuss the forms of permissible penalty but like to state here that dismissal or discharge which is the most extreme form of penalty raises most difficult issues which must be dealt with tactfully. Dismissals which the workers rightly or wrongly regarded as unjustified have been the occasions if not the causes of several strikes in the province. It is alleged that dismissals have been and are being used by frightened and unscrupulous employers as a weapon to root out trade unionism from within the ranks of labour. Elsewhere we have provided against victimisation. Discharge, as a punishment for misconduct, should be distinguished on the one hand from discharge for want of work or as a result of retrenchment and from dismissal on the other. As a punishment discharge, like dismissal, means terminating service but usually is considered a lighter punishment than dismissal, as it does not entail as complete a loss of privileges as dismissal does and does not make employment of the discharged person as difficult as is the case with a dismissed person. Dismissal or discharge being extreme forms of punishment should be

retained in the interest of the industry for gross misconduct only. Messrs. A. M. Hayman, Saran and Gandhi consider that employers should have the right of discharge also as a last resort for gross inefficiency arising from circumstances within the control of the worker. As we have already said no authority below the rank of the General Manager will have the power of dismissal or discharge. Professor Abdul Bari is of opinion that there should be a right of appeal against an order of dismissal or discharge to the Labour Commissioner whose decision should be binding on both parties. Mr. Hayman and Mr. Gandhi think that the final authority to inflict a punishment of dismissal or discharge should rest with the management and not in an outside authority. Other members think that inasmuch as dismissals or discharges are a fruitful source of conflict, in any case of dismissal or discharge, which is likely to become a cause of dispute between a union and the management, the Labour Commissioner should, on a reference by the union or of his own motion, investigate the case and attempt to bring about a settlement.

(b) Fines.

105. The usual forms of punishment are fines, suspension, reduction of wage rate, demotion or reduction of grade, discharge and dismissal. Fines are quite a legitimate form of punishment and are quite effective within certain limits provided they are imposed with discrimination. But we find that fines are not much in vogue and since the introduction of the Payment of Wages Act have been discontinued by a number of establishments. The explanation is probably to be found in the fact that the amount of permissible fines has been rigidly limited and both in regard to the imposition and use of fines directions have been prescribed by the Act. These provisions of the Act are fully justified and while retaining authority in the hands of the employer prevent it from being abused.

(c) Suspension.

106. Suspension which results in depriving the worker of the opportunity of earning wages may be either a substantive punishment or only an interregnum during which the alleged offence of the worker is being investigated. In the latter case full wages should be paid for the entire period if the investigation results in the worker being absolved from the offence, and the investigation should be required to be completed as expeditiously as possible. Suspension for a limited period not exceeding ten days as a punishment should be retained.

Professor Abdul Bari and Mr. Chandra do not agree that suspension should be retained as a punishment. Suspension in either case should not be treated as constituting a break of service.

(d) Reduction of Wage-rate.

107. Reduction of wage-rate is also sometimes resorted to. It is a more drastic form of punishment than suspension and much more than fines. A decision of the Bombay High Court treats the reduction of wage-rate as a form of fines both in law and effect and therefore makes it liable to those limitations which are prescribed in the Payment of Wages Act with regard to fines. If this decision represents the universally accepted legal position then we have nothing more to say about it. Otherwise we are in favour of making reduction of wage-rates unlawful. Our reason for doing so is the fear that it may be abused by an unscrupulous employer to economise his wages bill. We note with satisfaction that in some of the settlements which have followed the strikes in Bihar an explicit provision has been made against this form of punishment. No employer, we hope, can be any the worse for it as the same deterrent effect can be achieved by other means within his power.

Reduction of Grade.

108. Demotion or reduction of grade is similar to reduction of wage-rate in its effect on the worker but is different in nature. When a person is reduced in rank or grade there is no reduction of wage-rate as such, because the worker so reduced will now receive the wage-rate corresponding to his new duties and status. If a worker continues to do the work for which he was engaged he must get the wage-rate for that work; any reduction of the wage-rate will directly benefit the employer. But if a person is found incompetent for a job and is, therefore, placed on a lower job, there is no doubt loss to him but no corresponding gain to the employer. For this reason there is not the same fear in regard to its being abused.

109. We think that of all the forms of punishment here described fining, suspension, discharge and dismissal should be permitted. Professor Abdul Bari and Mr. Chandra are opposed to suspension being retained as a form of punishment, while Mr. A. M. Hayman and Professor R. K. Saran and Mr. M. P. Gandhi desire to include demotion also as a form of punishment. Babu Jagat Narain Lal while agreeing with

Mr. Hayman and Professor Saran and Mr. Gandhi in regard to retention of demotion would like to limit demotion to a definite period. In his opinion demotion for an indefinite period or without any reasonable hope of recovering the lost status is demoralising to the worker concerned and therefore harmful to the employer also.

C.—Apprenticeship.

110. Few industries have any organised system of training people for jobs requiring different kinds or degrees of skill. For most of them, the market supply is adequate or informal instruction and practical guidance by the senior workers ensures the minimum of necessary skill. No other system is practicable for them. But big industries dependent on a high order of technical skill can hardly do without a regular system of apprenticeship. Accordingly the Tata Iron and Steel Company and the Jamalpur Railway Workshop, to mention the two outstanding examples, have built up an elaborate system. Both of them and a few others pay their apprentices an allowance which increases with the period of training and is different for different classes of training. This is a just principle and we should like to make it universal in practice. A few cases have come under our observation elsewhere in which people supposed to be apprentices were doing work like other regular workers but without any payment. It was usual for them, we were told, to work on until they were absorbed when vacancies occurred in due course. It was argued that these people were not a source of profit to the management, if account was taken of the damage to tools or loss of materials for which they were responsible. The argument is hardly convincing, and except when such apprenticeship is for the briefest period, there is likely to be a balance of gain to the employer. We cannot possibly leave him in a position to benefit from unpaid labour. We have also found cases where the apprentices who were taken over into its service by the industry after the completion of their training were paid less than the standard wage. It was sought to be justified on the ground that the employer was put to some expense for the provision of training and, therefore, must some how reimburse himself. Strangely enough, this justification comes from those who spend little on training, for, the big industries which may have an elaborate system of apprenticeship do not make any discrimination of this sort against their former apprentices. We, therefore, propose that apprentices on completion of their

training should receive the full wage-rate of the work on which they are employed.

111. It is one of the commonest grievances of the apprentices that they have no guarantee of employment. At the end of a long period of training some of them may find that there is no market for the skill which they have laboriously acquired. It is one of those risks incidental to or rather inherent in the present system of industry for which no sure and adequate provision can be made. Apprentices must be taken earlier and in some cases several years earlier than the time when their services will be required in the industry. During this period, the conditions and prospects of the industry may undergo serious deterioration upsetting all calculations. A few industries have been in a happy position to absorb all their apprentices and a few others have made endeavour to do so.

112. We are informed that it is the practice of these industries to train up a slightly larger number of apprentices than is actually required to make up for wear and tear of the personnel and to have a margin of surplus to draw upon in time of need. This is what one would expect any well-conducted industry to do.

D.—Promotion.

113. Promotion means enhancement of status or wages and as status and wages are inter-linked, it usually means enhancement of both. In concrete terms, there is promotion when there is movement from one category to a higher category as when a cooly becomes a mechanic or from one grade to a higher grade within the same category, as a fitter moves from a lower to a higher grade of fitter. Increase in income due to promotion has to be distinguished from one due to an incremental scale of pay in which case a worker is moved up from the minimum to the maximum wages of a grade by periodical automatic increments. When there is no incremental scale of pay, the movement can take place only as vacancies occur in the higher categories or grades.

114. It is stated by the employers that in every large establishment there are ample opportunities of advancement for a good worker. Nothing calls out the best of which a worker is capable more than the hope of being able to rise and attain a superior social status. And the workers who have risen by good work and force of character are the best assets of the industry. A large establishment can provide facilities for technical education in night schools and practical training in

the workshop for the benefit of the more ambitious workers. In this connection we desire to draw attention to the success of night schools at Jamshedpur which are attended by about 400 employees of the Tata Iron and Steel Company, Limited, eager to improve their prospects. Apart from this, we propose that a large proportion of vacancies in any grade should be reserved to be filled by promotion from the grade next below it subject, of course, to the fitness of the individual for superior work and responsibility.

Promotion and Seniority.

115. The labour witnesses have complained to us that the scope for promotion is extremely limited and promotion, like recruitment, is subject to corruption or favouritism. Some of the charges may be due to the fact that the senior man is supposed to be also the more efficient man and whenever he is superseded by the younger man, the outcry is raised that considerations other than those of merit alone have been decisive. But it is impossible to absolve the management altogether from blame. The feeling that a man has not got his due is prejudicial to good work and loyalty. And the reputation of the Management for fairness suffers a serious setback when any of its employees can say and persuade others to believe that his just claims have been overlooked. While no management can be asked to forego the right to select its more able and enterprising workers for promotion, it is wise, under ordinary circumstances to adhere to the principle of seniority and we, therefore, recommend this principle for adoption. As a safeguard against favouritism, it should be laid down that where a senior man has to be superseded, the service records of the man concerned should be carefully looked into by the General Manager himself or subject to an appeal to the General Manager by the General Superintendent or heads of independent departments and the reasons for the supersession clearly stated in writing. Mr. Hayman and Mr. Gandhi do not agree to mere seniority being the deciding factor in making promotions. In their view in the interests of the workers and the employers alike seniority should be given the fullest consideration but greater weight should be assigned to ability and good conduct. And they desire to make it clear that increasing weight should be attached to ability when making promotions in other than the lower grades. They are of opinion that seniors should not be superseded without good reasons which should be placed on record by the authority making the promotion at the time the supersession takes place.

CHAPTER VII.

CONDITIONS OF EMPLOYMENT—*concl'd.*

E.—Provident Fund and Retiring Gratuity.

116. There are thirty-three schemes of provident fund in force in Bihar according to the statement sent to us by the employers. They apply naturally to the permanent workers only. Ten of them cover employees drawing Rs. 25 and over a month and eight cover employees drawing Rs. 15 and over a month. The former are Kumardhubi Fireclay and Silica Works, Kumardhubi Engineering Works, Kumardhubi Eagle Rolling Mill, Saran Engineering Works, and the Sugar Mills at Marhowrah, Ryam, Semapur, Samastipur Barachakia and Chanpatia and the latter are the Tata Iron and Steel Company, Jamadoba Colliery, Malkera Colliery, Digwadih Colliery, Sijua Colliery, Noamundi Ore Mines, the Jamshedpur Engineering and Machine Manufacturing Company and the Dehri-Rohtas Light Railway. The Tinsplate Company and the Associated Cement, Khalari, have schemes of provident fund but the pecuniary limit is not stated in their replies. Besides these a few other companies have agreed to introduce provident fund. These are Indian Cable Company, Electric Supply Company of Sijua, Tata Iron Foundry, Bihta Sugar Mill, the Reliance Firebricks and Pottery.

117. Provident Fund is a necessary provision for old age when the worker must retire from industry and may have no sufficient means of support. It is also a means of support to his family in case of the death of the earner. In the case of those workers who have been completely industrialized in the sense of having no land of their own or any connection with agriculture and among whom the bonds of the joint family system are likely to be weak, the necessity is very much greater. Provident fund like nearly all other services conducive to the welfare of the workers benefits them as well as their employers. It creates and strengthens the bond of relationship between them. The employers benefit by the stability, contentment and increasing efficiency of the workers.

A.—Compulsory Scheme.

118. In our opinion every establishment should be required to enforce a scheme of Provident Fund subject to the right of the Government to grant exemptions in particular cases on the ground of its financial position. Under the scheme every permanent employee should be required to join the Fund except those in the lowest grade who may be granted an option to do so. The management should in each case be required to contribute an amount equal to that subscribed by the worker which should be one-twelfth of the earnings of the worker in a year. Our desire is that every worker even in the lowest grade should get the advantage of the Provident Fund as it is that class which needs this benefit most. But at this stage we are not prepared to force the pace and compel every worker of the lowest grade to join it. Professor Abdul Bari and Dr. Mukherjee think that it should be made compulsory for even the lowest grade, among other considerations, to encourage thrift.

119. In case of termination of service due to retrenchment, sickness or any other circumstances beyond his control the worker should be entitled to get his own as well as the establishment's contribution together with interest thereon. In case of voluntary retirement or resignation by an employee he should be entitled to the whole of his own contribution with interest. He will also be entitled to a proportion of the establishment's contribution in case of resignation or voluntary retirement after three years' completed satisfactory service up to 12 years after which he will get the entire contribution. Mr. Hayman and Mr. Gandhi consider that having regard to the basic principles on which Provident Funds are established no part of the company's contribution should be paid to an employee who has not rendered, at least 15 years' service.

120. In case of dismissal for misconduct it will be open to the employer to forfeit his own contribution to the fund. Subject to the above suggestions suitable rules should be framed for the administration of Provident Funds. Further a majority of the Committee is of opinion that the utilisation of funds at the credit of the Lapsed Provident Fund Account should be determined by a Board on which the management and the employees are equally represented. Mr. Hayman and Mr. Gandhi are of opinion that the administration of the Lapsed Provident Fund should rest with the Trustees of the Fund.

Retiring Gratuity.

121. The railways and some engineering firms in the province give a retiring gratuity to their employees after a period of service. The scale of gratuity varies. Retiring gratuity like provident fund is a provision against old age, invalidity and unemployment.

122. Messrs. Abdul Bari, Jagatnarain Lal, H. B. Chandra and Dr. Mukerjee would like that in the engineering and metallurgical industries, a scheme of retiring gratuity should be introduced in view of the strenuous and hazardous nature of the work subject to the exemptions which may be granted by the Government on the ground of the financial position of the particular establishments. In cases of retrenchment due to the introduction of rationalization, however, there should be compulsory scheme of retiring gratuity for every establishment, the scale of gratuity being half month's wage for each year of service.

123. The Chairman, Messrs. Hayman, Saran and Gandhi are of opinion that there is no reason why engineering and metallurgical industries should be treated differently from others as the scales of wages for industrial workers are fixed with reference to the nature of their work. Further, they see no sufficient reason why a worker whose services are terminated on account of rationalization should be treated any more liberally than one whose services are terminated following retrenchment for any other reason. Besides, in their opinion, where Provident Fund is available it would not be proper to institute a system of Retiring Gratuity also in addition to it by law, and it should be left to the discretion of the employer. They would not, however, like the benefit to be withdrawn where it is now given.

F.—Holidays with pay.

124. It is usual to give to the monthly-rated staff one month's leave on full pay for each year of service. The monthly-rated staff consists mainly of persons in clerical and administrative positions and therefore, their number is extremely limited.

125. From the replies to our questionnaire, it appears that the Kumardhubi Fireclay and Silica Works, the Kumardhubi Engineering Works, the Kumardhubi Eagle Rolling Mills, the Gulfarbari Firebrick Works, the Tata Iron and Steel Company, the Indian Steel and Wire Products, and the Indian

Copper Corporation (Mines and Works) give to their daily-rated permanent workers two weeks' or fifteen days' holidays with pay every year. These are all heavy industries. The Sugar Mills at Sakri and Lohat have a graduated scale of leave as follows :—Up to Rs. 15 a month,—one week; between Rs. 15 and Rs. 30 a month,—two weeks; between Rs. 30 and Rs. 200 a month,—three weeks; and over Rs. 200 a month,—four weeks. The South Bihar Sugar Mill at Bihta has agreed in a recent settlement after a strike to one month's leave in a year on full pay to the non-seasonal workers and leave for a proportionate period to the seasonal workers while the Tata Iron Foundry has agreed to ten days. The Dehri-Rohtas Railway and the Arrah Electric Supply Company each give a month and the Sijua Electric Supply Company 10 days. Since the replies to our questionnaire were submitted in 1936, a few other concerns have followed suit. We have not included them in this statement for the details are not known to us.

126. There is an international movement in favour of holidays with pay which is fast gaining ground. France has already introduced legislation on the subject and in England, the employers are asked to take voluntary initiative, and any measure of compulsion has been avoided for the present. The need for it arises from the excessive nervous strain which work in a modern industry with its highly developed technological operations is apt to produce. Weekly rest and shorter hours are an imperative physical necessity but they fail to produce sufficient nervous relaxation and vigour of mind and muscles unless the rest is continued for a period. And the workers most of whom live from hand to mouth and have no margin of savings to draw upon can hardly afford to take the rest. Tropical climate, poor diet and physique of the workers and insanitary and unattractive conditions in which they live combine to make holidays with pay even more necessary in India than in the west. As the vast majority of workers are drawn from the villages with which they maintain the closest connection and would, therefore, probably spend the holidays there, there will not only be benefit to their health but also a feeling of happiness from an annual sojourn however brief.

127. In his report on Humidification in Indian Cotton Mills, Mr. T. Maloney formulated as follows his conclusions based on research into the health of the cotton mill operative :
 “ that the weights of the mill operatives, showed a decrease

after a few months' service without leave"; and "that the weights of the operatives increased appreciably when they returned back to factory from their up-country homes after a long vacation". These conclusions, we are inclined to think, hold good for nearly all industrial workers who have to live and work in overcrowded places and justify the grant of holidays.

128. Unless these holidays are on the basis of full pay, few will avail themselves of these except when forced to do so by sickness. The Royal Commission on Labour says: "The recognition of the claim of the worker to some allowance for a specified period while on recognized leave would have distinct influence in converting the labour force of a factory from a constantly changing and unsettled mass to a regular and contented group of workers. The effects on discipline and efficiency would be marked, and sickness and absenteeism would be greatly reduced." This represents accurately our own view of the results which may be expected. Actuated by the same view, the Indian Mining Association has promised its valuable support to the grant of one week's leave with pay to all employees who complete a period of one year's continuous service.

129. We, therefore, recommend that the Bihar Government should introduce by legislation holidays with pay on the following scale. Some establishments give their workers leave with pay on festival days. We include this leave in the number of holidays with pay which we prescribe for the industries of the province. We recommend twenty-two days in the year for the Engineering and Metallurgical industries in view of the very strenuous character of the work in them, and fifteen days for the other perennial industries, provided that the employee shall render a minimum of 265 days' actual service in a period of twelve months before he becomes entitled to the leave. In the case of miners and loaders the qualifying period of service should be 230 days. We have suggested the exclusion of the sugar industry from this obligation, because, firstly, the sugar industry is a seasonal industry and is carried on mostly in the rural areas which do not affect the health and vigour of the workers in the same degree as the industrial towns and secondly, we provide for the workers in the sugar industry an alternative, and we hope, a more desirable benefit, namely, an off-season allowance. We think it necessary to state that our proposals are not intended to restrict or reduce any existing privileges enjoyed by any class

of employees. These must be continued on a basis not less favourable to the employees than now. Mr. Hayman does not agree to higher limit of holidays for the Engineering and Metallurgical industry and argues that the more arduous nature of work is compensated by higher wages.

130. A demand has been put forward before us by some labour unions that pay in lieu of privilege leave should be allowed to those who are entitled to it. We are unable to support the demand as it would defeat the very object for which the leave is given. It is further demanded that the leave should be on a cumulative basis, so that those who come from long distances and cannot afford to visit their homes every year may be able to take accumulated leave for rest. This demand is reasonable and we support it. Accumulation of such leave should be permitted subject to the condition that no employee shall earn further leave when the amount of leave at his credit, if he is an employee in an Engineering or Metallurgical establishment is 66 days or in any other establishment, 45 days.

G.—Sick leave.

131. The provision for sick leave is confined to an extremely few establishments except in so far as it concerns the monthly staff. There is a good deal of difficulty in tabulating and analysing replies from the employers in respect of the sick leave. Firstly, in some cases the reply does not state the class of workers to whom it is given. Secondly, it is difficult to attach any precise meaning to the replies which merely state that sick leave is given at the discretion of the management or on the merits of each case. So far as the ordinary workers are concerned sick leave on full pay (apart from any privilege leave which may be utilised to cover the period of sickness) is given by the Tinplate Company for five days, Arrah Electric Supply Company 15 days and in Bihta Sugar Mill 15 days in a full year and in the season on proportionate basis. A few establishments pay their workers a *khoraki* or subsistence allowance of annas 4 a day for the period of certified illness. These are the Bararee Coke Plant, the Kirkend Colliery, the Shalimar Tar Products (after 10 days' illness and the Tata Collieries at Jamadoba, Dighwadih Malkera and Sijua, (for weekly paid labour getting annas 10 or less a day). In few other cases strikes have resulted in the right to sick leave being secured on a limited basis.

132. It is evident from these facts that there is a marked inequality of provision for sick leave between the monthly staff and the ordinary workers. The bulk of the workers are paid so little that they cannot be expected to make their own provision for sickness. Sickness is an added misfortune to them. At the time when their need is greatest, their income will have vanished. We are, therefore, not surprised to find sickness among the major contributaries to indebtedness as is shown by our analysis of the causes of indebtedness in the chapter on the subject. The worker must have during the period of his illness, leave, medical aid and pay. Leave without pay to any extent that may be necessary, provided permission has been obtained from the employer or intimation has been sent to him, is the prevailing practice. Almost all big firms and also some small ones provide free medical service with generally free supply of medicines. Elsewhere we make a recommendation for placing this obligation of the employer on effective basis. Therefore, the only problem which remains to be solved is the provision of allowance for the period of sickness.

133. Sickness Insurance on contributory basis appears to us to be the most satisfactory solution of this problem and indeed the whole problem of sickness. As far as we are aware, two establishments in Bihar have tried to introduce a scheme for sickness benefit on a contributory basis. These are the Indian Copper Corporation and the Railway Collieries at Giridih. We give below the details of these schemes.

134. The Indian Copper Corporation has a sickness benefit scheme which applies to all daily-paid workers. The employer makes no actual contribution but gives free medical and hospital attention during absence from work. Contributions by workers are as follows:—

Those earning from annas 6 to annas 10 per day—
annas 2 per month;

Those earning from annas 11 to Re. 1 per day—
annas 3 per month;

Those earning over Re. 1 per day—annas 4 per month.

Those earning under annas 6 per day are not charged but are nevertheless given the benefit of the scheme when they are sick. Contributions are collected monthly from wages. When workmen are sick they receive half pay from the date when they are declared unfit for duty until the date when

they are declared as fit by the Medical Officer. When workmen are injured they receive half pay for seven days subsequent to injury. After seven days they continue to receive pay but this is covered by the Workmen's Compensation Act.

135. In the East Indian Railway Collieries at Giridih there is a similar scheme in operation. All coal-cutters and daily-rated workers whether they are directly in the service of the collieries or in that of the contractors pay 6 pies per rupee of their earnings. These are deducted from their wages bill. The benefits allowed by the fund to subscribers are as follows:—

	Rs. a. p.
<i>For Sickness :—</i>	
Men and women per week	0 12 0
Children per week	0 4 0
For living birth	3 0 0
<i>For deaths :—</i>	
Adults	3 8 0
Children under three years old	1 0 0

Sickness benefits are not given for less than six days of certified illness.

136. The Royal Commission of 1931 held the view that the time was not ripe for introducing a compulsory scheme of sickness insurance on a universal basis and therefore suggested that sickness benefit schemes should be inaugurated on empirical lines. Not many employers have attempted to carry out the suggestions.

137. We invited opinions about the practicability and desirability of introducing a compulsory Sickness Insurance Scheme in the province. The workers and their representatives have expressed themselves in favour of the scheme usually with the reservation that no contribution was demanded from the workers, at least from those who were the lowest paid. Some employers consider the scheme as impracticable while others would welcome it provided the cost is shared by the employers, the workers and the State. A few of them say that in the event of the scheme being introduced, their own private obligation to provide free medical relief must be presumed to have lapsed.

138. In view of the fact that voluntary initiative has not been forthcoming in a sufficient degree to hold out any promise of sickness benefit schemes becoming a general feature and the fact that workers and some employers have expressed their desire in favour of it, we would request the Government to institute an enquiry into the desirability and practicability of introducing the scheme by legislation.

139. As long as a Sickness Insurance scheme is not operated on a universal basis, we propose that all establishments not covered by it should grant sick leave to all their employees on the following scale without prejudice to any arrangement already in force:—

<i>Period of service.</i>	<i>Period of leave.</i>
1. Not less than three years but less than five years.	One week on full pay and one week on half pay.
2. Five years but less than 10 years.	10 days on full pay and 10 days on half pay.
3. Ten years and over ...	15 days on full pay and 15 days on half pay.

H.—Maternity leave.

140. According to the replies to our Questionnaire, 12 establishments give to their women workers maternity leave. The usual scale of leave is eight weeks on full pay after a minimum of one year's continuous service. The Japla Cement Company gives maternity leave for two months on half pay, the Indian Cable Company six weeks on half pay and the Indian Tinplate Company six weeks on full pay.

141. The position in the collieries is slightly different. The Tata Collieries conform to the above-mentioned usual practice which is also the practice at the Steel Works in Jamshedpur. The Loyabad Colliery gives an allowance for three to four weeks at the rate of four annas a day before and six annas a day after childbirth, while the Saltore Colliery gives for the same period a *khoraki* or subsistence allowance. The Bhagtand Colliery gives leave for two weeks and a fixed allowance of Rs. 4 while the Argāda Colliery allows full pay for one month.

142. Maternity legislation is almost unanimously supported by the employers and is indeed a well recognized and essential form of benefit to the women workers. We, therefore, recommend that legislation should be enacted without

delay. Maternity Benefit Acts in the provinces bear the closest resemblance to each other. There are, however, between the Bombay Maternity Act of 1929 which was the first and the United Provinces Maternity Benefit Act, 1938, which is the last to be introduced some differences in detail which we proceed to mention.

143. Firstly, the Bombay Act prohibits employment of women for four weeks after delivery. The United Provinces Act prohibits the employment for two weeks after miscarriage also. The maximum period for which a woman is entitled to benefit is eight weeks in both the Acts, that is four weeks before and four weeks after delivery. In the United Provinces the woman who has had miscarriage is given leave with full pay for three weeks after it but in Bombay there is no such provision.

144. Secondly, the scale of payment in the United Provinces is a little more liberal than in Bombay. In Bombay the rate is the "average daily wage calculated to the nearest quarter of an anna on the *total wages earned*" during the preceding three months or "eight annās a day *whichever is less*" outside the cities of Bombay, Karachi and Ahmedabad where the minimum is eight annas a day; while in the United Provinces the rate is "average daily earnings calculated on the total wages earned on the days *when full-time work was done*" or "eight annas a day *whichever is greater*".

145. Thirdly, the qualifying period for benefit is employment for nine months with an employer in Bombay and total period of not less than six months in the United Provinces.

146. An interesting provision in the United Provinces is the additional payment of a bonus of five rupees to a woman worker who avails herself of the services of a qualified midwife.

147. Another provision in the United Provinces Act, is for a Creche to be built by an employer and a female attendant to be placed in charge of it and for a woman worker with a child of less than one year of age to be given, in addition to the rest prescribed by the Factories Act, two intervals of rest of half an hour each, one in the forenoon and the other in the afternoon.

148. There is in the United Provinces Act a safeguard against a woman worker being dismissed by her employer with a view to evade payment of maternity benefit to her.

149. No notice of dismissal can be given to a woman during the period of maternity leave in either of the Acts but there is a further provision in the United Provinces Act that if as a result of illness arising out of pregnancy, confinement or miscarriage, a woman is absent for a period longer than her maternity leave, the employer cannot dismiss her unless her absence exceeds four months.

150. We have pointed out in some detail several improvements on the Bombay Act because we wish them to be incorporated in the legislation in this province.

I.—Permanent and Temporary Worker.

151. The foregoing privileges, namely holidays with pay, sick leave, provident fund or retiring gratuity must be, from the very nature of the case limited to the permanent workers. It is, therefore, necessary to define with precision what we mean by a permanent worker. Where the work is of a permanent character and the worker has been employed on such a work in a temporary capacity for a continuous period of one year, he shall be considered to be a permanent worker entitled to all these privileges. Allegations are often made that sometimes the worker is discharged before the completion of a year without any good reason merely to prevent him from qualifying for these privileges. To provide against this possibility we propose that breaks of service not exceeding 30 days in the year shall be disregarded. We believe that this practice is followed by the Tata Iron and Steel Company. In seasonal industry the qualifying period should be the length of the working season instead of a year and the condonation for breaks of service should be calculated on a proportionate basis. Mr. Hayman and Mr. Gandhi are of opinion that the qualifying period in seasonal industries should be two working seasons. It is hardly necessary to say that authorised absence from duty for whatever reason cannot be treated as break of service. The distinction between temporary and permanent workers has been a source of considerable friction in some industries. We hope that our definition of a permanent worker will be accepted as a reasonable one and will provide a solution for that friction.

152. We are of opinion that the employees of the Government factories should have the same benefits and privileges as have been suggested for those in private establishments.

CHAPTER VIII.

Hours of work.

In Factories.

153. The hours of work in industrial establishments with which we are concerned, are regulated by the Factories Act, 1934, and the Indian Mines Act, 1923. The Factories Act of 1934 is a consolidated piece of legislation containing the amended and unrepealed provisions of the previous Factories Acts of 1881, 1891, 1911, 1922, 1923 and 1926 and numerous fresh provisions recommended by the Royal Commission on Labour in India. The 1934 Act was further amended, in comparatively minor matters, in 1935, 1936 and 1937. The daily limit of hours dates back to 1891 when it was confined only to women workers. In 1911 the daily limit of 12 hours was first imposed for adult men employed in textile factories. The 12-hours limit was reduced to 11 hours and was extended to non-textile factories in 1922. Hitherto, the weekly limit was unknown to the Indian Factories Acts. It was first introduced by the Act of 1922 in pursuance of a special provision relating to India in the Hours Convention passed at Washington by the International Labour Conference in 1919 and ratified by the Government of India in 1921.

154. The Whitley Commission recommended a reduction in the daily and weekly limits from 11 and 60 to 10 and 54 respectively, which has now been incorporated in the Factories Act, 1934. In the continuous processes in perennial factories, the Act keeps the same daily limit, viz., 10, but increases the weekly limit to 56. The workers in these processes generally work on a 8-hour shift basis and get a fortnightly holiday, instead of a weekly one and, therefore, the hours worked are usually 48 and 56 in alternative weeks, giving an average week of 52 hours.

155. Prior to 1934, the Factories Act did not recognise the distinction between perennial and seasonal factories. On account of the short period during which they work annually, the latter were given wide latitude and exemptions both by the law and the administration. Excessive hours were in those

days a feature of such factories. The 1934 Act drew for the first time statutory distinction between the perennial and seasonal factories, curtailed the power of exemptions given to provincial Governments in respect of the latter and itself imposed a limit on hours of work. While it reduced in the case of perennial factories the daily and weekly limits to 10 and 54 respectively, it retained for the seasonal factories the 11-hour daily limit for male adult workers and the 60-hour weekly limit for all adult workers. That is to say, the only change which the new Act made, was in respect of reducing the daily limit for women workers from 11 to 10.

156. To complete the picture, a reference may be made to unregulated factories, i.e., factories not covered by the Factories Act. There is to-day no all-India legislation regulating hours of work in such factories. The province of C. P. and Berar, however, passed in 1937 the Central Provinces Unregulated Factories Act which limits the daily hours of adult workers to 10 and, as it provides for a full weekly holiday of twenty-four hours, the weekly limit automatically comes to 60.

In Mines.

157. The first Mining Act was passed in 1901, i.e., twenty years after the introduction of factory legislation. But it was not until 1923, that the statutory limit on hours was imposed. In that year, the 60-hour and 54-hour weekly limits for surface and underground workers respectively were provided. The new Act did not, however, provide for a daily limit with the result that instances occurred in which the miners were found to remain underground for 16 or 17 hours at a stretch. The amending Act of 1935 reduced weekly hours to 54 for work on the surface and daily hours to 10 for work on the surface and to 9 below-ground. As the Act permits the miner to work only for six days in a week, the weekly limit of the underground workers automatically stands at 54.

Actual Hours of work—All-India.

158. This is, in brief, the all-India position in law. The conditions which actually prevail in certain industries show difference. On account of its peculiar trade conditions, the jute industry generally works less than the statutory weekly limit and does not always work for all the weeks in the month. The normal week in the engineering trade was not above 50 hours and some had an even shorter week. The railway workshops worked normally on six days of 8 hours each and some even worked slightly less. In the case of perennial and seasonal factories with continuous processes, a system of 8 hours shift

is common. In their case, however, the rest period of 24 hours generally falls once a fortnight, instead of a week; and therefore the average week is one of 52 hours, instead of 48. This was the position when the Whitley Commission reported in 1931. The latest position can be seen from the following tables:—

TABLE III.

Hours of work in Perennial Factories in India, 1936 *

Classes of workers.	Total number of factories employing men or women.	Factories in which normal working hours were—					
		Not above 43.		Above 43 and not above 48.		Above 48.	
		Number.	Per cent of total.	Number.	Per cent of total.	Number.	Per cent of total.
1	2	3	4	5	6	7	8
Men ...	5,521	309	5.6	1,243	22.5	3,969	71.9
Women ...	2,851	345	12.1	508	17.9	1,998	70.0

TABLE IV.

Hours of work in Seasonal Factories in India, 1936. †

Classes of workers.	Total number of factories employing men or women.	Factories in which normal weekly hours were—					
		Not above 48.		Above 48 and not above 54.		Above 54.	
		Number.	Per cent of total.	Number.	Per cent of total.	Number.	Per cent of total.
1	2	3	4	5	6	7	8
Men ...	3,608	952	26.3	1,446	12.4	2,210	61.3
Women ...	2,955	1,032	34.9	303	10.2	1,620	54.9

* Industrial Labour in India, I. L. O. Studies and Reports, Series A, No. 41, page 218.

† Ibid, page 220.

159. These tables show that men and women in 28.1 per cent and 30.0 per cent respectively of the perennial factories did not work for more than 48 hours a week; and those in 26.3 per cent and 34.9 per cent respectively of the seasonal factories did not work for more than 48 hours a week. The Table no. IV further shows that the percentage of seasonal factories (which as a rule work more hours than perennial factories) working above 54 hours a week is smaller than that of perennial factories working above 48 hours. It would have been perhaps more helpful if the number of workers in addition to the number of factories working the statutory limit of hours, and below and above that limit, had been available. Even as they are, the figures indicate a definite fact that nearly one-third of the industrial establishments in India work hours which are less than those prescribed as the maximum by law.

Actual Hours of work—Bihar.

160. We may now consider the position in Bihar. We shall give the figures of factories working different periods of hours on a basis comparable with that in the above two tables.

TABLE V.

*Hours of work in Perennial Factories in Bihar in 1937.**

District,	Total number of factories.	Number of factories in which normal weekly hours are—					
		For men.			For women.		
		Not above 42.	Above 42 and not above 43.	Above 43.	Not above 42.	Above 42 and not above 43.	Above 43.
1	2	3	4	5	6	7	8
Patna ...	31	4	12	15	1	4	7
Gaya ...	11	...	4	7	1	...	4
Shahabad ...	7	...	4	3	...	2	2
Saran ...	4	...	1	3	...	...	...
Champaran ...	8	...	...	8	...	...	2
Muzaffarpur ...	12	...	3	9	...	...	2
Darbhanga ...	18	...	1	17	...	...	16
Bhagalpur ...	19	...	4	15	...	3	7
Monghyr ...	15	...	10	5	...	4	...
Purnea ...	15	...	6	9	...	4	6
Santal Parganas ...	15	2	7	6	...	6	5
Hazaribagh ...	4	2	1	1	1	1	...
Ranchi ...	5	...	1	4	...	2	2
Palamu ...	1	...	1	...	...	1	...
Manbhum ...	36	2	15	19	2	9	10
Singhbhum ...	24	...	9	15	...	10	10
Total ...	225	10	79	136	5	46	77

* Annual Report on the Working of the Factories Act, 1934, and the Payment of Wages Act, 1936, in the province of Bihar for the year 1937, page 23.

TABLE VI.

Hours of work in Seasonal Factories in Bihar, 1937.

District,	Total no. of factories.	Number of factories in which normal weekly hours are :—					
		For men.			For women.		
		Not above 48.	Above 48 and not above 54.	Above 54.	Not above 48.	Above 48 and not above 54.	Above 54.
1	2	3	4	5	6	7	8
Patna	1	...	...	1	...	...	...
Gaya	1	...	...	1	...	...	...
Shahabad	3	...	...	3	...	...	...
Saran	11	...	1	10	...	...	1
Champan	9	...	...	9	...	...	...
Muzaffarpur	6	1	...	5	...	...	...
Darbhanga	10	1	4	5	...	...	...
Bhagalpur	6	1	...	5	1	...	...
Monghyr	2	...	...	2	...	...	...
Purnea	5	3	...	2	2	...	...
Santal Parganas	1	1	...	...	1	...	...
Hazaribagh ... ..	...	...	...	...	...	...	...
Ranchi	5	4	1	...	4	1	...
Palamau ... ..	...	...	...	...	...	...	...
-Manbhum	10	9	1	...	...	9	1
Singhbhum ... ..	...	...	...	...	...	...	...
Total	70	20	7	43	8	10	2

161. These tables show that men and women in 43.2 per cent and 39.8 per cent respectively in the perennial factories did not work more than 48 hours a week and those in 38.5 per cent and 40 per cent respectively in the seasonal factories did not work more than 54 hours a week. They also show that 43 per cent of the perennial factories and 38.5 per cent of the seasonal factories in Bihar worked hours which were less than those pres-

cribed by law. A comparison between the figures in the all-India tables (nos. III and IV) and those in the Bihar table (nos. V and VI) shows that the percentage of industrial establishments, both perennial and seasonal, working less than the statutory limit, was higher in Bihar than in British India.

Actual Hours in Mines.

162. We may now consider the position in mines as it actually stood when the Whitley Commission reported and after its report was out. In the mines other than the coal mines, the position was described by the Commission as follows:—

““ Mica mines and some iron mines in Bihar and Orissa were normally working two 8-hour shifts and the *Bawdin* mine in Burma was working three such shifts. The manganese mines in the Central Provinces and mines in Madras do not generally work more than one shift in 24 hours. In the latter province hours were reported to vary between $7\frac{1}{2}$ and 9 per day, while the day's work in the manganese mines was said to average 7 to 8 hours.”

“163. With regard to the coal mines, the Commission, while recommending the reduction of the weekly limit from 60 to 54 hours and the exploration of the possibilities of introducing 10 and 9-hour shifts stated on page 126 that “the 10-hour shift is already in operation in more than one mine”. The “Industrial Labour in India”—the I. L. O. publication issued in 1938—states that “the maximum hours of work permitted by law are, however, rarely worked in most mines. In the larger metalliferous mines work is arranged on a system of 8-hour shifts”. In 1936, the position stood as follows:—

†“ In 1936, in the various classes of mines covered by the Mines Act, the weekly hours of men varied from 34 to 50 for underground work, from 36 to 54 for work in open workings and from 39 to 53 for surface work. The hours of work in the coal mines of Jharia, which employ by far the largest number of mining workers, are shown above. (Given in the table below.) The most important classes of workers are the miners and loaders, and their hours of work do not amount to more than 44 a week underground and 45 in open workings. The hours of work in the Raniganj field are practically the same as in the Jharia field ”.

* Royal Commission on Labour in India, page 124.

† Industrial Labour in India, 1938, in pages 222-3.

TABLE VII.

Weekly hours of different classes of workers in the Jharia coalfield, 1936.

	Overmen and Sardars.	Miners.	Loaders.	Skilled labour.	Unskilled labour.
Underground ...	49	44	44	47	46
Open workings ...	47	45	45	46	47
Surface ...	53	—	—	52	50

164. With regard to the hours of work of women, the same publication says as follows:—

†“ The actual hours were, however, much shorter than the legal hours. In 1936, the weekly hours of work of women in different classes of mines varied from 25 to 49 underground, from 38 to 49 in open workings and from 27 to 51 on the surface. The weekly hours of work of women in the Jharia and Raniganj coalfields, where most women were employed, were not above 45 underground, 50 in the open workings and 50 on the surface, as the following table shows:—

TABLE VIII.

Weekly hours of women workers in Jharia and Raniganj coalfields, 1936.

Coalfield.	Underground.	Open workings.	Surface.
Jharia ...	44	45	50
Raniganj ...	45	43	49

* Industrial Labour in India, 1938, page 222.

† *Ibid*, page 223.

165. The following table may be found useful:—

TABLE IX.

*Average hours worked per week in some important mining fields, 1937.**

Mineral fields.	Overmen and sardars.	Miners.	Loaders.	Skilled labour.	Unskilled labour.	Females.
1	2	3	4	5	6	7
Jharia coalfields (Bihar)	49	45	45	46	46	45
Giridih (Bihar) ...	42	42	40	46	46	44
Ranigunj (Bengal) ...	50	46	46	48	47	45
Bihar Mica ...	45	45	...	47	46	...
Madras Mica ...	47	47	...	47	47	...
Bihar China clay ...	44	39	...	...	38	...

OPEN WORKINGS.

Jharia coal fields (Bihar)	49	47	46	47	48	46
Giridih (Bihar) ...	48	45	...	48	...	30
Ranigunj (Bengal) ...	47	45	44	47	46	45
Bihar Mica ...	44	44	...	45	44	40
Madras Mica ...	48	46	...	46	46	47
Bihar Iron ...	49	49	...	49	49	49
Bihar China clay ...	46	47	...	45	46	46

SURFACE.

Jharia coalfields (Bihar)	...	...	...	50	50	49
Giridih (Bihar) ...	...	...	...	47	44	48
Ranigunj (Bengal) ...	...	...	...	50	50	49
Bihar Mica ...	...	...	...	47	49	47
Madras Mica ...	...	...	...	48	46	46
Bihar Iron ...	...	...	...	50	50	50
Bihar China clay ...	...	...	...	46	46	43

*Annual Report of the Chief Inspector of Mines in India, 1937, pages 86-87.

166. Among the railway collieries, one reported 6 days working for 25 per cent of its labour and 5 days' working for the remaining 75 per cent; another stated 5 days' working; the third stated that local labour worked 3 days a week and the recruited labour 5 days; the fourth reported 4 to 5 days' working; two others 4 to 5 days; two 4 days and one 3.5 days. The Government of India, Department of Mines, informed the Committee that their miners worked 3 to 6 days a week. Among the other collieries, 16 collieries employing 13,180 workers worked 5 days, 3 collieries employing 8,250 workers worked 4 to 5 days, 7 collieries with 7,060 workers 4 days, one colliery with 1,208 workers 5.5 days and another one with 1,080 men only 3 days. The calculation on shift basis shows that 14 mines with 17,763 miners work 3 shifts, 2 with 1,562 men 2 and 3 shifts, 4 with 1,193 men 2 shifts and 2 with 219 men work only one shift. Each shift is of 8 hours.

167. In the mines other than coal, the position seemed to be the same. The 8,755 workers engaged in the copper and ore mines generally worked 3 shifts of 8 hours each. The general shift varied from 8 to 8½ hours. In the copper works the same practice prevailed. A slightly over 3,000 mica workers worked two shifts of 9 hours each with an hour's interval for the surface workers and at another mica mine with 500 workers, the actual hours worked were between 6 to 6½ hours a day, although the 8-hour shift was the rule. It will thus be seen that in the mines as in the factories the actual hours of work are in a very large number of cases less than the maximum permitted by law.

Reduction of Hours of Work—General Consideration.

168. The above facts provide important data for our consideration. It is also, we believe, necessary to refer to a few wider issues bearing on the problem of hours of work. It cannot be denied that the modern tendency is definitely towards the reduction of hours of work. A careful study of that tendency, however, reveals that the emphasis on the limitation of hours has during the last two decades shifted from the social to economic considerations. When the first Hours Convention was passed in 1919 at the Washington Session of the International Labour Conference and the hours of work came to be limited to 8 a day and 48 a week for European countries and to 11 a day and 60 a week for India and Japan, the emphasis was on securing for the workers humane social conditions and adequate leisure so as to enable them to improve their standard of

living and discharge their duties as citizens. Those limits were then considered to be the minimum in the interest of human progress. The terms of the Washington Convention were given effect to in most countries either by ratification and subsequent legislation or by collective agreements between the employers and workers without resorting to ratification and legislation.

169. Two post-war events again brought to the forefront the question of hours. One was the almost phenomenal progress in the technical skill and mechanisation in industry. The machine became more important than the man and the latter found himself at the mercy of the former. The displacement of labour and consequent unemployment became a marked feature of the industrial development in the West. The second event was the trade depression which set in within a decade of the passage of the Washington Hours Convention. The most serious effect of the depression was an enormous increase in the ranks of the unemployed. Rationalisation led, *inter alia*, to increased production and depression to reduced consumption. The disequilibrium arising from increased output and reduced capacity for consumption further accentuated the depression. To meet the situation and to spread out available employment among a larger number of workers, a further reduction in hours of work was considered desirable. The hours of work are now sought to be reduced not so much in the social interests as in the economic interests of the community.

170. With the emphasis thus shifted, the method of securing reduction underwent a change. The view hitherto held was to enforce the reduction over the entire field of industry. But it was soon found that the degree and extent of unemployment and technical skill varied so much from industry to industry that uniform international action was found to be difficult. The International Labour Office, Geneva, therefore, decided to tackle the problem "industry by industry". While the main consideration in the selection of industries was the possibility of securing international agreement, there were other criteria also which have been applied for the purpose of selection such as "the number of persons employed in the industry, the extent of unemployment and short time, the degree to which rationalisation and mechanisation have progressed, the possibility of defining the industry with sufficient precision and stability for the purpose of international regulations, the nature and methods of organisation of work in the industry, the actual hours of work and the method by which they are regulated". In

pursuance of this policy of securing reduction of hours by industries, the I. L. O. held during recent years a number of special tripartite conferences on such industries as coal, glass, textiles, etc., and has made the reduction of working hours a major issue in its annual conferences since 1933. The 40-hour week Convention has now been passed for a few industries. And as a matter of fact, the 40-hour week is in operation in certain industries in the United States of America, France, Belgium and a few other countries. In the Union of Soviet Republics (Russia), the 36-hour week prevails in some industries, while in the U. S. A. the 30-hour week is the cry of the day.

171. In briefly narrating the international development towards the limitation of hours of work, our object is firstly, to indicate the trend of the international public opinion and secondly to emphasise that the limitation of hours of work was in the beginning secured in the West with a view to obtaining for the workers humane conditions of service and better standard of life and latterly to reducing unemployment. We wish to draw particular attention to this emphasis because we have noticed a tendency in some quarters to hold up Western standards before the workers and pitch the demands in terms thereof. While we recognise the inevitability of the reaction of Western standards on Indian conditions, we cannot possibly support that tendency without reference to those conditions. The fact that in many establishments a large percentage, if not a majority of workers, is working less hours than are prescribed as the maximum by law shows that employers are alive to the advantages of reduced hours of working and are able to adjust themselves to changing conditions. We welcome this move on their part towards reduced hours of working. At the same time we are not prepared to recommend reduction by law.

CHAPTER IX.

CONDITION IN FACTORIES.

Extension of the Indian Factories Act.

172. An Act to consolidate and amend the law regulating conditions in Indian factories was passed only in 1934. The operation of the Act is at present confined to premises on which at least 20 persons are employed and the manufacturing process is carried on with the aid of power. But section 5 (1) of the Indian Factories Act confers upon the Provincial Government the power to declare by notification any premises where manufacturing process is carried on with or without the aid of power to be factories for all or any of the purposes of the Act provided at least 10 persons are employed in them. This power has not been exercised by the Government of Bihar in any case. As a result we find that thousands of workers are employed under conditions which are not subject to regulations of any kind at all. We cannot reconcile ourselves to this position and would urge the Government to exercise their powers under the Act in this behalf, and in any case, all manufacturing establishments, not using power but employing 40 persons should be brought under the Act without delay. This will effect an immediate improvement in the conditions of a considerable number of workers in Mica and Shellac manufacture and *bidi* making.

Evasion of the Act.

173. We would like to point out that there are a few printing presses and there might well be other establishments which split their operation into separate sections carried on in separate premises so as not to have 20 persons in any section in which power is used and thereby to escape the obligations of the Factories Act. Some means must be found to prevent this evasion. Section 6 of the Factories Act gives the Provincial Government the power to treat the different departments and branches of a specified factory as a separate

factory. Similar power should be given to treat as one establishment, different departments or branches of the same establishment which are nominally separate.

Plan of Factories.

174. The Factories Act includes a number of provisions intended to ensure cleanliness, ventilation, lighting and safety and to prevent overcrowding and serious discomfort in the Factory. These are in our opinion necessary and comprehensive. But we feel that the object which the Act has in view can be more effectively achieved if the plan of the factory is submitted to the Chief Inspector of Factories for his approval before building is commenced. This would give him an opportunity of making useful suggestions. When once the building is complete, any structural alteration which may be required to be carried out by the provisions of the Act will entail much avoidable expenditure.

175. The Factories Act does not concern itself with sanitary conditions outside the premises of the factory even though the factory may be directly responsible for them. We are thinking of the overflow of molasses in the sugar factories and the waste water of the shellac factories. These give out a bad smell and are a menace to the health of the neighbourhood. Of course, we do not wish to extend the Factories Act to anything outside the factory but we are anxious to provide a remedy for this situation. It is, in our opinion, necessary for a factory to send its plan also to the Director of Public Health for his approval, before the plan is put into operation. Before giving his approval he must satisfy himself that adequate and satisfactory arrangement has been provided for the disposal of effluents, if any. We are aware that there may be unnecessary delay in obtaining approval from the Chief Inspector of Factories or the Director of Public Health. We, therefore, suggest that if no objection is raised by either of them within a period of two months from the date of the submission of the plan the applicant will be at liberty to proceed with the construction.

Safety.

176. Safety in the factories was originally the sole as it is even now the chief motive of legislation. The provisions in regard to it in the Act and in the Factory Rules of the local Government under the Act need, in our opinion, to be improved to secure more effective protection against flying

chips and metal particles, injury from splashes of molten metal, burns and eye injuries in work on molten metal, hot metal furnaces and hot chambers, injury from splashes of corrosive acids, from fumes or gas generated in the manufacture or handling of such acids, injury due to falling from unprotected platforms or elevated places, unsafe ladders, staircases and passage-ways, unsafe loads on cranes and lifting appliances and moving locomotives.

Protective Equipment.

177. Some employers provide protective equipment to their workers in the shape of goggles, gloves, aprons, boots, gas masks, etc. We heard complaints in many places that the equipment is neither adequate nor supplied to everybody who is in need of it. From our own observations we can testify to the genuineness of some of these complaints. We do not know whether the Provincial Government has any power under the Factories Act to compel the employers to provide adequate and suitable protective equipment to the workers where necessary. We are convinced of the need of such power and we, therefore, propose that the Factories Act should include a section giving that power to the Provincial Government.

Safety Committee.

178. Some Factories have a Safety Committee to which is entrusted the duty of investigating and reporting on any serious accidents that may take place. These committees have done useful, preventive and educative work. All big factories which use power must, we propose, have at least one safety committee. There should be on every safety committee one or more representatives of the labour union and in its absence, of the workers. Some safety committees have been constituted on that basis. The reason for our suggestion is that accidents are caused by personal as well as technical factors and the workers and their representatives are the best persons who can throw light on personal factors.

Washing Facilities.

179. By section 19(3) every factory in which any process involving contact by the workers with injurious or obnoxious substances is carried on is required to provide adequate facilities for washing. The scope of this section should be widened to include within its benefit at least those workers who are engaged in any process in which dust or any other impurity is generated.

Shelters for Rest.

180. Section 33 (1) gives the Provincial Government the power to insist on any specified factory wherein more than 150 workers are ordinarily employed to provide an adequate shelter for the use of the workers during periods of rest. The limit in regard to the number of persons employed has been put in this section on the assumption, we presume, that small establishments have not the same urgent need for or can afford the cost of building a shelter. Ordinarily the assumption is right but we have observed people in some establishments to which the section does not apply taking refuge and rest in the hottest part of the day under railway wagons or scantily-covered trees. It could not have been the intention of the section to leave them unprotected. We suggest that the numerical limitation contained in the section be omitted and the local Government set free to compel the provision of suitable shelters wherever necessary.

Creches.

181. Section 33 (2) authorises the local Government to ask the factories on which more than 50 women workers are ordinarily employed to build creches for children and provide for the care of the children in them. We have seen babies being left unattended and playing near the machinery where the risk to their lives is serious while their mothers were at work. Some women told us that they left the children at home and would run there in the recess to feed them. We learnt on closer enquiry that it was not an uncommon practice for the children to be doped with opium while their mothers were away. Creches under proper supervision are a blessing which women workers with babies will highly appreciate and we desire to impress on the Government the necessity of taking immediate action in regard to them.

Rule-making Powers.

182. We have observed in several places in this chapter that the Provincial Government have not made full use of the powers conferred upon them by the Factories Act. It is accounted for, we think, by the fact that many of the industries of the province along with the rest of India were hard hit by the economic depression and the Government themselves were compelled to adopt the most stringent measures of economy. With the return of more normal conditions we

hope the Government will act with more energy and the employers will give them more ready support.

Employment of Children.

183. The Employment of Children Act passed in 1938 and subsequently amended in 1939 lays down that no child who has not completed 12 years shall be employed or permitted to work in any workshop wherein any of the processes set forth in the Schedule to the Act is carried on. The Schedule includes *bidi*-making, carpet-weaving, cloth-printing, dyeing and weaving, mica-cutting and splitting and shellac manufacture.

Inspectorate.

184. While we regard the provisions of the Factories Act as broadly adequate for the present, we are not wholly satisfied with the standard of enforcement of these provisions. The explanation is to be found in part in the inadequacy of the staff. There are now 380 registered factories of which 228 are subject to inspection by the whole-time Inspectors and 152 are subject to inspection by Subdivisional Officers who are *ex-officio* Additional Inspectors. The present whole-time staff consists of one Chief Inspector and two Inspectors who are responsible for the inspection of 228 factories in Bihar besides those in Orissa. We consider the staff wholly inadequate for the many duties which have been laid on it and the more so when to them has been added since 1938 the responsibility of enforcing the provisions of the Payment of Wages Act.

185. We do not regard as wholly satisfactory the arrangement under which the Subdivisional Magistrates exercise the powers of Inspectors in respect of 152 factories. Having a multiplicity of responsibilities, even the most energetic of them will have their hands too full to spare sufficient time for this work. We should, therefore, like the work to be done by full-time qualified Inspectors of Factories. None the less the Subdivisional Magistrates by virtue of their official position and easy accessibility in the area are able to exercise a degree of supervision specially by means of surprise visits which is not otherwise possible. Therefore, we suggest that they should continue to exercise their present powers of inspection under section 10 (5).

186. This proposal, together with an earlier proposal for extending the operation of the Factories Act makes necessary a larger staff of Inspectors. In making appointments of Inspectors, possession of a superior degree in Mechanical

Engineering has, it appears, been considered an indispensable qualification. Whatever might have been the justification, for that view when safety within the factory was the main objective of the Factories Act, the importance increasingly laid upon the provisions regarding health, comfort and sanitation points to Inspectors with qualifications more appropriate to their new duties. Besides, the proposed extension of the Factories Act, to premises not using machinery renders an Engineer-Inspector even less necessary than before. We, therefore, desire that at least one of the additional Inspectors should be an officer with Medical and Public Health qualifications. The same purpose may be served more economically if it is possible to make the three Assistant Directors of Public Health *ex-officio* Inspectors within their circles. We endorse the observation of the Royal Commission that one of the Inspectors should be a woman who will be more accessible to women workers.

Prosecutions.

187. Insufficient compliance with factory regulations is in part attributable also to indifference in prosecuting the offenders. About the position in Bihar, the Royal Commission of 1929 observed that "the infrequency of prosecutions appears to reflect the policy of the Provincial Government" and advised that "greater vigour be shown in the future in this respect". No improvement appears to have taken place in this regard. We would like the Government to make clear to the Chief Inspector and the other Inspectors of Factories that they should not hesitate in taking action in appropriate cases.

188. The Act of 1934 has provided enhanced penalty for repeated offences and if the Magistrates show no undue leniency in imposing the penalty, the position should appreciably improve.

Violation of Overtime provisions.

189. The provision of the Factories Act which is, on the evidence given before us, most commonly violated is in regard to payment for overtime work. Some managements, we found, have difficulty in understanding the provision and the method of calculating payment. We suggest that the Chief Inspector of Factories should issue an explanatory Circular to all factories and all Inspectors of Factories should be advised to pay special attention to section 17 of the Factories Act.

Methods of Inspection.

190. It is desirable for the Inspectors to make enquiries also from the workers, and from the officials of Labour Unions, where they exist, about the infringements of the Act (and also of the Payment of Wages Act about which we speak later) and not to place sole reliance on the registers maintained by the factory.

191. We believe that the foregoing proposals will greatly improve the standard of compliance with factory regulations to which enlightened public opinion and the trade union movement will make an ever larger contribution.

Industrial Practice and Research.

192. As we have shown in the last chapter, the hours of work in force in many concerns are less and, in some cases much less than those permitted by law. The position in regard to other provisions of law such as lighting, cleanliness, over-crowding, ventilation and safety shows a similar difference between law and practice. This is hardly surprising for the law can only lay down the minimum standard which must be reached by all, while the standards in operation are those which have been found to be more suitable or desirable. Initiative on the part of employers has been directed less by scientific experimentation than by impulse, imitation or pressure of conditions. The result is that the practice is often far short of the best possible. For instance, it is possible that smaller hours of work, more rest periods and better distribution of rest periods may lead to larger output per head per day and less accidents. There are scientific data derived from experiments in other countries which may serve as a guide. But these data as they relate to foreign conditions are apt to be treated with distrust; and there are no local data which the businessman may be induced to accept as the basis for his action. Research and experiment must make their contribution to the progress of industrial practice.

193. For this purpose, we propose the creation of an Indian Institute of Industrial Psychology and Fatigue. It will have the same functions which are at present performed in England by the Industrial Health Research Board and the National Institute of Industrial Psychology. The former was established by the Government in 1918 and consists of scientists, representatives of industry (including labour) and officials. " Its chief object is to carry out systematic research

into the relations of hours of work, other working conditions and methods of work to the human body, having regard both to the preservation of health among the workers and to industrial efficiency. In other words, the Board's main concern is to determine what conditions of labour are favourable to the workers' health and will result both in increased production and decreased sickness, labour turnover, lost time and accidents. It also endeavours to educate public opinion in industry so as to ensure the fullest practical application of the results of its research work."

194. "The National Institute of Industrial Psychology is a voluntary organization founded in 1921 for the study of Industrial Psychology and the practical application of its results. Its general aim is to reduce waste of human energy and to increase contentment throughout the industry." These two bodies have rendered services of incalculable value both to the industry and the labour. We expect the same results from the Indian Institute of Industrial Psychology and Fatigue. As it is a body which must function on a national scale, the initiative for bringing it into existence must be taken by the Central Government which must also bear its entire cost.

CHAPTER X.

RATIONALIZATION AND INTENSIFICATION.

Rationalization and Unemployment.

195. Rationalization in the broadest sense consists in introducing methods of production and distribution which eliminate wastage whether of material or human energy in all forms and at all stages. In the sense in which we use the term here, it is identical with increased mechanization. It is a process which is constantly going on as new technique or new machinery is invented and the employers find it possible and profitable to adopt it. We are not concerned with rationalization as such or its relation to industrial progress but only in so far as it affects the position of the workers. We, however, think it necessary to state that rationalization is, on a long view of the problem, a source of progress and for some concerns an indispensable condition of survival in the special circumstances which may confront them. We are, therefore, averse to any action which might put difficulties in the way of rationalization. Rationalization, however, has direct effect on employment. Its immediate effect necessarily is to throw some workers out of employment and it is for this reason that there is among the workers a strong opposition to it. We are aware that in an important industry in the province an attempt at rationalization has led to a strike. And what has happened there may happen elsewhere under similar conditions. We, therefore, desire that the time and degree of rationalization should be regulated by some regard for its effect on employment. We, therefore, turn our attention to what may be done to deal with the resultant unemployment. Firstly, we suggest that when any scheme of rationalization is likely to lead to a discharge of 10 per cent of the labour force or 100 workers in any establishment or a self-contained unit of establishment whichever is less a three months' notice should be given to the workers concerned. This may give them time to look for employment elsewhere. Secondly, all attempt should be made by the management to absorb them in other suitable work as far as possible and if a certain amount

of training is necessary for it, the training should be provided. And lastly gratuity should be paid to them on the basis of half month's pay for each completed year of service. This payment should be made a statutory obligation. As stated on the chapter on conditions of employment dealing with Provident Fund and Retiring Gratuity the Committee is divided equally on this point.

Ultimate Effects of Rationalization.

196. While the immediate consequence of rationalization may be unfavourable, it is indisputable that it leads to cheaper production and eventually more consumption and therefore more employment. Attending to this subject a publication of the International Labour Office on the "Social Aspects of Rationalization" says "the substitution of machinery for hand labour has been going on since the beginning of nineteenth century. The immediate effect of it is to increase the output of each worker employed, sometimes to an enormous extent, and always threatens a certain number with unemployment. As a matter of fact the real unemployment caused by improvement in machinery is generally much less than might, at first sight, be feared. The construction, maintenance and renewal of the new machinery entail the employment of a certain number of workers who would not otherwise have been needed. The number will obviously be less than that of the workers set free by the introduction of machinery, or otherwise this would not have been economically justifiable. Such unemployment does not last very long time, for the introduction of the machinery leads necessarily to a lower cost of production. This means in practically every case a fall in the selling price, which may in turn lead to increased demand and therefore to increased production. If the demand for the products of a mechanized industry is not elastic, the fall in selling prices due to the fall in the cost of production will enable people to buy other products which they had been unable to buy previously. The increase in the demand for these products will involve an increased demand for labour".

197. It is difficult to give figures of Bihar in support of this statement for we have not the figures of employment for the earlier years and even when such figures have been supplied by some concerns at our special request, it is impossible to isolate from these figures the share attributable to rationalization.

198. The effect of rationalization on the health of the workers is open to doubt. Mechanisation might relieve them of repetitive work requiring muscular effort but it is apt to make a heavy demand on their nerves energy. Businessmen are unanimous that it leads to a better type of workers being employed and for this and other reasons better wages being paid. No relevant statistics have, however, been available to us in support of the view from the industries of Bihar.

Gains of Rationalization.

199. The gains from rationalization, we were told, are shared by everybody—by the management in increased profits, workers in high wages, consumers in cheaper services and the state in improved yield of taxation.

200. As the distribution is the result of the interaction of economic pressure there is no assurance that the workers will receive their just share. We do not see how any legal remedy can operate. The remedy must be found in the strength of the workers' organisation. We cannot accept the view expressed by some employers that in so far as better production is the result of improved machinery in which they have invested their capital, it should be treated as their reward. To do so would be to allow the capitalists to appropriate to themselves the whole fruit of scientific progress. We recognise that the capitalists are entitled to fair remuneration for investment and risk but their contention exceeds this right.

201. Rationalisation demands an altered attitude in industrial relations. Without entering into a theoretical discussion of what that attitude should be, we expect that the management should share the gains of rationalisation with labour in a considerate and liberal manner.

Intensification.

202. Intensification, as the term itself implies, is a situation in which the workers are required to work harder or faster or more continuously than before within the same nominal hours of work. While scientific and mechanical inventions relieve a majority of the workers of a great deal of exertion, they may have a contrary effect on a part of them: science does not bring blessings to all at the same time. Besides, a changed organisation of production to facilitate the regular flow of factory work may impose on some workers a greater amount of pressure than before. Intensification due to either of these circumstances is inevitable and we can have no objection to it

provided it is followed by at least proportionally higher wages and desired relaxation. Messrs. Hayman and Gandhi think that there may be occasions in which there would be no justification for any increase in wages or longer rest periods. Our objection is to intensification which results from the number of workers being reduced in relation to a given output unless the reduction is due to mechanization. Of this we heard several complaints in nearly all the metallurgical and in some other industries which we visited. These complaints may arise from misapprehension, from failure to realise that if the hands were retrenched, there was also less work to be done on account of the economic depression or need of less workers on account of rationalization. But we believe that in some cases, retrenchment accompanied by intensification was adopted as a measure of economy. We are not unmindful of the difficulties of those who had to make desperate efforts to maintain solvency under the exceptional conditions of the last few years. We cannot but feel seriously concerned about a practice which is an indirect attack upon the standard of work and wages and will to some extent deprive the workers of the protection sought to be given to them by the Factories Act as well as our proposals for a minimum wage.

Intensification and Adjustment.

203. Problems arising from intensification call for collaboration between the management and the workers or their trade unions. No management will ever deny that those who are required to work harder should be paid more than before. Messrs. Hayman and Gandhi do not subscribe to this view as there may be instances where previously the workers were doing less than a fair tale of work. The questions at issue are firstly, whether the work, in fact, is harder than before; secondly, if it is so how much harder it is now than before; and lastly, what rise in wages is justified by the work being harder. All these questions are capable of being settled by means of discussion between the two parties. To avoid additional burden on workers on account of the absence of some of them, in larger establishments and in bigger units of these, a spare gang of adequate strength should be maintained to fill the places of absentee workers in a given batch entrusted with a fixed quota of output.

CHAPTER XI.

WELFARE SERVICES.

A.—Housing.

Provision of houses.

204. The industries which have grown in places where local supply of labour was inadequate to meet their needs have had to make arrangement for housing their workers in order to induce them to settle. Provision for housing has been made in the coalfields of Jharia, Bokaro and Bermo, Giridih and Karanpura, the ore mines of Gua and Noamundi, the Copper Works of Moubhandar, the Copper Mines of Mosabani, Steel Works of Jamshedpur, the Tinsplate Works of Golmuri, the Quarries of Boulia and Dumarkhar, the Cement Works at Japla and Dehri and the Works at Kumardhubi. Housing in their case was more a necessity than a virtue.

205. The industries which have been established in or adjacent to towns or in the country side where plentiful labour is available at all times with the exception of some sugar mills, have hardly done anything for housing their workers.

General character of houses.

206. While some housing is good, well laid out, and provided with light, water and sanitary facilities, a very large proportion is the merest pretence of housing, incredibly dark, damp, ill-ventilated, filthy, with no privacy or sanitation. Some of the huts are only leafy shelters and others are so low that one could only crawl in and out of them. Cooking and sleeping in the same room are common enough. The congestion in such huts is appalling. We found a room which was shared by a worker, his wife, two unmarried daughters and a son with his new bride. In a leaky hut, we were told, the inmates slept in shifts. Elsewhere we saw a child ill with pneumonia sleeping on a damp floor a few dry leaves serving as its bed. The heat in the houses with tin or corrugated iron sheet roofs becomes unbearable during summer while they are equally unable to keep the cold out during winter. Even *pucca* houses built back to back are oppressively hot for want of cross ventilation. Stagnant cesspools and open drains with foul smell are a common sight. These conditions call for immediate remedy.

207. Our special investigators have supplied to us a mass of information in regard to housing from which the following tables are taken :—

Housing in Jamshedpur area.

TABLE X.

Showing the number of houses of different kinds for different income groups.

(Includes the Works of the Indian Copper Corporation at Moubhandar and Mosabani.)

Description of houses.	Less than Rs. 10.	Rs. 10—15.	Rs. 15—20.	Rs. 20—30.	Rs. 30—40.	Rs. 40—50.	Rs. 50 and over.	Total.
1	2	3	4	5	6	7	8	9
<i>Kutch</i> with straw thatching ...	5	22	1	7	...	...	...	35
<i>Ghaskholi</i> ...	13	23	11	54	14	4	...	117
<i>Kutch</i> with tiled roofing ...	9	39	65	135	118	74	23	463
Brick wall with clay mortar and lime-sand plaster and tiled roof.	...	6	29	19	77	36	53	220
Corrugated sheet sheds ...	2	7	6	5	...	...	...	20
N1.—All <i>pucca</i> rooms ...	...	1	1	2	17	20	13	54
M2.—Gurkha line C <i>pucca</i> halls ...	...	...	4	11	2	2	...	19
Cooly lines walls of unbaked brick with lime-sand plaster and tiled and <i>kutch</i> floor.	...	...	1	1	...	...	...	2
Randas.—(All <i>pucca</i> but floor <i>kutch</i>)	...	...	1	4	4	19	11	39
Ghatsila CA-B block Mosabani no. 3 town line.— <i>Pucca</i> rooms but with walls and roofs 6" to 10" thick and so pervious to rain.	...	...	...	6	10	3	1	20
Ghatsila—Sweeper line ...	...	...	...	1	...	...	...	1
Tisco new Harijan quarters with <i>pucca</i> walls, <i>kutch</i> floor and corrugated roofing with tiles on.	...	...	...	2	...	...	...	2
C. Town.— <i>Pucca</i> wall with <i>kutch</i> floor roof tiled on a bamboo thatch.	...	...	...	3	3	22	4	31
Mosabani—Tinkholi with <i>kutch</i> floor and <i>kutch</i> brick wall and corrugated sheet roofing.	...	...	...	...	1	...	...	1
EN, Type, Tisco Golkholi	...	...	...	...	...	6	2	8
Ditto Cable ...	...	...	...	...	...	7	...	7
Total ...	28	97	119	249	246	193	108	1,049

208. The above table gives the number of working class families in different wage groups which live in houses of the kind described in it. The accommodation available for the workers of each grade has been shown in the table below :—

TABLE XI.

Income grades.	Number of rooms.	Floor space of rooms.	Number of verandah.	Floor space of verandah.	Number of courtyard.	Area of courtyard.	Available floor space of rooms per adult in square foot.	(Area of persons reduced into adults for purposes of accommodation.)
1	2	3	4	5	6	7	8	9
Less than Rs. 10	42	2,655	12	739	..	...	80·00	33·19
Rs. 10—15	125	9,788	37	1,454	2	210	279·25	35·05
Rs. 15—20	149	12,045	60	3,479	3	215	369·75	35·05
Rs. 20—30	404	35,245	132	9,827	19	1213	769·75	32·58
Rs. 30—40	402	37,441	212	13,980	16	1114	878·75	42·61
Rs. 40—50	381	33,439	187	10,579	50	4942	715·00	43·79
Rs. 50 and over.	242	22,594	125	6,676	21	2408	460·50	49·06
Total ...	1,745	153,207	765	46,734	111	10102	3552·75	43·12
Average number per family.	1·68	147·31	·74	44·94	·11	...	...	...

Housing in the coalfields.

209. Out of 806 families whose houses were visited by our Investigator for the Collieries, 743 or about 92.00 per cent were living in *dhourahs* provided by the employer. Out of the remaining 63 families 58 were living in their own *kutchas* thatched huts and five in the houses of private landlords. The *dhourahs* provided by the employers are generally of several different types such as country tile roof, Raniganj tile roof, arched roof, plastered flat roof, and tin roof *dhourahs* which account for 45 per cent, 11 per cent, 39 per cent, 2.2 per cent, and 1.5 per cent respectively of the houses provided by the employers. Except arched roof and flat roof houses which are generally *pucca* masonry works, all others are built up of mud and bricks. In Giridih Collieries the workers are given only the house building materials such as bricks, bamboos, mud and tiles and they have to build their own houses. As regards the accommodation nearly 85 per cent of the families are living in one room, 10 per cent in two room, 3 per cent in three-room, and 2 per cent in four-room houses.

210. Every ordinary worker is given a one-room house whether he is alone or has a family. The same room is used to serve as a store and bed room. 93 per cent of the houses have verandahs of 5' x 10' or 5' x 12' which are frequently used as kitchens. Where there are no verandahs the workers cook their food in the open or in front of the door or in the room itself.

Housing in Dehri centre.

211. The position in the Dehri Centre is shown in the table below :—

TABLE XII

Showing the number of houses of different kinds for different income groups.

DEHRI CENTRE.

(Includes Japla, Dalmianagar, Dumarkhar and Boulia.)

Nature of housing.	Less than Rs. 10.	Rs. 10-15.	Rs. 15-20.	Rs. 20-30.	Rs. 30-40.	Rs. 40-50.	Rs. 50 and over.	Company.	Self.	Private.	Friend and relations.	
1	2	3	4	5	6	7	8	9	10	11	12	
Corrugated sheet sheds.	3	..	5	..	..	..	..	3	4	..	1
Mud wall and straw roof.	17	..	4	..	..	..	..	..	4	17	..
All pucca house	..	10	8	18	14	13	12	5	76	..	4	
Partly <i>lutcha</i> and partly pucca.	..	..	5	4	..	..	..	9	..	..	..
Mud wall and tiled roof.	13	12	2	20	11	..	3	..	54	6	1	
Pucca wall and tiled roof.	1	..	..	..	..	..	1	1	..	1	..
Mud wall and tin roof	..	..	1	..	1	..	..	1	..	1	..
Stone wall and corrugated sheet roofing.	..	..	..	11	..	..	..	11	..	..	..
Brick wall with corrugated sheet roofing.	..	9	3	12	..	..	..	24	..	..	..
Wood huts with tin roofs.	..	..	..	1	6	4	3	13	..	1	..
Wood huts with a straw roof.	..	1	9	12	..	..	..	21	..	1	..
Total	..	44	35	46	70	31	16	12	159	62	31	2

212. The most numerous dwellings are *pucca* throughout, being all practically provided by the companies, almost all of them at Japla, Dalmianagar and Boulia. The next most numerous dwellings are those with mud walls and tiled roofs numbering 64 of which 54 are owned by the workers themselves. Wooden enclosures with straw roofs have been reported to be the materials of 22 dwellings and those with tin roofs have been reported in 14 cases all of them being in the jungle areas of Dumarkhar. Brick walls with corrugated sheet roofing have been reported in case of 24 dwellings all provided by the company.

Housing in Jamalpur centre.

213. Housing presents a relatively simpler problem to the workers at the Jamalpur Centre than elsewhere. Most of the workers are living in the country side around; their houses, although sharing in the characteristics of flimsy village dwellings are freer from effects of overcrowding as witnessed in industrial areas generally. At Jamalpur only 17 per cent of the families are living within the municipal jurisdiction and at Monghyr about 33 per cent. The rest are drawn from villages around. Due to the vast area over which the workers are spread, it is difficult to describe the common features of their houses. The houses within the municipal limits are mostly *pucca* well ventilated, spacious and have adequate arrangements of water, latrines, roads, drainage and other municipal services. Those in the villages share the features of village dwellings being mostly *kutchra* and without organised public utilities. Roughly the dwelling of the workers may be classified into four kinds as shown in the table below :—

TABLE XIII.

JAMALPUR CENTRE.

	<i>Pucca</i> wall and roof.	<i>Pucca</i> wall and tiled roof.	Partly <i>pucca</i> and partly <i>kutchra</i> .	Mud wall and tiled roof.	Mud wall and straw roof.
1	2	3	4	5	6
Jamalpur..	36	74	37	117	60
Monghyr..	7	14	1	83	16

214. Thus while Jamalpur workers have 147 houses either *pucca* or semi-*pucca*, Monghyr workers have only 22 such; the respective percentage being 45.37 and 18.18 for each centre. That shows that the workers at Jamalpur are relatively better housed than those at Monghyr. Mud walls and tiled roof characterise 117 houses at Jamalpur and 83 at Monghyr, their percentages being 36.11 and 68.5; while the percentages of *kutchha* houses with straw roof are 18.50 and 13.22 only. Thus normally a Monghyr worker lives in a *kutchha* house with tiled roof, while at Jamalpur he lives in a *pucca* or semi-*pucca* house. The employers as a rule provide no housing for the workers.

Social habits and sanitation.

215. For the lack of sanitation or cleanliness in the workers' quarters the employers alone cannot be held responsible. For example, even where rooms with windows have been provided for light and air they are apt to be closed for excessive privacy or for use for storing purposes. Almost any place is used for washing. Rubbish instead of being deposited in places marked for it is thrown about and allowed to accumulate. Large families and the readiness with which the worker will share his limited accommodation with his relations, friends and caste men make over-crowding extremely difficult to control. We can only trust these evils to disappear gradually as education spreads and civic sense develops.

Responsibility of employers.

216. But the power which an enlightened employer has to improve these conditions is considerable. He can construct sufficient well-designed tenements which will reconcile with the needs of economy the claims of comfort, sanitation and beauty. Some employers in Bihar and outside have found it possible to do so. Their example should be more widely followed. Nor are the difficulties comparable to those in places like Cawnpore or Bombay where land adjacent to the factory is either not available at all or can be obtained only at a prohibitive price. Here nearly all employers without exception can have the land required for their housing schemes at reasonable prices. Where any difficulty is experienced in this matter, the provisions of the Land Acquisition Act which has been recently amended to include the housing of workers as an act of public good can be put into operation.

Rent.

217. But the main difficulty would appear to be the inability of the workers to pay an adequate rent. Free quarters

in this province are supplied to the workers by the two important industries—coal and sugar. In the latter, some employers supply also free *chaukis*, buckets, lanterns and fuel. One or two sugar mills give a small allowance in lieu of free fuel. In all other industries rents are charged for the quarters. Some idea of the level of rents can be obtained from the tables shown below :—

TABLE XIV.

JAMSHEDPUR.

Income grades.		Average monthly expenditure on housing in case of families owning their own homes.	Average monthly expenditure on housing in case of families living in hired houses.	Average monthly expenditure per family for the grade.
		Rs. a. p.	Rs. a. p.	Rs. a. p.
Less than Rs. 10	..	0 2 11	1 4 0	0 10 10
Rs. 10—15	..	0 9 7	1 4 5	0 15 11
Rs. 15—20	..	0 8 0	1 7 11	1 1 1
Rs. 20—30	..	0 8 0	1 15 1	1 7 1
Rs. 30—40	..	0 10 4	2 7 2	1 9 9
Rs. 40—50	..	0 7 11	3 0 5	1 14 7
Rs. 50 and over	..	0 12 10	3 4 2	1 13 11
Total	...	0 9 1	2 4 0	1 7 5

TABLE XV.

DEHRI.

Income groups.		Average cost of housing per family.
		Rs. a. p.
Less than Rs. 10	.. ..	0 4 9
Rs. 10 but not Rs. 15	.. ..	0 5 6
Rs. 15 but not Rs. 20	.. ..	0 9 9
Rs. 20 but not Rs. 30	.. ..	0 7 9
Rs. 30 but not Rs. 40	.. ..	1 1 9
Rs. 40 but not Rs. 50	.. ..	2 5 0
Rs. 50 and over	.. ..	1 4 5
Total	..	0 10 11

218. On a comparison of the two tables it will appear that the incidence of rent in Jamshedpur is much higher than in Dehri Centre. In Jamshedpur there exists among the workers a strong feeling that the rents are too high and some times differ for the same type of quarters and could be appreciably reduced. It is also stated that the rent charged by the Tinsplate Company, for similar accommodation is lower than that charged by the Tata Iron and Steel Company. The Tata Iron and Steel Company, and the Indian Copper Corporation have sent to us their Profit and Loss Account in so far as they relate to housing. In the former the net return from the Company's quarters after making deductions for maintenance and repairs and allowance for depreciation is stated to be slightly in excess of 1 per cent while in the latter it is stated to be between 2 per cent and 3 per cent without making any allowance for depreciation. We have not been able to investigate this matter.

Enquiry into rents.

219. Where the quarters are rent free, it is to the interest of the employer to put in them as many workers as possible and when the rents charged for the quarters are too high, the workers are obliged to admit others to share the accommodation with them. Housing, therefore, is not only a problem of increasing the number of houses but also of fixing reasonable rents within the capacity of the worker to pay. As we have observed the ability of the workers to pay a reasonable rent is the crux of the whole housing problem. It may not be always possible to provide quarters which will satisfy the reasonable standards of health and comfort at rents which workers can be expected to pay. We suggest that the Government should have the power to enquire into the incidence and basis of the rents for workers' quarters wherever any serious grievance exists and to fix reasonable rates of rent.

Housing trust.

220. We may not always rely upon the motive powers of profits to solve the problem of housing. Nor can we leave the problem to solve itself as best as it can. It was suggested to us that the Government should be asked to create and finance what may be called a Housing Trust to supply decent houses. We do not feel very enthusiastic about the suggestion for such Trusts have been, to take the example of Bombay, where they have been given a trial, a failure from the financial point of view. The main reason was that the rents were too high for those for whom the tenements were erected. It became necessary to allow more persons per room than was hygienic or to

alter the structure and size of rooms which had the same effect or to allow them to be occupied by others. A Housing Trust with power to borrow and with a handsome subsidy from the State may, of course, achieve the object as is shown by the experience in England. But it is doubtful whether the Bihar Government with its limited resources will be able to undertake any large housing scheme entailing appreciable financial burden without the assistance of the Government of India.

Statutory obligation.

221. The conclusion which is forced upon us is that the burden of housing must in some degree fall on the industry itself. This resolves itself into a question of determining the capacity of the industry to bear the burden. We propose that housing on an adequate scale should be a statutory obligation of the industry but the extent to which an industry can be required to fulfil the obligation shall be determined by the State on careful investigation of its financial strength.

Building loans and leases.

222. For employees who live in their own houses, employers are expected to advance loans on reasonable terms if security is offered for improving or building their houses.

223. It will encourage workers to build their own houses, if employers who own land let out plots on reasonable terms for building purposes. In this connection we may state that complaints were made to us that the terms are such as to discourage building instead of encouraging it. The Government should have power to revise the terms where reasonable grievances are shown to exist and to require settlement to be made on such terms.

224. One of the objectives of the housing policy should be to keep the people, as far as possible, in their natural environment. By providing free facilities of travel, the Jamalpur Workshop has avoided, at a small cost, some of the worst evils of modern industrialism. We desire that the possibility of doing so should be explored by others. There would appear to be some possibility in this direction in Dalmianagar and the coalfields generally.

Hire purchase system.

225. If it is still true, as we believe it is, that an average worker 'cherishes the hope of returning to his country now and then and of retiring there ultimately', any scheme of hire purchase or co-operative building cannot operate except in

centres where an industrial population divorced from land is growing up. A building society modelled on the lines of those which have been so successful in England might be a feasible proposition in Jamshedpur. Such a society would be able to give loans up to 75 or 80 per cent of the value of the building and to spread the instalments over a period of 12 or 15 years. Though several attempts have been made from time to time to form such a society, nothing has yet materialised.

Standard of housing.

226. Housing outside the jurisdiction of the Jharia Mines Board of Health is subject to no public regulation. We have discussed at some length the work of the Jharia Mines Board of Health in another place in the report and therefore would not refer to it here. There would appear to be a case for giving power to a local authority to demolish houses unfit for human habitation. This power must be limited to houses intended for occupation by industrial workers. Here difficulties may arise from the fact that the house itself may be good enough although there are far too many people in it or drainage is defective. Also the negative power without the authority to compel reconstruction on more satisfactory lines may do more harm than good. The Committee with the exception of Mr. Gandhi would place the obligation to provide adequate housing on a statutory basis. We should like to add that the Government should lay down minimum standards in regard to accommodation, ventilation, water-supply, sanitation and drainage and all the housing schemes should be on models approved by an authority appointed by the Government.

227. Mr. M. P. Gandhi is, however, of the view that the provision of housing to workers at the present stage of the industrial development of the province and the present state of the various industries should not be made a statutory obligation of the industries. He believes that the State has a similar duty towards the workers, and should also interest itself in this matter. He further feels that, if rigidly interpreted, such a recommendation is likely to cause hardship generally and particularly to an industry on a small scale. If, however, such an obligation of providing housing even on an adequate scale is imposed on industries, it should be limited to those which have been established for a period of say, not less than ten years and to those whose paid-up capital is in excess of say, Rs. 10 lakhs, and should have due regard to their financial ability.

Mr. Gandhi is apprehensive that such a statutory obligation would discourage an *entrepreneur* from establishing an industry, particularly as he may be unable to raise additional capital. Even when such capital is available, he may not be able to get an adequate return from his investment in housing which may, therefore, become a burden on the industry. He agrees with the view that large industries, which have been established on a sound footing, should do their best towards meeting this need of workers, either by providing houses on a suitable rent, or of making loans to them for this purpose. While the provision of housing by an industry for a proportion of its workers is, in his view, a laudable step which deserves greatest consideration by the employers, he would prefer to let it remain voluntary obligation. Out of self-interest and appreciation of its advantages, the employers will make suitable provision themselves.

Some further considerations.

228. The location of factories should be controlled by the bye-laws of the municipalities. Erection of factories may be prohibited under the powers conferred by those bye-laws except within areas where sufficient open space is available for housing.

229. It was suggested by a witness that permission to build a factory should not be given unless adequate housing for the workers was guaranteed. We regard the suggestion as calculated to retard the industrial development of the province and therefore do not support it.

230. Local Bodies elsewhere have played not an unimportant part in solving the housing problem for industrial workers and we may reasonably expect them to do the same in Bihar.

CHAPTER XII.

WELFARE SERVICES—*concll.*

B.—Medical Aid.

Existing facilities.

231. Some big employers have provided medical facilities to their workers in the shape of hospitals with beds for indoor patients and a complete staff of doctors, compounders and nurses. The hospital at Jamshedpur which is maintained by the Tata Iron and Steel Company, Ltd., to which contributions are made by other local companies is much the largest of these and is among the best in the province.

232. Apart from the collieries and mica mines the position in regard to which is discussed in our chapters on those industries, the principal establishments which maintain hospitals are according to the statements sent to us, the Tata Iron and Steel Company, Ltd. already mentioned, the Tinplate Company (of India), Ltd., the Indian Copper Corporation, the Works at Kumardhubi, the Japla Cement Company, F. F. Chrestien & Co., at Domchanch. The Railway Workshops also maintain suitable hospitals.

233. A large number of establishments maintain dispensaries either with or without whole-time doctors. Some sugar factories pay a monthly or annual contribution to the District Boards for the free treatment of their workers in their hospitals. Neither all hospitals or all dispensaries reach the standard which may be considered satisfactory. Service and care of the patients in many hospitals are of a most indifferent quality while the stock of medicines in most of the dispensaries is the meagrest. Where part-time doctors are employed the attention given to the patients is hardly of a sort to inspire confidence.

Need for legislation.

234. We are inclined to think that a great many of the employers regard provision of medical relief as a superfluous

obligation. They think less in terms of its benefit to their workers and more in terms of its cost to themselves. We are happy to record that some of the employers have shown a keen interest in the welfare of the workers which does them credit and offers an example for others to follow. We feel that the problem of medical relief cannot be solved adequately or satisfactorily on a purely voluntary basis. We, therefore, desire to make the obligation statutory. Already the Jharia Mines Board of Health has prescribed the standards of medical relief for the benefit of the workers in the collieries within its jurisdiction. Further the rules made under the Indian Mines Act of 1923, insist on a minimum stock of medicines being maintained by all mines. Our recommendation is, therefore, an extension of the principle already recognised and in operation.

Medical standards.

235. The standards prescribed by the Jharia Mines Board of Health are as follows. Every colliery employing 1,000 workers or more must have at least one full-time doctor in its service. Collieries which employ less than 1,000 persons but more than 30 persons are required to maintain at least a part-time doctor but all collieries big or small must maintain, as we have already mentioned, sufficient stock of medicines for immediate and urgent treatment as well as the requisites of First Aid Service. Apart from the fact that these standards are not strictly adhered to—a subject on which we speak in some detail in our Chapter on Coal industry—we are disposed to think that the standards need revision, if they are to be considered adequate. We have found on investigation that the system of part-time doctors is largely ineffective except where they have to attend to a very small number of patients in any one establishment and not more than a reasonable number of patients in any day in all the establishments under their charge. In this connection the time lost in moving from one establishment to another is also to be borne in mind. For these reasons we recommend that every establishment which employs 500 workers should be required to maintain at least one qualified whole-time doctor. We realise that the application of our recommendation to all establishments in our province may create undue financial difficulties for some of them. Therefore, we desire that our recommendation should be limited in the first instance to all mines and quarries and engineering works. In selecting these industries we have been guided, firstly by the needs of the workers employed in them and secondly, by the

general financial condition of these industries. The Government will have the power of extending the application of our recommendation to other industries wherever possible.

Provision for home visits.

236. Generally, free medical service is provided to the workers only if they visit the doctor either in the hospital or the factory. There is no provision for the doctors to visit the workers in their homes even in serious cases. These people who are from the very nature of their illness unable to leave their homes, go unattended unless they can call in a doctor at their own cost. This is clearly an unsatisfactory position. It is possible in many cases to meet the difficulty which we have pointed out by provision of a free conveyance or a conveyance allowance to the doctor except where the workers live too far away. The number of such workers will not, in any case, be very large. The practice which any employer may adopt to give effect to the provision will necessarily be determined by a number of circumstances and therefore it is not possible for us to make any specific recommendation. We can only express our desire that free medical attendance to the workers in serious cases at their homes, if these are situated within a radius of say five miles or so, should be provided in any suitable manner.

Some complaints.

237. A very general complaint of the workers against the medical services of the employer is that though they are said to be free, they are really not so. Some doctors insist on or at least expect some payment. Another general complaint against the doctors is that they treat the patients with want of sympathy which in some cases amounts to harshness and incivility. We have found some evidence in support of both. These are cases in which the abuses can be stopped by energetic action on the part of the employers and labour unions. We trust that both of them will do their duty.

238. Yet another complaint of the workers is, as they themselves put it, that the medicines of the employers do not do any good. Some of them try to explain this curious proposition by the fact that medicines which are costly are not given at all and in their place something is given which is not the real or the correct thing. This is a complaint which it was not possible for us to investigate with any degree of success, one of our many difficulties being the vagueness of the complaint itself. We can only trust to the high professional sense of the doctors from which lapses must be very rare to put an end to this practice, if it exists. In this Chapter we have discussed the

general problems of medical relief but in our chapters on the different industries of the province we deal more specifically with the subject.

C.—Education.

Existing facilities and need for extension.

239. Education is one of those welfare services of which the need is little appreciated by the majority of the employers or the bulk of the workers themselves, yet it is of the highest importance to both. Some employers take the view that education is primarily a function of the State and their duty in regard to it begins and ends with the payment of taxes to the State for this and other purposes. This may be a correct legal view but a good employer can hardly dissociate himself from any service which is vitally connected with the happiness and advancement of his employees. We must not be understood to suggest any relaxation on the part of the State of its primary responsibility for the education of all its citizens and indeed we are glad to know that this responsibility is realised more now than before and there is, we believe, a scheme under contemplation for introducing free and compulsory education throughout the province within a specified period. The Railways and the Tata Iron and Steel Company have provided schools not only for the workers or their children but for all who may care to study in them. Of the others some have not the resources and others have not the inclination to provide educational facilities on similar scale but each employer can do something according to his circumstances. The industries which are situated within the municipal limits are not under the same obligation to maintain schools as those outside them specially in remote and isolated places where the only facilities available are what they themselves care to provide. We expect them to take more interest in education than they have done in the past.

Adult education.

240. As we have already observed, the workers themselves show an apathy which is a source of disappointment to their well-wishers. We believe that this apathy is in part due to the need for relaxation which the workers must feel after a hard day's work and also in part to the fact that education is not made interesting enough which could be easily done. The use of magic lantern and cinematograph for combining education with recreation among adult workers in regular evening gatherings on Sundays and holidays will yield distinctly good results,

Though some employers have deplored the lack of response on the part of the workers to the Mass Literacy Movement, others have found their workers very eager to benefit by it but all alike have expressed their desire to assist the movement in all possible ways.

Education of the children.

241. Whatever may be said of the workers themselves taking advantage of educational facilities, nobody will dispute the fact that they are very anxious to give their children proper education and some of them do so at a great sacrifice to themselves. It gives us pain to think that any child should go without education either because there is no facility within easy access or because its guardian cannot afford to pay for it. We would not even leave the child to its own choice or the choice of its guardian but compel it to attend a school. In other words we are strongly in favour of free and compulsory primary education.

Technical training.

242. Apart from general education, suitable arrangement for technical instruction through day or evening technical schools should be provided in large industrial centres. This would ensure training for workers already in employment and also an adequate supply of labour especially trained for skilled jobs.

D.—Recreation.

243. Recreation is as much an end in itself as a means to restore the vigour of mind and body. Work in a factory or a mine and life in an industrial environments render recreation more a necessity than in other circumstances. But we are pained to find that the lives of the vast bulk of the workers are devoid of any recreation or amusement at any rate of the wholesome type. The better class of workers have clubs or institutes where they meet to play or to sing and to enjoy themselves in various ways and some employers assist them either with the provision of free building and sports ground or with an annual donation or in other ways. But the only recreation for a large body of ordinary workers is derived from the drink shops. One can hardly approve of this form of recreation which results in their moral and material degradation. Those who have the welfare of labour at heart can do a great deal to wean them away from it and to attract them to other forms of amusement. This is a duty the whole burden of which must fall on private initiative. There are many traditional forms of sports and amusement which can be popularised among the workers and

these have the great merit of not being expensive. Wrestling pits, *kabadi* and gymnastic clubs, story-telling and recitations and music all play their role in weaning the workers from coarse relaxation which is often a natural reaction against fatigue and mental depression. Such activities should be organised both by the management and labour union or through their mutual co-operation. For the vast bulk of workers, life is an unending and unequal struggle against poverty and all the evils which go along with it with hardly any hope or joy in it.

244. Joy is what everybody must find for himself. All that anybody else can do is to help to create those external conditions which are conducive to it. Our recommendations, we have no doubt, will influence those conditions favourably.

E.—Temperance.

Existing position.

245. While discussing the question of recreation of the workers we observed that for the large bulk of workers the drink shop affords the main if not the sole recreation. We instructed our Investigator for the coalfields to make special efforts to obtain figures of liquor consumption. He estimates that a worker in coalfields on an average spends about 16 per cent of his income on liquor. This figure, if true, discloses an appalling situation. Accurate figures of liquor consumption for any worker or his family are difficult to obtain. But the figures of aggregate consumption in any place are compiled by the Government and are accurate. These have been supplied

to us by the Excise Commissioner which are presented in the following table:—

TABLE XVI.

Statement showing consumption of liquor in the industrial areas.

Name.	Consumption of liquor.		Price of liquor per imperial gallon—8 bottles of 20 oz. each.	Population.						
	1937-38.	1938-39.								
1	2	3	4	5						
Jamshedpur Industrial Area—			Rs. a. p.							
Country spirit ...	58343.6 L. P. gallons.	7075.6 L. P. gallons.	<table style="border: none;"> <tr> <td style="font-size: 3em; vertical-align: middle;">}</td> <td style="padding: 0 5px;">50 U. P. 4 0 0</td> </tr> <tr> <td style="font-size: 3em; vertical-align: middle;">}</td> <td style="padding: 0 5px;">70 U. P. 2 0 0</td> </tr> <tr> <td style="font-size: 3em; vertical-align: middle;">}</td> <td style="padding: 0 5px;">80 U. P. 1 0 0</td> </tr> </table>	}	50 U. P. 4 0 0	}	70 U. P. 2 0 0	}	80 U. P. 1 0 0	92,037
}	50 U. P. 4 0 0									
}	70 U. P. 2 0 0									
}	80 U. P. 1 0 0									
Jamalpur Industrial Area—										
Country spirit ...	7238.6 L. P. gallons.	7387.2 L. P. gallons.	<table style="border: none;"> <tr> <td style="font-size: 3em; vertical-align: middle;">}</td> <td style="padding: 0 5px;">50 U. P. 4 8 0</td> </tr> <tr> <td style="font-size: 3em; vertical-align: middle;">}</td> <td style="padding: 0 5px;">72.5 U. P. 2 0 0</td> </tr> </table>	}	50 U. P. 4 8 0	}	72.5 U. P. 2 0 0	30,346		
}	50 U. P. 4 8 0									
}	72.5 U. P. 2 0 0									
Dehri Industrial Area—										
Country spirit ...	7332.8 L. P. gallons.	8483.9 L. P. gallons.	<table style="border: none;"> <tr> <td style="font-size: 3em; vertical-align: middle;">}</td> <td style="padding: 0 5px;">50 U. P. 4 0 0</td> </tr> <tr> <td style="font-size: 3em; vertical-align: middle;">}</td> <td style="padding: 0 5px;">72.5 U. P. 1 8 0</td> </tr> </table>	}	50 U. P. 4 0 0	}	72.5 U. P. 1 8 0	5,500		
}	50 U. P. 4 0 0									
}	72.5 U. P. 1 8 0									
Jharia Industrial Area—										
Outstill	485,298 bulk gallons:	490,922 bulk gallons:	} Under prohibition since 1st April 1939.	125,785						
Pachwas or Rice beer	2817.5 maunds	3008.1 maunds								

NOTE.—Four bulk gallons of outstill liquor make one L. P. gallon.

246. It will appear from the table that the consumption of country spirit has increased considerably in Jamshedpur and Dehri. In Dehri it is accounted for, to some extent, by the reduction of retail selling prices but largely by the increase in population. In 1937-38 there was only a sugar factory in existence; in 1938-39 a cement factory was added and a paper

mill was under construction which has since started functioning. The approximate population which was 2,000 in 1937-38 rose to more than 5,000 in 1938-39. The position in Jamshedpur is that workers are spending more on drink than before. Some labour witnesses in Jamshedpur suggested that a part of the money which was received by the workers as Profit Sharing Bonus found its way to the drink trade. This is a matter which calls for an active propaganda for temperance in that centre.

247. The usual remedy for reducing consumption through enhancement of retail selling prices of liquor will not work in Jamshedpur, for it will only have the effect of diverting consumption to Sarai-Kala which is separated by a narrow river easily fordable in all but the monsoon months.

Prohibition and restriction.

248. In the coalfields, the introduction of the outstill system, as testified by a large number of people resident in and with knowledge of the place, has wrought havoc among the miners. We have been spared the task of making a case for abolishing the system, as the Government introduced prohibition from the 1st April 1939 in Jharia and some areas in the Hazaribagh and Ranchi districts. Prohibition has been in operation since 1938 in the district of Saran in which a large number of sugar factories are situated.

249. At our request the Prohibition Commissioner has sent us a short note showing the effects of prohibition. He rightly points out that the scheme has not been in operation sufficiently long to allow an appreciation to be made of its full effects. The employers who were consulted by the Prohibition Commissioner report more regular attendance on the part of the workers which must result in increased earnings. Direct investigations show that there is larger consumption of food and more peace in the homes. This note confirms the expectations which were entertained by those who had the vision and courage to initiate the scheme. We are glad to know that even where prohibition has not been introduced the Government has decided to discontinue sale of all distillery liquors of strength above 50° U.P. This decision must lead to reduction of drunkenness. We believe that the Government can do more to check consumption where prohibition is not introduced by closing liquor shops on pay days and holidays, forbidding location of liquor shops near the factory or the workers' quarters, regulating the hours of sale and increasing the retail selling price. There is so much to be said against the outstill system that we suggest that it should

be abolished in all industrial centres. These are well-known and well-tried methods and therefore we hope that the Government will lose no time in giving effect to them in the largest measure practicable.

Need for some reforms.

250. Prohibition does not only raise the problem of police supervision but also entails the positive obligation to provide cheap and wholesome entertainment. We are not aware that any attempt has been made or is under contemplation for that purpose. On the contrary, reports have reached us that gambling has increased. We propose that the Gambling Act should be immediately applied to the prohibition areas, indeed to all areas where the evil exists on a large scale, and enforced with rigour. Intensive propaganda for temperance should be carried out both before and after prohibition with a view to secure permanent results.

251. Another evil of a somewhat similar nature which has to be combated is the existence of brothels in industrial areas. We suggest that the Government should assume powers to deal with the evil by removal of brothels from the neighbourhood of workers' quarters.

CHAPTER XIII.

STANDARD OF LIVING.

252. The poverty of the industrial workers which is a part of the poverty of the Indian people as a whole is, as has been aptly said, not an opinion but a fact. It is a fact which is not disputed but reliable statistical data about it are often lacking giving rise to serious differences of opinion in regard to its degree and incidence. Our Investigators have conducted a careful enquiry into the standard of living of workers in the industrial centres of Bihar and we wish to present briefly the results of this enquiry in this report. The method adopted for sampling and as well as the precise meaning to be attached to the different terms used in the collection of data have been explained in the memorandum which is published as Appendix C of the report. The enquiry has been conducted on orthodox approved lines. We may, however, note that they were not always able to check the statements of workers by reference to employers, as in some cases they were not able to avail themselves of and in some others were refused opportunity to do so. Mr. Hayman does not accept as reliable all the statements and figures and the conclusions arrived at by the investigators as their enquiries were largely conducted without in most cases the employers being afforded proper opportunity of testing the evidence and information given to the investigators by the workers. It is also his opinion that in a matter of such consequence the cost of living figures should be investigated by a Committee composed of persons of wide experience and in which the workers and employers should be adequately represented. Mr. Gandhi regrets that he had no opportunity of checking the figures supplied by the investigators and cannot therefore take the responsibility for their accuracy and the conclusions drawn from them.

253. The earnings and expenditure of the workers in the different centres are shown separately; we begin with the income first.

TABLE XVII.

JAMSHEDPUR.

Number of families in the various income grades.

Concerns.	Less than Rs. 10.	Rs. 10 to 15.	Rs. 15 to 20.	Rs. 20 to 30.	Rs. 30 to 40.	Rs. 40 to 50.	Rs. 50 and over.	Total.
1	2	3	4	5	6	7	8	9
Tata Iron and Steel Company.	8	42	70	112	159	159	92	637
Tinplate Company ...	2	4	5	20	36	5	12	84
Wire and Steel Products	2	17	11	17	4	3	2	56
Tatanagar Foundry ...	1	4	14	10	6	1	...	36
The Indian Cable Company.	...	6	1	8	8	8	1	32
The E. I. R. Works ...	...	...	1	9	4	8	...	22
The Hume Pipe ...	5	3	1	...	2	...	...	11
Musabani Mines ...	9	14	11	58	16	5	1	114
Moubhandar Copper Works.	6	7	5	15	11	4	...	43
Total ...	28	97	119	249	246	193	108	1,040
Actual income ...	Rs. a. p. 240 6 9	Rs. a. p. 1,242 8 0	Rs. a. p. 2,084 2 6	Rs. a. p. 5,991 12 9	Rs. a. p. 8,822 15 6	Rs. a. p. 8,556 8 9	Rs. a. p. 5,924 4 0	Rs. a. p. 31,312 9 9
Average income per family.	8 9 5	12 12 11	17 1 6	24 1 0	33 13 4	44 5 6	54 13 8	31 1 1

254. The average income of the working family at this centre is Rs. 31-1-1. The average for those under the Tata Iron and Steel Company being Rs. 35-1-6 and under other concerns Rs. 24-11-9 only. The distribution of families according to income and its various components are shown in the table below for the Tata Iron and Steel Company, Limited :—

TABLE XVIII.

Nature of income.	Less than Rs. 10.	Rs. 10 to Rs. 15.	Rs. 15 to Rs. 20.	Rs. 20 to Rs. 30.	Rs. 30 to Rs. 40.	Rs. 40 to Rs. 50.	Rs. 50 and over.	Total.
1	2	3	4	5	6	7	8	9
Number of families ...	3 Rs. a. p.	42 Rs. a. p.	70 Rs. a. p.	112 Rs. a. p.	159 Rs. a. p.	159 Rs. a. p.	92 Rs. a. p.	637 Rs. p.
Primary earnings ...	27 14 0	532 9 9	1,069 7 3	2,337 10 3	4,476 8 0	5,492 3 0	3,810 13 3	17,747 2 6
Additional earnings from industry.	...	15 11 3	79 2 9	478 10 6	1,067 9 6	1,422 14 3	995 9 9	4,059 10 0
Supplementary earnings not incidental to industry.	0 12 0	3 1 0	14 7 0	59 1 0	69 8 0	153 2 0	237 0 0	536 15 0
Total income ...	28 10 0	551 6 0	1,163 1 0	2,875 5 9	5,613 9 6	7,068 3 3	5,043 7 0	22,343 11 6
P. C. that primary earnings from the total income.	97·4	96·6	92·0	81·3	79·6	77·8	75·6	79·5
P. C. additional earnings from industry to total income.	...	2·8	6·8	16·6	19·2	20·1	19·7	18·1
P. C. supplementary earn- ings not incidental to industry from the total income.	2·6	·6	1·2	2·1	1·2	2·1	4·5	2·4
Average income per family	Rs. a. p. 9 8 8	Rs. a. p. 18 2 0	Rs. a. p. 16 9 10	Rs. a. p. 25 10 9	Rs. a. p. 35 4 11	Rs. a. p. 44 7 3	Rs. a. p. 54 13 1	Rs. a. p. 35 0 0

255. Additional earnings from industry comprise items like bonus, over-time pay, acting allowance and Provident Fund contribution by the Company. Supplementary income not incidental to industry includes incomes from agriculture and so forth. The position in other companies in Jamshedpur are shown in the following table :—

TABLE XIX.

Nature of income.	Less than Rs. 10.	Rs. 10 to Rs. 15.	Rs. 15 to Rs. 20.	Rs. 20 to Rs. 30.	Rs. 30 to Rs. 40.	Rs. 40 to Rs. 50.	Rs. 50 and over.	Total.
1	2	3	4	5	6	7	8	9
Number of families ...	25	55	49	137	87	34	16	403
Primary earnings ...	Rs. a. p. 183 0 9	Rs. a. p. 646 10 0	Rs. a. p. 815 13 6	Rs. a. p. 2,895 8 0	Rs. a. p. 2,373 3 6	Rs. a. p. 1,316 8 0	Rs. a. p. 688 2 0	Rs. a. p. 8,918 13 9
Additional earnings from industry.	0 12 6	20 1 0	22 4 0	146 15 0	269 3 0	70 6 0	143 3 0	672 12 6
Supplementary incomes from industry.	...	1 0 0	...	2 0 0	...	...	...	3 0 0
Other supplementary income.	27 15 8	23 7 0	33 0 0	72 0 0	66 15 0	101 7 0	49 8 0	374 4 6
Total income ...	211 12 6	691 2 0	871 1 6	3,116 7 0	2,709 5 6	1,488 5 0	880 13 0	9,968 14 9
P. C. or primary earnings to total income.	86.4	93.6	93.7	92.9	87.6	88.5	78.1	89.2
P. C. earnings from industry other than the primary earnings to total income.	.4	3.0	2.5	4.8	9.9	4.7	16.3	6.8
P. C. of other supple- mentary income to total income.	13.2	3.4	3.8	2.3	2.5	6.8	5.6	3.8
Average income per family	Rs. a. p. 8 7 6	Rs. a. p. 12 9 0	Rs. a. p. 17 12 6	Rs. a. p. 22 12 0	Rs. a. p. 31 2 3	Rs. a. p. 43 12 4	Rs. a. p. 55 0 10	Rs. a. p. 24 11 9

256. If the families are distributed according to the territories of their origin and their income grade, the position is as given in table XX. Viewed according to the communities the people with largest incomes are those from North-Western Frontier, United Provinces, Bengal, Punjab, Madras and Bombay in that order. Bihar has the smallest average income except for Nepal and the native States.

TABLE XX.

Number of families in various income-grades.

Province or State.	Less than Rs. 10.	Rs. 10 to 15.	Rs. 15 to 20.	Rs. 20 to 30.	Rs. 30 to 40.	Rs. 40 to 50.	Rs. 50 and over.	Total.	Total income.	Average income.
1	2	3	4	5	6	7	8	9	10	11
									Rs. a. p.	Rs. a. p.
Bihar ...	18	84	47	50	64	48	19	280	7,619 11 8	27 8 5
Central Provinces ...	1	19	25	48	25	22	9	149	4,194 13 0	28 2 5
Orissa ...	...	18	10	32	30	18	13	121	3,674 14 8	31 1 10
Bengal ...	2	2	20	27	34	20	107	3,990 0 0	37 4 8	
Madras ...	...	7	23	23	19	14	98	3,340 3 3	34 1 4	
United Provinces ...	...	6	14	27	24	20	97	3,631 15 9	37 6 11	
Punjab ...	1	5	15	28	22	9	79	2,900 2 9	36 11 5	
Native States ...	5	8	16	5	1	2	47	1,085 12 0	23 1 4	
Nepal ...	1	2	7	20	7	2	40	1,024 2 0	25 9 10	
North-West Frontier Province ...	...	...	...	1	5	3	1	10	383 15 6	38 6 4
Bombay ...	...	...	...	1	6	...	...	7	233 8 0	33 5 9
Assam ...	...	...	...	4	1	...	...	5	144 8 0	28 14 5
Total ...	28	97	119	249	246	198	108	1,040	32,312 9 9	31 1 1

257. We now present the details of expenditure. These refer only to the resident consumers, no information being available about dependents living elsewhere. The income available for the consumption of resident members is taken to be equivalent to the total income of the working families minus the amount remitted home minus the amount contributed to the Provident Fund. The last item is the only recognised and regular saving and no great error will be committed in taking this to be the only kind of saving. Conceivably there could be other deductions from the total income. Thus whatever the families pay towards liquidating their debts must be regarded as not available for their consumption. On the other hand the debts themselves must be regarded as additions to income. Debt transactions have for this and other reasons been eliminated.

TABLE XXI.

JAMSHEDPUR CENTRE.

Province or State.	Total number of adults.	Total income.	Provident fund.	Remittance.	Net income available for consumption.	Dividend per adult consumer.
1	2	3	4	5	6	7
		Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
Bihar ...	1,015.5	7,619 11 3	625 12 0	403 2 0	6,590 13 3	6 7 9
Central Provinces.	544.5	4,194 13 0	306 4 0	137 9 6	3,750 15 6	6 14 3
Orissa ...	410.0	3,764 14 3	234 4 9	232 13 6	3,247 12 0	7 14 9
Bengal ...	366.0	3,990 0 0	411 10 0	486 4 6	3,092 1 6	8 7 3
Madras ...	461.5	3,340 3 3	278 7 9	104 8 6	2,957 3 0	6 6 6
United Provinces.	352.5	3,630 15 9	393 10 6	133 4 0	3,104 1 3	8 12 9
Punjab ...	258.0	2,900 2 9	213 1 0	453 10 0	2,234 7 9	8 10 6
Native States	171.5	1,085 12 0	49 5 6	48 0 0	988 6 6	5 12 3
Nepal ...	105.0	1,024 2 0	16 10 0	40 7 3	967 0 9	9 3 3
North-West Frontier Province.	32.0	383 15 3	47 10 0	36 0 0	300 5 6	9 6 3
Bombay ...	24.5	233 8 0	16 8 0	17 0 0	200 0 0	8 2 6
Assam ...	13.5	144 8 0	...	11 4 0	133 4 0	9 14 0
Total ...	3,754.5	32,312 9 9	2,592 3 6	2,153 15 3	27,566 7 0	7 5 6

258. The general average comes to Rs. 7-5-6 per adult per month which is much higher than the corresponding figure for any other industrial centre in Bihar and presumably in India. An analysis of the major heads of expenditure would give better appreciation of the standard of living of the workers than the size of the dividend alone. To avoid encumbering our report with for too many figures, we have selected expenditure on food alone without even going into the details, of the main constituents of food. Those who are interested in the details which we have left out, are referred to the second volume of our report in which the results of the investigation are embodied in complete form.

TABLE XXII.

Income groups.	Income available for consumption by resident consumers.	Expenditure on food.	Number of resident consumers reduced into standardised adults for food consumption.	Expenditure on food per adult consumer.	Percentage of consumable income spent on food.
1	2	3	4	5	6
	Rs. a. p.	Rs. a. p.		Rs. a. p.	
Less than Rs. 10 ...	223 6 9	195 13 0	85.70	2 4 7	87.64
Rs. 10 but not Rs. 15 ...	1,124 15 6	855 2 0	305.94	2 12 9	76.01
Rs. 15 but not Rs. 20 ...	1,916 8 6	1,347 4 0	390.24	3 7 3	70.30
Rs. 20 but not Rs. 30 ...	5,261 10 9	3,908 14 3	816.04	4 12 8	74.29
Rs. 30 but not Rs. 40 ...	7,164 1 6	4,735 13 9	949.74	5 0 1	66.38
Rs. 40 but not Rs. 50 ...	7,145 4 3	4,363 1 0	761.62	5 11 8	61.06
Rs. 50 and over ...	4,730 8 3	2,941 6 3	495.20	5 15 0	62.18
Total ...	27,566 7 0	18,367 5 3	3,804.48	4 13 3	66.63

The average expenditure on food comes to Rs. 4-13-3 per adult consumer in Jamshedpur.

COLLIERY AREA.

259. The investigation in the collieries covered 1,030 families consisting of 1,251 adult males, 1,220 adult females, 1,090 boys and 931 girls of whom the number of wage earners was 1,156 adult males, 485 adult females and 46 children. The aggregate income of all the families totalled Rs. 18,230-2-2 or Rs. 17-11-2 per family. This includes income earned from sources other than work in the mines. If the latter are excluded the aggregate income comes to Rs. 17,944-11-5 or Rs. 17-6-9 per family.

The table below exhibits the distribution of the income over different families :—

TABLE XXIII.

Family earnings accounts to different income groups.

Income groups.	Number of families.	Total income of all families.			Average monthly income per family.		
		Rs.	a.	p.	Rs.	a.	p.
Rs. 5 and below ..	21	82	5	3	4	1	10
Rs. 5 to Rs. 10 ..	135	1,091	6	3	8	1	4
Rs. 10 to Rs. 15 ..	3,106	3,983	12	11	12	4	7
Rs. 15 to Rs. 20 ..	241	4,097	4	6	16	9	4
Rs. 20 to Rs. 30 ..	215	5,244	11	8	24	9	4
Rs. 30 to Rs. 40 ..	73	2,477	11	9	34	11	4
Rs. 40 to Rs. 50 ..	29	1,256	14	8	43	5	6
Total ..	1,030	18,130	2	2	17	11	2

260. The distribution of income in the families according to their territorial origin is as shown below :—

TABLE XXIV.

Provinces.	Number of families.	Total income of all families.			Average income permanent.		
		Rs.	a.	p.	Rs.	a.	p.
1. Workers from Central Provinces.	73	1,416	3	9	19	14	3
2. Workers from United Provinces.	35	699	4	10	19	15	7
3. Workers from the Punjab.	22	436	4	10	19	13	2
4. Workers from Bengal	8	226	13	0	28	5	7
5. Workers from Central India.	6	79	1	4	13	2	11
6. Workers from Orissa	14	175	8	3	12	8	7
7. Miscellaneous ..	8	166	5	0	20	12	7.5
8. Local workers ..	864	16,030	2	5	18	7	0

261. The low earnings of the workers from Central India and Orissa are due to the fact that they are engaged mostly in such ill-paid jobs as earth and stone-cutting and other forms of unskilled work. Besides their main and supplementary earnings, the colliery workers also receive some goods and services free of charge. These are housing, fuel, medical aid, education, water, maternity and sickness allowance and in some cases free kerosene. Our Investigator estimates the money value of these goods and services as follows :—

TABLE XXV.

	Monthly value of benefits per worker.			Monthly value of benefits per family.		
	Rs.	a.	p.	Rs.	a.	p.
Housing	1	8	0	1	8	0
Fuel	0	14	0	0	14	0
Free conveyance	0	8	0	0	11	2
Water-supply	0	7	6	0	10	6
Bakshis maternity and sickness allowance.	0	4	0	0	5	7
Medical aid	0	3	6	0	4	11
Kerosene oil	0	3	0	0	3	0
Total	4	0	0	4	9	2

262. Adding the value of additional benefits to the monthly average income of Rs. 17-11-2 per family we get an average now of Rs. 22-4-4 per family as disclosed by the investigation ; the average income per worker is Rs. 19-14-0.

263. The total expenditure on food of all the 1,030 families was Rs. 13,233-1-10½ that is 72·5 per cent of the total income. The food expenditure of the average family consisting of 3·4 adult males calculated on the basis adopted by the Inter-allied Scientific Food Commission was Rs. 12-13-6 or about Rs. 3-12-0 per adult.

TABLE XXVI.
JAMALPUR CENTRE.

264. The families distributed according to income grades and character of their work are as follows :—

Income grades.	Monghyr.				Jamalpur.				Total number of families.
	Skilled.	Semi-skilled.	Un-skilled.	Clerks.	Skilled.	Semi-skilled.	Un-skilled.	Clerks.	
1	2	3	4	5	6	7	8	9	10
Less than Rs. 10 ..	..	2	2	..	..	..	..	..	4
Rs. 10 but not Rs. 15 ..	7	15	33	..	..	..	4	..	59
Rs. 15 but not Rs. 20 ..	8	16	6	..	..	..	20	..	50
Rs. 20 but not Rs. 30 ..	3	1	2	..	..	61	62	..	129
Rs. 30 but not Rs. 40 ..	7	4	3	2	12	42	8	1	79
Rs. 40 but not Rs. 50 ..	1	..	1	2	59	8	..	..	71
Rs. 50 and over ..	1	1	1	3	41	2	3	1	53
Total ..	27	39	48	7	112	113	97	2	445

265. In the next table the average income per family in each grade has been shown separately for Jamalpur and Monghyr.

TABLE XXVII.

Income grades.	Total income.			Average income.		
	Monghyr.	Jamalpur.	Both.	Monghyr.	Jamalpur.	Both.
1	2	3	4	5	6	7
Less than Rs. 10 ..	Rs. a. p. 20 2 0	Rs. a. p. ..	Rs. a. p. 20 2 0	Rs. a. p. 5 0 6	Rs. a. p. ..	Rs. a. p. 5 0 6
Rs. 10 but not Rs. 15 ..	710 15 0	57 8 0	768 7 0	12 14 9	14 6 0	13 0 3
Rs. 15 but not Rs. 20 ..	524 0 0	367 0 0	891 0 0	17 7 6	18 5 6	17 13 9
Rs. 20 but not Rs. 30 ..	181 8 0	3,329 10 0	3,461 2 0	21 14 9	27 1 9	26 1 3
Rs. 30 but not Rs. 40 ..	491 0 0	2,262 10 0	2,753 10 0	30 11 0	35 14 9	34 13 9
Rs. 40 but not Rs. 50 ..	190 0 0	3,203 15 0	3,393 15 0	47 8 0	47 13 0	47 13 0
Rs. 50 and over ..	356 14 0	3,257 12 0	3,614 10 0	59 7 9	69 5 0	68 3 0
Total ..	2,424 7 0	12,478 7 0	14,902 14 0	..	..	..

266. The average income per family at Monghyr is Rs. 20-0-6 while at Jamalpur it is Rs. 38-6-9 that is about double that at Monghyr. The total income has been further analysed into their components in order that the relative importance of the main industries and other sources of income may be appreciated. The results are summarised in the table below :—

TABLE XXVIII.

Income grades.				Primary earnings.	Supplementary earnings.	Additional incomes incidental to industry.	Other additional earnings.	Total.
1				2	3	4	5	6
				Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
Less than Rs. 10	...	...	...	M. 20 2 0	...	...	...	20 2 0
				J. ...	...	...	...	...
Rs. 10 but not Rs. 15	...	...	...	M. 688 8 0	1 0 0	...	21 7 0	710 15 0
				J. 53 4 0	4 4 0	...	...	57 8 0
Rs. 15 but not Rs. 20	...	...	...	M. 438 11 0	...	...	85 5 0	534 0 0
				J. 328 0 0	28 0 0	3 0 0	8 0 0	367 0 0
Rs. 20 but not Rs. 30	...	...	...	M. 111 0 0	...	...	20 8 0	131 8 0
				J. 2,697 0 0	373 10 0	236 6 0	22 10 0	3,329 10 0
Rs. 30 but not Rs. 40	...	...	...	M. 395 8 0	6 8 0	...	89 0 0	491 0 0
				J. 1,718 0 0	285 4 0	228 9 0	30 13 0	2,262 10 0
Rs. 40 but not Rs. 50	...	...	...	M. 179 0 0	4 0 0	7 0 0	...	190 0 0
				J. 2,574 0 0	523 4 0	91 11 0	15 0 0	3,203 15 0
Rs. 50 and over	...	...	...	M. 327 10 0	18 0 0	8 8 0	2 12 0	356 14 0
				J. 2,642 0 0	445 8 0	93 12 0	76 8 0	3,257 12 0
Total				M. 2,160 7 0	29 8 0	15 8 0	219 0 0	2,424 7 0
				J. 10,015 4 0	1,659 14 0	653 6 0	149 15 0	12,478 7 0

267. We find that while at Monghyr Rs. 219 out of Rs. 2,424-7-0 that is 9.03 per cent of the income is entirely independent of the main industry, the position at Jamalpur is markedly different where only Rs. 149-15-0 out of Rs. 12,478-7-0 or only 1.20 per cent is of that type. At Jamalpur besides the primary wages, overtime pay and contribution to provident fund are integral part of the cash payment made to workers. Provident fund contributions are regular feature in income grades above Rs. 20 and the total contribution to provident fund is Rs. 688-8-0 or 5.52 per cent of the total incomes of the workers engaged in the industry while Rs. 971-6-0 represents overtime payment forming 7.78 per cent of the total incomes. The concession in the shape of reduced prices of coal has been probably over-rated and placed at Rs. 16-8-0 representing coal cinder sold only to workmen. Free houses valued at a monthly rental of Rs. 41 have been supplied to certain firemen only who remain near the workshops as precaution against emergencies while free uniforms have been supplied to workers in the foundry shops valued at the monthly cost of Rs. 21-8-0.

The following table shows the number of resident consumers in each grade and the actual income available for their consumption normally and if no debt is incurred:—

TABLE XXIX.

Income grades.	Actual income.	Men.	Women.	Children below 5.	Children 5 but not 10.	Children 10 but not 15.	Total number of standardised adults.	Incomes per consumer reduced to adults.
1	2	3	4	5	6	7	8	9
	Rs. a. p.							Rs. a. p.
Less than Rs. 10	20 2 0	2	9	2	7	2	16·50	1 3 6
Rs. 10 but not Rs. 15	728 5 0	70	101	51	68	6	235·50	3 2 0
Rs. 15 but not Rs. 20	891 0 0	79	99	48	72	23	249·50	3 9 3
Rs. 20 but not Rs. 30	3,430 10 0	190	228	135	158	88	609·50	5 10 3
Rs. 30 but not Rs. 40	2,735 10 0	170	207	108	96	53	505·50	5 6 6
Rs. 40 but not Rs. 50	3,322 15 0	102	184	72	105	58	353·50	9 6 6
Rs. 50 and over	3,443 7 0	110	121	54	74	42	316·00	10 14 6
Total	14,572 1 0	723	899	470	580	272	2,283·00	6 6 3 General average

268. The average consumable income per adult is Rs. 6-6-3. For purposes of food requirements the resident consumers have been reduced into standardised adults and their food consumption is shown in the table below :—

TABLE XXX.

Income grade.	Number of consumers.	Expenditure on food.	Expenditure on food per adult consumer.	Total income available for consumption.	Percentage of 3 to 5.
1	2	3	4	5	6
		Rs. a. p.	Rs. a. p.	Rs. a. p.	
Less than Rs. 10 ...	16-13	15 1 0	0 15 0	20 2 0	74-84
Rs. 10 but not Rs. 15 ...	225-11	581 6 0	2 9 3	728 5 0	79-83
Rs. 15 but not Rs. 20 ...	247-48	650 12 0	2 10 0	891 0 0	73-04
Rs. 20 but not Rs. 30 ...	614-58	1,955 7 0	3 3 0	3,430 10 0	57-00
Rs. 30 but not Rs. 40 ...	497-40	1,582 7 0	3 3 0	2,735 10 0	57-87
Rs. 40 but not Rs. 50 ...	360-36	1,555 12 0	4 5 9	3,322 15 0	46-82
Rs. 50 and over ...	316-69	1,479 9 0	4 10 9	3,443 7 0	42-92
Total ...	2277-75	7,820 6 0	2 13 6	14,572 1 0	53-66

The average expenditure on food of the whole population is only Rs. 3-6-11 per adult.

TABLE XXXI.

DEHRI CENTRE.

269. The number of families in different grades according to their territories of origin is as follows :—

Income grade..	Bihar.	Punjab.	United Provinces.	North-West Frontier Province.	Central Provinces.	Rajputana.	Nepal.	Bengal.	Total.
1	2	3	4	5	6	7	8	9	10
Less than Rs. 10 ...	42	...	2	...	...	...	...	...	44
Rs. 10 but not Rs. 15	34	...	1	...	...	...	...	...	35
Rs. 15 but not Rs. 20	37	1	1	...	6	...	1	...	46
Rs. 20 but not Rs. 30	45	8	3	6	8	2	3	...	70
Rs. 30 but not Rs. 40	23	4	...	2	1	1	...	1	31
Rs. 40 but not Rs. 50	6	5	2	1	...	2	...	...	16
Rs. 50 and over ...	6	2	1	1	...	2	...	...	12
Total ...	193	20	10	10	10	7	4	1	254
Actual earnings ...	Rs. a. p. 13,731 13 0	Rs. a. p. 710 0 0	Rs. a. p. 250 0 0	Rs. a. p. 295 3 0	Rs. a. p. 167 8 0	Rs. a. p. 272 15 0	Rs. a. p. 84 10 0	Rs. a. p. 93 0 0	Rs. a. p. 5,601 1 0
Average income per family.	19 7 0	35 8 0	25 0 0	29 8 6	18 9 9	39 0 0	21 2 6	48 8 0	22 1 0

270. The table shows that 125 families of practically one-half of the working families are getting less than Rs. 20 and 44 families or one-sixth of the total number are getting an income of below Rs. 10, almost all of them being Biharis. The components of incomes in different grades are shown in table below :—

TABLE XXXII.

	Less than Rs. 10.	Rs. 10 but not Rs. 15.	Rs. 15 but not Rs. 20.	Rs. 20 but not Rs. 30.	Rs. 30 but not Rs. 40.	Rs. 40 but not Rs. 50.	Rs. 50 and over.	Total.
1	2	3	4	5	6	7	8	9
	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
Primary earnings	295 2 0	881 13 9	714 10 3	1,493 8 0	983 9 0	607 9 0	598 0 6	5,074 4 6
Overtime pay ... ..	...	0 12 0	...	...	8 0 0	4 0 0	...	12 12 0
Other additional earnings from industry.	0 4 0	4 4 0	5 6 0	13 6 6	15 8 0	8 0 0	4 0 0	50 12 0
Total of all incomes from industry other than primary.	0 4 0	5 0 0	5 6 0	13 6 0	23 8 0	12 0 0	4 0 0	63 8 0
Total of all on other supplemen- tary incomes.	21 0 0	32 10 3	85 14 9	136 1 0	72 13 0	75 9 0	39 4 6	463 4 6
Total of all incomes other than primary.	1 4 0	37 10 3	91 4 9	149 7 0	96 5 0	87 9 0	43 4 6	526 12 6
Total income from all sources ...	316 6 0	419 8 0	805 15 0	1,642 15 0	1,079 14 0	695 2 0	641 5 0	5,691 1 0

The table shows that about 9/10th of the total income are accounted for by the primary earnings of the workers, only about 9 per cent being in the form of supplementary or additional incomes.

271. The total expenditure on food and expenditure on food per adult consumer are shown below :—

TABLE XXXIII.

Income grades.	Number of adult consumers.	Expenditure on food.	Expenditure on food per adult consumers.	Percentage of expenditure on food to total income available for consumption.
1	2	3	4	5
		Rs. a. p.	Rs. a. p.	
Less than Rs. 10 ...	107·15	266 14 0	2 8 0	109·20
Rs. 10 but not Rs. 15 ...	103·0	289 6 0	2 12 11	77·8
Rs. 15 but not Rs. 20 ...	130·85	491 14 6	3 12 1	65·33
Rs. 20 but not Rs. 30 ...	193·9	797 13 0	4 1 9	59·59
Rs. 30 but not Rs. 40 ...	95·67	463 3 0	4 13 2	54·46
Rs. 40 but not Rs. 50 ...	47·08	259 14 0	5 8 6	55·15
Rs. 50 and over ...	43·7	219 14 0	5 0 0	41·96
Total ...	721·42	2,788 14 6	3 13 2	61·84

The average expenditure on food for the whole population is only Rs. 3-13-0 per adult.

272. The position in the different industrial centres can be summarised as follows. The average expenditure on food per adult consumer according to the reports of our Investigators is Rs. 4-13-3 in Jamshedpur; Rs. 3-13-0 in the Dehri Centre; Rs. 3-12-0 in the coalfields and Rs. 3-6-11 in Jamalpur Centre.

273. The comparability of these figures is, to some extent, vitiated by the fact that while the Investigator for the coalfields has adopted the standard laid down by the Inter-allied Scientific Food Commission for reducing women and children into an adult male to which reference has been made earlier in the

chapter, the Investigator for Jamshedpur, Dehri and Jamalpur has adopted a slightly modified standard which is as follows :—

Male above 15 years—1·00 adult male.

Female above 15 years—·83 adult male.

Child of 10 but not 15 years—·83 adult male.

Child 5 but not 10 years—·60 adult male.

Child below 5 years—·50 adult male.

If the standard of the Inter-allied Scientific Food Commission had been adopted by both then the expenditure per adult in Jamshedpur, Dehri and Jamalpur would have been a little less than what it is.

274. It would not be fair to argue on the basis of these figures that the industry offers more in one place than in the other for the expenditure on food per head depends not only upon the wages and other benefits provided by the industry but also on the size of the family and the number of wage earners in it. The size of the family in terms of adults and number of adult workers in the different places is as follows :—

TABLE XXXIV.

JAMSHEDPUR.

Provinces or State.	Number of adult worker.	Size of family in terms of adults.	Number of adults supported by single worker.
1	2	3	4
Bihar	1·185	4·207	3·55
Central Provinces	1·296	4·022	3·10
Orissa	1·108	4·306	3·89
Bengal	1·056	4·612	4·37
Madras	1·051	5·092	4·84
United Provinces	1·062	4·618	4·35
Punjab	1·038	4·036	3·89
Native States	1·298	4·447	3·43
Nepal	1·025	2·787	2·72
North-West Frontier Province	1·000	3·800	3·88
Bombay	1·000	3·786	3·79
Assam	1·000	3·800	3·80
General average	1·139	4·296	3·77

It will be noticed that the average adult workers' earnings have to support 3.77 adults in Jamshedpur.

275. The number of worker per family in Dehri Centre and the total number of men in the family are shown in the tables below :—

TABLE XXXV.

Province or State.	Number of families.	"A" Number of men workers.	Total number of men in the family.	Average of "A".
1	2	3	4	5
Bihar	192	212	310	1.100
Punjab	20	20	33	1.000
United Provinces ..	10	12	18	1.200
North-West Frontier Province.	10	10	11	1.000
Central Provinces ..	9	10	12	1.111
Rajputana	7	13	15	1.857
Nepal	4	5	7	1.250
Bengal	2	2	6	1.000
Total	254	284	412	1.118

TABLE XXXVI.

Province or State.	Number of families.	Number of women workers.	Total number of women in the family.	Average of women worker.
1	2	3	4	5
Bihar	192	19	351	·099
Punjab	20	..	24	..
United Provinces ..	10	..	21	..
North-West Frontier Province.	10	..	6	.. ..
Central Provinces ..	9	9	12	1·000
Rajputana	7	8	11	1·143
Nepal	4	1	5	·250
Bengal	2	..	3	..
Total	254	37	433	·145

It will be seen that 254 men and 37 women are responsible for the support of 1,174 adults including themselves so that the earnings of a worker provide for 3·66 adults. The position in this respect is very much like that in Jamshedpur.

TABLE XXXVII.

JAMALPUR CENTRE.

276. The 445 families are situated as follows:—

—		Men.	Women.	Boys.	Girls.
1		2	3	4	5
Workers	{ Monghyr ...	128	10	...	...
	{ Jamalpur ...	369	1	...	...
	Total ...	497	11	...	...
Dependents living with wage-earners.	{ Monghyr ...	71	225	183	122
	{ Jamalpur ...	155	663	440	577
	Total ...	226	888	623	699
Dependents living away from wage-earners.	{ Monghyr ...	11	6	...	...
	{ Jamalpur ...	16	13	9	6
	Total ...	27	19	9	6
Grand total	{ Monghyr ...	210	241	183	122
	{ Jamalpur ...	540	677	449	583
		750	918	632	705

Boys and girls do not figure as workers at all. The only workers are 497 men and 11 women or 508 in all. These 508 workers are responsible for the maintenance of 1,160 adults and 1,337 children taking each child as half an adult; each worker has to support 3.60 adults.

277. In the coalfields the number of workers per family is distributed as follows among different castes :—

TABLE XXXVIII

Classes of workers.	Number.	Average income.	Number of adult workers per family.
1	2	3	4
		Rs. a. p.	
Lohar	38	26 8 1	1.4
Caste Hindus	25	25 7 2	1.2
Muslims	148	21 2 0	1.3
United Provinces' workers ..	35	19 8 0	1.0
Central Provinces' workers ..	73	18 6 7	1.6
Dusadhs	42	17 12 0	1.8
Mushars	19	17 0 7	1.79
Turis	52	16 10 11	1.2
Bhuiyas	162	16 12 10	2.01
Kahars and Goalas ..	47	16 5 9	1.4
Chamars	34	16 0 10	1.7
Rajwars and Ghatwals ..	53	15 11 4	1.3
Bauris	46	15 1 11	2.1
Manjhis	55	14 12 8	1.5
Koras, Koles and Oraons ..	20	14 5 2	1.6

The average number of wage-earners per family is 1.4.

278. The size of the families is as follows :-

TABLE XXXIX.

Average size of the family.

Serial no.	Classes of workers.	Number of families.	Adult males.	Adult females.	Boys.	Girls.
1	2	3	4	5	6	7
1	Bhuiyas	162	1·21	1·23	·83	·81
2	Muhammadans, Christians and Sikhs.	148	1·26	1·18	1·18	1·1
3	Central Provinces' workers	73	1·17	1·18	1·01	·66
4	Manjhis	55	1·08	1·04	·86	·74
5	Rajwars and Ghatwals ...	53	1·01	1·18	1·01	·64
6	Turis	52	1·0	1·13	·88	·79
7	Kahars and Goalas ...	17	1·08	·78	1·02	·74
8	Bauris	46	1·35	1·47	1·58	·74
9	Dusadhs	42	1·57	1·42	1·0	·66
10	Lohars and Barhis ...	38	1·36	1·81	1·89	1·57
11	United Provinces' workers	33	1·03	·85	·91	·57
12	Chamars and Mochis ...	35	1·56	1·22	1·47	·93
13	Brahmans, Chhatris ...	34	1·08	1·81	1·44	·8
14	Hos, Kols, Oraons and Koras.	20	1·01	1·1	1·35	·65
15	Mushars	19	1·16	1·15	1·21	1·31
	Miscellaneous ...	181	1·24	1·22	1·20	1·01

The average family thus consists of 1·2 adult male, 1·8 adult female, 1·0 male children and ·90 female children or in other words an average family consists of 3·12 adults. From the fact that an average family consists of 1·4 workers, it follows that one worker supports 2·23 adults. The relatively better position of the colliery workers is due to the smaller number of dependents.

279. We have collected as far as possible exact figures of expenditure on food per head in the working class families to find out the extent and incidence of starvation in them.

Dr. K. Mitra, officer-in-charge of Nutrition Scheme, has submitted to us a report on the subject based on his investigation of 177 families consisting of 845 persons in Jamshedpur. These families are distributed into economic groups as follows :—

TABLE XI.

Classification of families.	Total daily income of the family in rupees.	Number of families in the group.	Total number of consumers.	Total consumption units (man values).	Average number of consumers per family.
1	2	3	4	5	6
	Rs. a. p.				
Group I ..	Up to 0 12 0	86	353	271.6	4.1
Group II ..	„ 1 0 0	24	126	96.4	5.3
Group III ..	„ 1 4 0	19	90	69.7	4.7
Group IV ..	„ 1 8 0	16	87	68.0	5.5
Group V ..	„ 2 0 0	10	74	52.4	7.4
Group VI ..	„ 3 0 0	9	42	32.3	4.7
Group VII and over	„ 3 0 0	13	73	62.7	5.6
Total ..	..	177	845	653.1	4.8

280. On the assumption that an intake of less than 2,600 calories per capita per diem is below standard and intake of between 2,601 and 3,000 calories is bare minimum and intake of 3,001 calories and above is adequate—an assumption which is justified in relation to a man doing active physical work, the adequacy of consumption in different income groups is presented as follows:—

TABLE XLI.

Calories consumption.	Group I.		Group II.		Group III.		Group IV.		Group V.		Group VI.		Group VII.	
	Actual.	Per-centage.	Actual.	Per-centage.	Actual.	Per-centage.	Actual.	Per-centage.	Actual.	Per-centage.	Actual.	Per-centage.	Actual.	Per-centage.
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Below standard up to calories 2,600.	21	24.4	10	41.7	..	Nil	1	6.3	1	10.0	..	Nil	..	Nil
Bare minimum 2,601—3,000.	17	19.8	5	20.8	4	21.1	4	25.0	5	50.0	1	11.1	2	15.4
Adequate over 3,000 calories.	48	55.8	9	37.5	15	78.9	11	68.7	4	40.0	8	88.9	11	84.6
Total ..	86	100.0	24	100.0	19	100.0	16	100.0	10	100.0	9	100.0	13	100.0

Out of the total of 177 families surveyed calory consumption of 33 families is below standard; in other words a little over 18 per cent of the families are underfed.

281. If the position in Jamshedpur with its average expenditure on food of Rs. 4-13-3 per adult is so unsatisfactory, the position elsewhere even when allowance is made for the fact that articles of food are usually much cheaper than at Jamshedpur cannot but cause the greatest anxiety. The expenditure on food is only a part although much the largest part of the total expenditure of a working class family.

282. We give here a concise table showing the expenditure of families in different industrial centres on different items.

1. AVERAGE EXPENDITURE PER FAMILY IN JAMSHEDPUR CENTRE.

<i>Items.</i>	Rs. a p.
1. Food	17 10 7
2. Clothing	3 4 5
3. Housing	1 6 10
4. Fuel and Light	2 0 11
5. Utensils and furniture	0 5 3
6. Miscellaneous :—	
	Rs. a. p.
(a) Travelling	0 0 5
(b) Mental and bodily recreation.	0 15 2
(c) Conventional indulgences	1 8 10
(d) Remittances	2 0 1
(e) Religious observances and social conventions.	0 12 6
(f) Trade Union	0 1 6
(g) Unspecified	1 0 2
	6 6 8
Total	31 2 8

2. AVERAGE EXPENDITURE PER FAMILY IN JAMALPUR CENTRE.

<i>Items.</i>	Rs. a p.
1. Food	17 9 2
2. Clothing	2 6 2
3. Housing	0 12 2
4. Fuel and Light	1 14 2
5. Utensils and furniture	0 13 4

<i>Items.</i>	Rs. a. p.	Rs. a. p.
6. Miscellaneous :—		
(a) Travelling ...	1 4 7	
(b) Mental and bodily recreation	2 7 2	
(c) Conventional indulgences	1 0 7	
(d) Rent ...	0 12 2	
(e) Provident Fund ...	1 8 9	
(f) Religious and social conventions.	0 15 8	
(g) Trade Union ...	0 1 7	
(h) Unspecified ...	0 11 7	
	<hr/>	8 14 10
Total	...	<hr/> 32 5 0 <hr/>

3. AVERAGE EXPENDITURE PER FAMILY IN JHARIA CENTRE.

<i>Items.</i>	Rs. a. p.
1. Food ...	12 13 6
2. Clothing ...	1 2 3
3. Housing ...	0 0 6
4. Fuel and Light ...	0 0 1
5. Utensils and furniture ...	0 2 5
	Rs. a. p.
6. Miscellaneous :—	
(a) Liquor ...	0 10 6
(b) Tobacco ...	0 6 8
(c) Soda and soap ...	0 6 4
(d) Religious observances and social functions.	0 4 7
(e) Interest ...	0 4 3
(f) Barber ...	0 3 2
(g) Amusement ...	0 0 10
(h) Education ...	0 0 10
(i) Trade Union ...	0 0 10
(j) Pan ...	0 0 6
(k) Land Rent ...	0 0 6
(l) Hair oil ...	0 0 6
(m) Medical fees and medicines	0 0 4
(n) Chewing sticks ...	0 0 4
(o) Bangles ...	0 0 3
(p) Postage ...	0 0 1
(q) Remittance ...	0 9 11
	<hr/>
Total	... <hr/> 3 1 9 <hr/> <hr/> 17 4 6 <hr/>

4. AVERAGE EXPENDITURE PER FAMILY IN DEHRI CENTRE.

<i>Items.</i>					Rs. a. p.
1. Food	...	...	...	...	10 15 8
2. Clothing	...	...	...	...	1 6 4
3. Housing	...	...	...	...	0 10 10
4. Fuel and light	...	...	...	...	1 1 9
5. Utensils and furniture	...	...	...	...	0 3 3
6. Miscellaneous :—					
				Rs. a. p.	
(a) Medical Services	...	0	1	10	
(b) Mental and bodily recreation and health.	...	0	1	5	
(c) Conventional indulgences	...	0	12	7	
(d) Religious and social observances.	...	0	5	9	
(e) Trade Union	...	0	0	3	
(f) Unspecified	...	0	6	1	
					<u>1 11 11</u>
Total	...				<u>16 1 9</u>

CHAPTER XIV.

INDEBTEDNESS.

283. Through special Investigators the Committee has made an intensive enquiry into the indebtedness of the workers in the main industrial centres of Bihar. Of the large mass of material collected, it is possible to present here only the more important in a concise form. In our opinion the usual reserve is necessary in accepting the primary data which have been supplied by the workers themselves as some of them are apt to exaggerate the extent of their indebtedness while a larger number is reluctant to give any information at all. All alike are liable to attribute indebtedness to causes other than their own improvidence even when that is the case. The extent and causes of indebtedness in Jamshedpur and the colliery areas are exhibited in the following tables:—

284. Jamshedpur Area (Includes the workers of the Indian Copper Corporation at Moubhandar and Mosabani):—

TABLE XLII.

Earnings per month.	Volume of debt in rupees.	Multiple that debt forms of monthly income.	Percentages of families in debt.	Percentages of families not in debt.
1	2	3	4	5
Less than Rs. 10 ..	1,329	5.53	64.3	35.7
Rs. 10 but less than Rs. 15	3,403	2.74	63.9	36.1
Rs. 15 " " Rs. 20	5,189	2.53	61.3	38.7
Rs. 20 " " Rs. 30	20,306	3.39	77.1	22.9
Rs. 30 " " Rs. 40	35,414	4.25	76.8	23.2
Rs. 40 " " Rs. 50	41,851	4.89	82.9	17.1
Rs. 50 and over ..	23,093	3.90	79.6	20.4
Total ..	1,30,585	4.04	75.0	25.0

From this table the following inferences can be drawn. Firstly, that three-fourth of all the families examined were in debt. The percentages of families in debt are highest in the two grades Rs. 40 to Rs. 50 and Rs. 50 and over, the figures being 82.9 and 79.6 respectively. Secondly, the indebtedness is proportionately larger in the higher than in the lower income grades. Thirdly, the indebtedness in any group is well below six times the monthly income.

285. COLLIERY AREA.

TABLE XLIII.

Earnings per month.	Number of families studied.	Number of families in debt.	Percentage of columns 2 to 3.	Average indebtedness, per family in debt.	Average indebtedness per family.	Debt multiple.
1	2	3	4	5	6	7
Below Rs. 5 ...	21	8	38	Rs. a. p. 16 0 9	Rs. a. p. 6 1 0	3.9
Rs. 5 and below Rs. 10.	135	67	50	19 13 3	9 11 2	2.4
Rs. 10 and below Rs. 15.	316	157	50	34 4 3	17 2 1	2.8
Rs. 15 and below Rs. 20.	241	113	47	23 2 7	13 9 3	1.7
Rs. 20 and below Rs. 30.	215	72	33	37 11 5	12 12 9	1.5
Rs. 30 and below Rs. 40.	73	27	37	43 8 4	16 1 5	1.8
Rs. 40 and below Rs. 50.	29	9	31	155 12 4	46 8 10	3.5

It will be seen that the position here is in marked contrast with the position in Jamshedpur, the largest percentage of indebtedness being in the lowest income grades from Rs. 5 to 10 and Rs. 10 to 15 and the lowest in the higher grade between Rs. 40 and 50. Secondly, the maximum indebtedness in any group does not exceed four times the monthly income.

TABLE XLIV.

286.

JAMSHEDPUR.

Causes of indebtedness.		Total.	Percentage.
		Rs.	
A. Productive debt incurred by the worker on account of		16,025	12.3
(a)	Agriculture.. .. .	2,145	1.6
(b)	Industry	1,742	1.3
(c)	Building and repair of houses	5,716	4.4
(d)	Acquisition of property.. .. .	4,304	3.3
(e)	Acquisition of knowledge and skill.. .. .	1,806	1.4
(f)	Others	312	.2
B. Unproductive debt incurred by the worker on account of		94,137	72.1
I. Social ceremonies		38,874	29.8
(a)	Marriage and betrothal and allied ceremonies	32,016	24.5
(b)	Birth celebration	1,055	.8
(c)	Funerals	5,318	4.1
(d)	Other ceremonies like Upanayan, etc.	485	.4
II. Religious occasions.. .. .		2,647	2.0
(a)	Festivals and worship	1,804	1.4
(b)	Religious pilgrimage	40	..
(c)	Feasts, etc.	803	.6
III. Social difficulties.. .. .		14,387	11.0
(a)	Voluntary unemployment or strike	7,549	5.8
(b)	Involuntary unemployment or dismissal or discharge	3,697	2.8
(c)	Litigation	2,643	2.0
(d)	Others	498	.4

TABLE XLIV—concl'd.

Class of indebtedness.	Total.	Percentage.
	Rs.	
IV. Individual disability—		
Sickness such as accident, confinement and other bodily ailments	14,497	11.0
V. Deficit in consumable dividend	23,732	18.2
C. Ancestral debt for which the worker is not directly responsible	8,604	6.6
D. Insufficiently described or unspecified causes	11,819	9.1
Total	1,30,585	

72.1 per cent to the total debt is definitely unproductive of which expenditure on social ceremonies like marriages, births and funerals are alone responsible for 29.8 per cent.

TABLE XLV.

287.

COLLIERY AREAS.

Causes.	Amount of debt.			Percentage of the total indebtedness.
	Rs.	a.	p.	
Marriage	4,651	3	9	29.9
Business	1,405	2	0	9.4
Funerals	1,272	2	0	8.3
Agricultural	1,070	0	0	6.8
Sickness	913	0	0	5.8
Litigation	816	0	0	5.6
Ancestral debt	735	0	0	4.8
Unemployment	631	0	0	4.9
Home visits	206	0	0	1.4
Festivals	388	0	0	2.5
House-building and repairing	190	0	0	1.3
To purchase cows and buffaloes	124	0	0	.8
Payment of former debt	107	0	0	.7
For going on pilgrimage	40	0	0	} 5
Child birth	17	0	0	
Ornaments	12	0	0	
Unspecified	2,843	14	0	18.3

The position here is similar to that in Jamshedpur.

288. We have not given here the debt figures for the Dehri and Jamalpur centres, for they reveal the same features and tendencies.

Character of debt.

289. The largest proportion of the debt being for unproductive purposes it imposes on the majority of workers an unending burden of payment which depresses still further their unduly low standard of living and fills their mind with gloom. It would not be an exaggeration to call some of them the bonded slaves of their creditors who take away from the former all that they earn from week to week or month to month leaving hardly enough for their barest physical existence. We give below tables showing the sources of credit and the rate of interest charged for it.

TABLE XLVI.
JAMSHEDPUR.
Sources of credit.

	Percentage of indebtedness attributable.
Regular money-lender	39.46
Worker money-lender	3.27
Shopkeeper	8.23
Friends or relations	10.75
Workers' Co-operative Society	27.63
Provident Fund.. .. .	9.88
Other sources .. .. .	.78

TABLE XLVII.
RATE OF INTEREST CHARGED.

Rate of interest.	Percentage of debt in which interest charged.
Less than 10 per cent	26.67
1. 10 per cent but not 20 per cent	8.79
2. 20 per cent but not 30 per cent	4.72
3. 30 per cent but not 40 per cent	6.55
4. 40 per cent but not 50 per cent	2.79
5. 50 per cent but not 75 per cent	5.39
6. 75 per cent but not 100 per cent	11.88
7. 100 per cent but not 150 per cent.. .. .	4.56
8. Over 150 per cent	3.75

290. In Jamshedpur the professional money-lenders account for nearly 40 per cent of the credit and the Co-operative Societies for about 28 per cent. The Co-operative Society has an importance in Jamshedpur which it has no where else in the province. 60.35 per cent of the debt carries an interest below 20 per cent and not much above 12 per cent per annum. The balance of the 39.65 per cent has been contracted at rates varying from 20 to over 150 per cent.

TABLE XLVIII.

Sources of credit and rate of interest.

COLLIERY AREA.

Class of creditors.	Number of families borrowing.	Percentage of the family borrowing.	The usual rate of interest charged.
1. Shopkeepers	111	26.7	37½%
2. Village Mahajans	67	14.8	37½%
3. Local money-lenders	54	11.9	75%
4. Kabulis	69	12.8	150%
5. Co-workers	38	9.0	37½%
6. Chaprasis	36	8.0	75%
7. Sardars and contractors	32	7.8	37½%
8. Relatives	21	4.9	37½%
9. Local zamindars	11	2.6	37½%
10. Company	10	2.2	..
11. Colliery Babus	5	2.2	75%
12. Goldsmith	4	2.2	37½%
13. Co-operative Societies	2	2.2	12½%
14. Others	3	..	37½%

The shopkeepers are the most important source of credit in the Collieries while as already pointed out the professional money-lenders are the most important in Jamshedpur.

The usual rates of interest are between 37.5 and 75.1 in the Collieries. The position here is distinctly worse than in Jamshedpur.

The high rate of interest in the Colliery Area is due to the nature of security offered. Out of 453 families in debt 272 or about 60 per cent have borrowed on personal security alone.

291. We encountered about a hundred yards away from the Pay Office of a Colliery a violent-minded Kabuli being entreated by a ragged Bilaspuri miner to postpone his claims for a week, while his sorrowful wife stood timidly aside. The Bilaspuri had borrowed Rs. 24 for his marriage and had now to surrender Rs. 1-8-0 every week out of the joint earnings which seldom exceeded Rs. 2-4-0 a week. It is not known for how many weeks or months this payment will continue. It is little wonder that the workers usually lack ambition or even normal interest in living.

Debt Relief.

292. There can be no happier event for the indebted workers than deliverance from their debts. Rights of private property and the Law of Contract set the limit to the relief which can be given to them while their own improvident habits combined with low earnings afford us no assurance that the relief will be other than partial and temporary. We desire to give them the maximum possible relief and to promote or create conditions which will avoid the excesses of money-lending.

Debt Conciliation.

293. In several provinces Debt Conciliation Acts have been passed and in consequence of the large discretionary powers given to the Officers and the simplicity of procedure, substantial reductions in debts have been made without any shock to credit or sanctity of contract. These Acts have been confined in their operation to agriculturists. We propose that similar legislation applicable to industrial workers should be enacted in this province.

Debt Redemption.

294. We further recommend that the employers should consider the practicability of creating a Debt Redemption Fund from advances to be made by them at reasonable rates

of interest. Loans could be paid out of this fund to deserving employees of comparatively long service to free them from the excessive burden of existing indebtedness. In those concerns in which annual Profit Sharing Bonus is more or less regularly paid to the employees, assistance from the Debt Redemption Fund be limited to those who agree to pay into the Fund the whole amount received as bonus in excess of one month's pay.

Bihar Money-lenders' Act.

295. An Act to regulate money-lending has recently been passed in Bihar. It makes provision for the registration of money-lenders. A money-lender is debarred from instituting a suit for the recovery of loan advanced by him unless he has been registered. Registration compels him to maintain his accounts in proper order and to supply periodically to the debtors statement of his dues. The maximum rate of interest permitted by the Act is 9 per cent in respect of a secured loan and 12 per cent in the case of an unsecured one. Compound interest has been made illegal and the maximum interest which may be decreed by the court in respect of any loan is limited to the original amount of the loan. The court has been given the power to re-open certain transactions so as to give retrospective relief. We hope that the Act will put an end to the excesses of indigenous money-lending.

Undesirable Money-lenders.

296. As the only penalty for failure to comply with regulations about registration is the non-maintainability of suits for recovery of money, those money-lenders who depend on the *lathi* for the recovery of their money will hardly be affected. And it is precisely from this class of money-lenders that the workers require protection. The Royal Commission recommended that besetting an industrial establishment for the recovery of debts be made a criminal and cognizable offence and defined besetting as loitering within the precincts or near or within sight of any gate or outlet of the establishment. In our opinion, the recommendation does not go far enough. We should like to make demand or solicitation by the money-lenders or their agents in any public place for the recovery of money a similar offence. Deprived of the power of the *lathi* to realize their dues, they will be compelled to take recourse to the Civil Court for the purpose and therefore to conform to the regulations laid down by the Bihar Money-lenders' Act. The Kabuli is a friend ever ready in need but

a terror ever after. We want him to remain as a friend and to cease to be a terror. The Government should have power to take suitable penal action against an undesirable money-lender.

Clarification and Amendment.

297. The amended section 60 of the Civil Procedure Code which came into force on the 1st June 1937 forbids the attachment of "the wages of labourers and domestic servants whether payable in money or in kind and salary to the extent of the first Rs. 100 and one-half of the remainder". Courts have, however, interpreted "labourers to" mean manual workers only. This interpretation rested mainly on the assumption that the wages of such Labourers are in practice below Rs. 100. As this interpretation is likely to deprive certain classes of workers of the benefit of this amended provision of law, it is, in our opinion, necessary to make the position clear beyond doubt by a further amendment.

298. Section 55 of the Civil Procedure Code requires to be so amended as to offer protection to labourers and domestic servants as also other workers whose salary does not exceed Rs. 100 from arrest and detention in Civil Prison.

Co-operative Stores.

299. Mere negative action of the kind described above will not solve the problem. Efforts should be directed towards saving the workers from the *Banias* or shopkeepers who charge exorbitant prices by the establishment of Co-operative Stores wherever possible and from the money-lenders by provision of cheap credit on co-operative basis.

300. There are few workers who do not buy their provisions from the *Bania* on credit and there are few *Banias* who do not exploit them. The difference between the cash and credit prices is usually one to two annas per rupee and in the collieries as high as 25 per cent. Adulteration, we have no reason to doubt, is universal. Short weight is not rare and where current accounts are kept, full advantage is taken of the illiteracy and ignorance of the workers and fraudulent arbitrary debits are entered against them.

301. All these evils point to stores organized on co-operative principles as a remedy. All workers' representatives and some employers favour co-operative stores but the

latter make it clear that they themselves would not accept the responsibility of organizing or running them. The Tata Iron and Steel Company has promised help to any co-operative stores which may be established by its workers in the shape of a loan at low interest, a building on low rent and money to cover expenses of management for the first three years. The Indian Copper Corporation has established two stores—one at the Works and the other at the Mines. These stores purchase foodstuffs, dry goods and other oddments from whole-sellers and dealers in Calcutta. The selling price of these goods include only their cost plus a very small profit which is annually turned over to the welfare Fund of each respective camp. Owing to no credit being given to daily-paid employees and also to the fact that only the best quality goods free of adulteration are handled with consequent higher prices the custom is largely confined to European members of the staff. The employees of the F. F. Chrestien Company, Domchanch, have maintained a Co-operative Store for last eighteen years but here also the facilities are availed of by the better paid employees only.

302. The experience of some employers who made or encouraged the experiment in the Province is unfortunately very disappointing. The Tata Iron and Steel Company says that a Co-operative Store was in existence for several years but it had to be closed down for various reasons, "the strongest of which was the lack of well-trained men to manage the Store". The Tatanagar Iron Foundry reports the failure of a Co-operative Refreshment stall for which it supplied the funds due to "disputes as to the credit amount, and non-payment of dues".

303. The Registrar of Co-operative Societies suggested to us that Co-operative Stores may be established in those places where there is a settled labour population and workers have steady employment with regular earnings. He proceeded to lay down a number of conditions for success such as prudent management and supervision, honesty, fore-sight and economy in buying, limitation of credit, prompt realization of dues and legitimate trading without speculation. These are indeed necessary conditions but extremely difficult to secure in actual practice. And that is what makes us diffident about the success of co-operative stores. The workers are prone to award their custom to a shop which gives them credit without limit and is not too strict in demanding prompt payment and they would rather have inferior adulterated stuff

than pay a little more for the genuine product. We are inclined to agree with the observation of a former Registrar of Co-operative Societies, Khan Bahadur Mohiuddin Ahmed that "Stores for the supply of necessaries of life in urban areas are not likely to succeed in the province at present but that similar societies constituted in isolated places, where the ordinary means of distribution is not available may do well". These isolated places in which we are here interested are mining and quarrying areas where labour is migratory in character and employment and earnings are liable to widest fluctuations. Where conditions are favourable we have no objection to experiments being made and we trust the employers and the Co-operative Department will offer all possible encouragement. We are pleased to know that the Tata Iron and Steel Company is going to establish shortly a Co-operative Store in Jamshedpur. Its operation will be watched with keen interest specially by those who are in need of an example to guide them. The Store at Jamshedpur is not intended to oust entirely the private shopkeepers but would, we are told, act as a price and quality regulator.

Credit Purchases.

304. High Credit prices are, it is often said, justified by the risk when the workers have no assets to offer as security except their wages and even wages are precarious. We are unable to form any opinion of our own for want of sufficient data but we do not see how a problem of this kind can be tackled, for the provisions of the Money-Lenders' Act can hardly be applicable to credit dealers. We should have thought that weekly payment of wages would help to eliminate credit purchases, but in the coalfields it has failed to do so. As weekly payment is not desired by the workers and even sometimes opposed by them and as it is likely to provide more occasions for drink, we do not insist on it.

Food adulteration.

305. We are glad to notice an increasing public recognition of the dangers of food adulteration. The Director of Public Health pointed out to us the difficulty which arises from the fact that the law as it is now applied only to the dealers and not to the producers. Its extension to the latter would appear to be beset with extraordinary difficulties. The articles of general consumption which are subject to adulteration are ghee, butter, milk, oil and flour. These articles are produced in small quantities by innumerable people whom it is

impossible to supervise effectively. The law even in its present limited form may yield good results if it is applied with more vigour. The municipalities are not as keenly alive to their responsibilities in this matter as they should be and the Sanitary Inspectors betray the same apathy and are not always above corruption. There are some difficulties connected with the prosecution of offenders which should be removed.

Co-operative Credit.

306. There are a few Co-operative Credit Societies in industrial areas in this Province. There is one each at Katihar, Samastipur and Jamalpur for the employees of the Railway Workshops while in Jainshedpur there are as many as 26 Credit Societies. Credit Societies on Co-operative basis deserve to be tried on a larger scale and in more places. The Co-operative Societies for credit have not to contend against the same difficulties as the Co-operative Stores. Competition from rivals is not of the same magnitude nor effective supervision over transactions as difficult. If it is desired to make co-operative credit successful some departure from orthodox co-operative principles is required. It is necessary to give larger powers to an irremovable Executive Officer, both in regard to grant of loans and penal action for default. It is further necessary to work the society on the basis of limited liability. Rigid limitation on the amount of loan dependent on the earnings of the member or the value of his shares or both is equally necessary. As an additional security, the production of two sureties by any applicant for a loan from among the members may be insisted upon. The Payment of Wages Act permits contributions to the co-operative society to be deducted by the management from the wages. Power to do so should be delegated to the management. We do not see any reason why a co-operative society constituted and working in the manner which we have indicated should not, under normal conditions, be successful.

The Mahajan.

307. But there are a large number of people who are not a practical proposition for any bank. No bank would care to lend them on any terms. They must perforce go to the *Mahajan*. The *Mahajan* occupies a place in the credit economy of the country which no bank would ever take. However, many a *Mahajan* often conducts his business with a degree of unfairness and even brutality against which there

is the deepest and most widespread indignation. We have expressed the hope that the Money-Lenders' Act will oblige such *Mahajans* to put their business on a better basis.

Discouraging borrowing.

308. There is substance in the contention that cheap and easy credit is not an unmixed good. We found striking demonstration of its truth in Jamshedpur where the workers in spite of their relatively good earnings were most heavily in debt for they could borrow cheaply from the Loans Society or the Provident Fund. If it is assumed that the worker will borrow to the utmost of his capacity, the only effect of cheap credit is to free him to contract further debts from whatever source possible. Cheap credit, therefore, must go hand in hand with rigid control over borrowing. A senior officer with a large experience of district administration was even willing to make claims against the poorest debtors unenforceable in a court of law. His evident desire was to protect them against themselves as much as against their exploiters but we think that his suggestion will deprive the poorest of all credit of which they may stand in sore need. We are not ourselves able to suggest any new law or amendment of any existing law which will not lend itself to evasion and will check an unscrupulous lender or a thoughtless borrower. We regard the social reformers as pre-eminently fitted to attack an evil which is deep seated in the habits and customs of the people. Extravagant expenditure on marriage and *shradh* and other social or religious ceremonies can only yield to sustained educational propaganda. If progress in this direction has been too slow to enkindle hope, the need for a more vigorous drive in the future is the greater.

309. We feel that if the old debts are extinguished or scaled down to what the worker can pay within a definite period and new obligations are not incurred except on reasonable terms for legitimate needs, our proposals for a minimum wage and sickness relief together with conditions for security of service should go a long way in putting his affairs on financial equilibrium.

CHAPTER XV.

Workmen's Compensation.

Recommendations of the Royal Commission.

310. Since the Royal Commission reported in 1931, most of its recommendations in respect to the Workmen's Compensation Act have been carried into effect. Firstly, the Act has been extended to include all factories with power where at least 50 persons are employed and all mines except those in which not more than 50 persons are employed or no explosives are used or are not more than 20 feet deep. Secondly, scales of payment for all classes of injuries have been enhanced but not fully in accordance with the recommendations of the Royal Commission. Thirdly, the waiting period has been reduced from 10 days to 7 days. Fourthly, an obligation has been placed on the employers to report to the Commissioner any fatal accidents occurring on their premises and the power given to the Commissioner to require them to deposit the compensation if the liability is not disclaimed. Fifthly, liability for compensation for injury resulting in death regardless of the origin of the injury has been imposed. And lastly, the Commissioner has been made the authority for allowing advances for funeral expenses which are limited to Rs. 25. As a consequence of these amendments, the benefit and administration of the Act have been considerably improved.

Evasion of the Act.

311. While we are aware that there are employers who are giving to their employees the full benefit of the Act, our enquiries have painfully disclosed to us the fact that it is not enjoyed by the workers in many concerns. Many of the workers are not even aware of the existence of the Act and are content to accept as an act of compassion whatever may be offered to them by the employers. The Civil Surgeon of Singhbhum has given us the following figures. It may be noted, however, that it is not clear how many of these cases

were entitled to compensation under the Act, although it will not be far wrong to assume that there may have been evasion of the Act in many of them. In 1937 four persons received compensation from a Company, the hospital records of which showed 510 injury cases and 82 deaths from all causes. In another establishment 50 received compensation out of 8,771 injured cases and 65 deaths in the hospital, while 764 injuries and 14 deaths in one and 1,001 injuries and 29 deaths in another resulted in no compensation at all.

Need for publicity.

312. We think it essential that steps should be taken immediately by the Government in co-operation with the employers and the labour unions wherever they exist to acquaint the workers of their rights under the Act. A summary of the main provisions of the Act in Indian languages should be exhibited in a conspicuous place and each worker immediately on his being taken into employment should be given a copy of it. Complete success in this direction can never be achieved unless labour unions and labour leaders take upon themselves this duty seriously.

313. Our attention has been drawn to several cases in which failure to serve notice on the employer and to prefer claim before the Commissioner within the prescribed time has resulted in the loss of compensation. The power recently given to the Commissioner to condone the failure where it is due, in his opinion, to sufficient cause should have salutary effect. In a recent judgment, the Patna High Court held that ignorance of law cannot be regarded as a sufficient cause. This emphasizes further the need for a vigorous campaign of publicity.

Amendment of Procedure.

314. The widow and children or other dependents of a deceased worker may have many difficulties in claiming compensation specially when they live away from the place where the worker was employed. They may not have any knowledge of his death until a long time has elapsed and there are considerable difficulties in establishing a claim which the employer may choose to contest.

315. The Act requires the employer to report to the Commissioner all fatal accidents if they take place on his

premises and authorises the Commissioner to take action to secure compensation for the dependents. These provisions largely make up for the difficulties to which we have alluded.

316. At present there is no obligation on the employer to report to the Commissioner non-fatal injuries even when they give rise to claims for compensation. The Commissioner has, therefore, no means of knowing whether likely claims for compensation have been fairly dealt with and he has no power to take any action himself on the basis of any information which may have reached him. The result is that the injured workman has to depend entirely on his own resources for the enforcement of his rights. We do not wish to leave him wholly in that position and therefore propose that all accidents should be immediately reported to the Labour Commissioner followed at an early date by a statement showing the amount of compensation paid for each accident and where the liability is disclaimed a brief statement of reasons in support of it. The statement under section 16 will not serve the purpose which we have in mind, for it relates to the previous year in respect of which any claim for compensation becomes barred by section 10 (1) by the time the statement is received. On receipt of the statement above suggested the Labour Commissioner may make such enquiries as may be necessary, if he has any reasons to believe that compensation has been unjustly withheld or the amount of compensation paid is inadequate and take necessary action to secure the satisfaction of just claims.

Registration and Review.

317. Under section 22 (1) no claim for compensation can be made before the Compensation Commissioner until the parties have tried and failed to reach an agreement. In view of the unequal strength of the parties, it is, in our opinion, necessary that all agreements relating to compensation should be subject to registration and review by the Commissioner. At present registration of agreement is obligatory under section 28 (1) only where periodical payments have been commuted into a lump sum or where payments are due to a woman or a person under legal disability. Clause (d) of the same section authorises the Commissioner to refuse to register agreements which have been obtained by fraud or undue influence or other improper means and to revise the terms of the agreement in accordance with his judgment of what is equitable.

In our opinion, the protection which is limited to circumstances mentioned above should be made universal so that an effective check may operate on any injured workman being deprived of his dues.

Free legal service.

318. Mr. J. S. Hardman who had considerable experience of administering the Act as Commissioner for Jamshedpur reports that the large concerns pay compensation in genuine cases without any difficulty while the small ones often contest the claims, with the result that the workman who can ill-afford the cost of defending his claim is forced to forego it in disgust or exhaustion. We are informed that lawyers are willing enough to argue his case on a basis of a substantial part, usually one half, of the money obtained being given to them as reward. The Commissioner can remit the fees payable in respect of any proceedings before him in hard cases but this is of little or no assistance. Mr. Hardman suggests that the Commissioner should be empowered at his discretion to employ a pleader on behalf of the claimant and pay reasonable expenses for lawyers and witnesses at the employers' cost. We are reluctant to accept the suggestion which turns the balance against the employer and would prefer the suggestion of Mr. S. R. Zaman that the indigent worker should have the benefit of 'Poorman's Counsel'. In other words, we suggest that free legal advice at the cost of the State should be provided to the injured workman on the recommendation of the Labour Commissioner. The Compensation Commissioner may at his discretion direct the cost to be recovered from the employer in whole or in part.

319. We are not impressed with the objection that one of the parties to the dispute is favoured by the State through free legal service. Where free legal service is necessary to ensure justice, it is the duty of the State to provide it and the duty is well established in practice. It is usual in Western countries for the trade unions to relieve the injured workman of all action for prosecuting his claims. In Bihar as in other parts of India where trade unions are generally neither developed enough nor endowed with enough funds to undertake the responsibility, the workman must look after himself. Our proposal will bring the State to his aid. It will ensure that poverty which is an added justification for his claims does not itself become a barrier to the realisation of those claims.

Compulsory Insurance.

320. Mr. B. K. Gokhale, the then District Magistrate of Monghyr, brought to our notice the case of a worker whose claim to compensation could not be enforced on the employer who had gone bankrupt and had left no assets. In spite of the provision of section 14 (4) which accords priority to payments under the Act over all other liabilities, cases are likely or conceivable in which the worker cannot enforce his claims at least in full. This possibility leads us to propose that those employers who are likely to incur liability under the Act must be compelled to insure against that liability if the Labour Commissioner thinks that such insurance is necessary for the protection of the workers, having regard to the hazardous and financial or other conditions of the industry concerned. There are at least two important indirect benefits of compulsory insurance. It will, firstly, contribute to safety. The insurance company will induce its client to adopt safety devices which the present law might not consider necessary through a schedule of premiums adjusted to the risks on his premises. And secondly, there will be no disposition on the part of the insured employer to obstruct the claims of his workmen, for there is no loss to the concern. Already many concerns are insured against this liability.

An enhanced scale of compensation.

321. In the Tata Iron and Steel Company payment of compensation to injured workmen or to their dependents in case of death has, for some years, been made on the following liberal scale. "For temporary disablement nothing is payable under the Act for the first seven days of the disablement. After that period a proportion only of the usual wages of the injured employee is payable; but the Company has throughout followed a practice under which an employee who is temporarily disabled by reason of an accident in the Works is paid his full rate of wages for the whole period of his temporary disablement, that is to say, until he is passed as fit to go back to his work or is declared to have sustained a permanent loss in earning capacity. In the latter event, compensation according to the provisions of the Workmen's Compensation Act for permanent disablement is paid to the employee less the amount of compensation already paid for temporary disablement.

"The period during which an employee is laid off work on account of temporary disablement is for all practical purposes treated as duty."

322. We recommend that that scale should be adopted and necessary amendment made in the Act.

323. We further recommend that the employer should make every effort to retain the services of a workman disabled by injury on a job for which he may be suitable.

324. Mr. Saran thinks that compensation at the rate of full wages should be given for partial disablement only to those in receipt of wages not exceeding Rs. 20 a month. The amendment of the Act on the lines suggested by the other Members of the Committee will, in his opinion, vitally affect the whole structure of allowances and may lead to excessive malingering.

CHAPTER XVI.

WAGES (1)

325. We have discussed in an earlier chapter the earnings of workers including their wages in the four industrial centres of the province and we discuss in our chapter on the main industries of the province the earnings of the workers employed in them, these earnings being exclusively from the industries. In this chapter we confine ourselves to some general observations on wages.

Provisions of the Payment of Wages Act.

326. Since 1936, payment of wages is regulated by an Act. This Act applies to persons in receipt of wages not exceeding Rs. 200 a month. The Act provides that no wage period shall exceed one month; an establishment employing less than 1,000 persons must make payment within seven days and an establishment employing more than 1,000 persons within 10 days of the expiry of the wage period; a person whose services are terminated must be paid his dues within two days of the date of termination. These provisions effectively deal with the abuses which had been long prevalent of delaying payment either with a view to keeping a hold on the workers or from want of sufficient ready finances resulting often in great hardship to the workers. The Act insists on payment being made on a working day so that the worker is not deprived of the full benefit of the rest day under the Factories Act by having to attend the pay office. Payment must be made in the standard money of the country. Payment in kind had been found to lend itself to grave abuses. The worker might receive payment in a commodity of which he has no need and therefore could buy what he needed only by reselling it at great trouble and loss to himself. The commodity in which he is paid might itself be charged for at above the market rate. Payment in kind also has the effect of interfering with the free mobility of labour. For these reasons, this simple provision is of more than ordinary importance. The Act enumerates in detail the deductions from wages which can be legitimately made by the employer. These are fines; deductions for absence from duty; deductions for damage or loss; deductions for house accommodation and

such other services as the Local Government may authorise; deductions for recovery of advances; deductions for income-tax; deductions required by an order of the court; contributions to the provident fund; and payment due to an approved co-operative society.

327. As regards fines a number of restrictions have been prescribed. Firstly, no fine can be imposed except for offences which have been so declared by the Provincial Government. Secondly, before a person is fined he must be given an opportunity of explaining his case. Thirdly, the amount of the fine is limited to half anna in the rupee of the wages payable. These provisions are meant to restrict fining to legitimate occasions and to reasonable amounts. In order that the management may not try to gain by fines it is lastly provided that all fines realised shall be assigned to a separate fund and shall be spent only on objects which are beneficial to the persons employed in the establishment and have been approved by a competent authority which is, in this case, the Chief Inspector of Factories.

Extension of the Act to mines and quarries.

328. The Act is a good piece of legislation designed to protect the workers against some objectionable practices of less scrupulous employers. The Act is at present limited in application to factories as defined in the Factories Act and the Railways but the Provincial Government has been given the power under section 1(5) to extend it to any other industrial establishment in which are included the mines and quarries. Section 24, however, of the Act says that "the powers by this Act conferred upon the Provincial Government shall in relation to federal railways, mines and oilfields be powers of the Central Government". The effect of this section is to cancel the power vested in the Provincial Government by section 1(5) read in conjunction with section 2(II D). We are unable to judge for ourselves the correct position of the Provincial Government but would urge it to take any action that may be open to it to secure the extension of the Act to mines and quarries in the province where we have come across the most serious abuses in some cases.

329. Unfair deductions from wages are probably more common in mining areas than elsewhere. From wages are sometimes deducted contributions towards the *Goshala* or the *Kalipuja* and are not always spent on their professed objects. The office chaprasi or jamadar who lends to the workers has his

dues deducted at the source. Some of us were informed that shopkeepers who count among their patrons the *Bara Babus* of the office collect their dues from the wages bill. Complaints about delayed payments or even non-payments were too numerous to be dismissed as frivolous.

330. The objection of the Indian Mining Association to the application of the Act is, in the main, confined to the provision laying down the maximum limit of fines. The limit is considered too low to have disciplinary effect. The industry must have the right to impose adequate fines, for, it was argued, that failure to observe safety regulations might produce the most serious consequences. On the other hand, the Railway collieries which have voluntarily applied the Act to themselves admitted that they had no difficulty in maintaining discipline. This reflects more nearly our own opinion of what should be expected. The Indian Mining Federation and the Indian Colliery Owners' Association have expressed in a joint note their agreement with the application of the Payment of Wages Act to the coal mines but have made the reservation that the payment of wages on a working day should not be insisted upon in their case as it will interfere with attendance and work in the mines on that day. We are unable to suggest any departure from the Act in this matter as it must deprive the workers of at least a part of the rest day.

Written Contract and Wage Cards.

331. It is too early to point out the difficulties which have been felt in the administration of the Act. In the absence of a written contract between the parties, it must be difficult, we suppose, to calculate the wages to which a worker is entitled. We, therefore, propose that the Provincial Government should make rules under section 26(2) requiring contracts to be reduced to writing and requiring details of payment to be supplied to each worker. This will facilitate the checking of payments by the Inspector under the Payment of Wages Act and also put the worker (and his friend) in a position to know whether there has been any irregularity in the matter of payment. Sometimes it so happens that the worker who was promised verbally a wage-rate at the time of his engagement is confronted on the pay day with a situation which he had never anticipated. There is nothing to show what he has been promised and the result is not only much unpleasantness but also much unfairness. Further, it is not always safe to assume that the pay office clerks are either above corruption or mistake. We expect our suggestion to prevent abuses of this kind.

Evasions and Violations of the Act.

332. Our investigations have disclosed not so much any formal defects in the provisions of the Payment of Wages Act as evasions or violations of these provisions. We have been surprised to find even among some managers of large concerns utter ignorance about the Act. This is probably due to the fact that the Act has been in operation for a very short period. The Inspectors of Factories who are also Inspectors under this Act can easily remove this ignorance.

333. There are two provisions of the Act which are, in our opinion, not usually complied with. The first is in regard to the maintenance of a separate fines fund. Some concerns have stated in their replies to our questionnaire that the fines realised are credited to the capital account of the company. They are apparently unaware that it is an offence to do so. The second is about deduction from wages for late attendance or absence from duty. Section 9(2) says that "the amount of such deduction shall in no case bear to the wages payable to the employed persons in respect of the wage period for which the deduction is made a larger proportion than the period for which he was absent bears to the total period, within such wage period, during which by the terms of his employment he was required to work". It is common to deduct from wages for late attendance a sum more than in proportion to the time lost which is a contravention of this section.

334. The shellac workers in Kotalpokhar of the Santal Parganas are, we were informed in the course of our tours, paid in kind in defiance of section 6 of the Act. Some of the shellac manufacturers of the place are also grain merchants and therefore compel the workers to receive their wages in grains. Some of those who would not accept grains are given money as loan on which interest is charged. We believe that there is much discontent in Kotalpokhar on account of this vicious practice. The section 21(3) of the Act lays down that the court will not take any cognizance of the breach of the section 6 unless the complaint is made by or with the sanction of an Inspector under the Act. We suggest that an enquiry should be made by the Inspector into this allegation and proper action taken, if the allegation is found to be true.

335. Where contract labour is employed on a large scale which is the case in limestone quarries, coal mines and iron-ores, it has been noticed that some contractors attempt to

recover from their wages the expenses incurred in importing the workers. When these industries are brought within the scope of the Payment of Wages Act, in accordance with our recommendation, this practice will become unlawful under section 12(a). But if it is to be effectively rooted out, it is necessary that the inspecting staff should pay special attention to it.

Time-wages and Piece-wages.

336. There are two possible bases of wage payment. Wages may be paid either according to the time occupied in work which is called time-wages or according to the amount of output which is known as piece-wages. In a limited number of cases a combination of the two is in operation. Piece-wages are almost universal in mining and quarrying, the only exception being the mining of mica and copper ore. Piece-wages for *bhatta* work in the shellac industry is universal. So far as manufacture of mica is concerned, the cutting of mica and block-making are paid on the basis of time and splitting on the basis of weight. In jute and cotton mills weaving is usually on the piece basis and spinning on the time basis.

337. The loading and unloading work is largely on the piece basis. Time-wages prevail in sugar, metallurgical and engineering industries including the railway workshops, electricity, rice, flour and oil mills.

338. Piece-rate from its very nature is applicable to a job in which it is possible to separate and measure the individual contribution of the worker. Piece-rate offers direct incentive to increase production but equally the piece-rate is capable of being abused to sweat labour. We are in favour of retaining the incentive and we suggest that in appropriate cases piece-rates should be subject to revision by the wage-fixing machinery with a view to secure that they are adequate to afford to a worker of average efficiency the standard minimum wage proposed to be fixed by legislation.

Classification of workers.

339. Time-rate workers can be classified into those who are daily rated or weekly rated or monthly rated and further into those who are daily paid or weekly paid or monthly paid. By a daily rated or a monthly rated worker is meant a worker whose wages are calculated in terms of a day or a month. Similarly, a weekly paid or monthly paid worker means a

worker who is paid his wages at the end of a week or a month. A daily rated worker is paid only for the days on which he works. In the case of a monthly rated worker the rest days and holidays are included in his period of work. He would lose wages for being absent from duty from the working days only.

340. There is a demand on behalf of labour that daily rated workers should be converted into monthly rated workers in order that the former may enjoy all the benefits admitted to the latter. The monthly rated worker is paid for Sundays and other days on which he is not required to be on duty while the daily rated worker is not. The daily rated worker is either given no leave with pay or on a less liberal scale than the monthly rated workers.

Bases of conversion.

341. It is contended on behalf of the employers that these differences are taken into account in fixing the wages of the monthly rated and daily rated workers and that when occasions arise to convert workers from one class to the other, the monthly or daily rates of wages are so adjusted as to make allowance for these factors. We do not deny that this may have been so in respect of some undertakings but we are unable to accept the position that it is so in all concerns. In our opinion, therefore, a review of the basis upon which rates for daily rated workers have been fixed is called for by all undertakings with a view to necessary adjustments being made.

Wage-period.

342. The workers are usually paid at the end of a week or a month. Daily payment is confined to casual workers under small employers. Weekly payment is the rule in the collieries. In other industries the wages are, generally speaking, paid monthly. We should have thought that workers would prefer weekly payment as it would reduce purchases on credit but we are glad to find that they are, generally speaking, for monthly payment. Three or four employers who substituted weekly payment for monthly payment were forced to revert to the original system by pressure of strong feeling among the workers themselves. In a country in which most transactions are on a monthly basis, we can appreciate the preference of the worker for monthly payment. And inasmuch as monthly payment gives fewer occasions for indulgence in drink, we have further

reasons for favouring their choice. In a matter of this kind which raises no controversial issues but is a simple question of convenience of both the workers and the management, the practice should be guided by the feeling of the workers, any inconvenience to the management being of a trifling character.

Bonus.

343. Besides the wages, the workers receive other benefits in connection with sick leave, privilege leave, provident fund, housing, medical relief, education, etc. These have already been discussed. A form of benefit which forms a part of the wages is bonus. We consider briefly the question of bonus.

344. The purpose of bonus usually is to provide extra incentive to effort by creating a direct and visible relationship between the reward and the result. The departmental bonuses in operation in the Tata Iron and Steel Company, Limited, are of this kind. To take one example out of many, in the Merchant Mill a rougher receives a bonus of 1.73 pies per ton on his own shifts production. The more the production the greater are his bonus earnings. Similar in nature and in fact is the efficiency bonus of the same company according to which a workman earns an addition to his wage of one pie in the rupee for every 1.00 per cent (after the first 5 per cent) of time he saves on the estimated maximum time for each job. An instance of the bonus in which the relation between the reward and production is not so direct or visible as in the cases referred to is the general production bonus of the Tata Iron and Steel Company, Limited, which is payable when the total production of finished steel exceeds 30,000 tons in a month; or the production bonus of the Yellow Metal Foundry of the Moubhandar Works payable to all employees at the rate of one day's pay for every 100 tons of good yellow metal sheets produced by the Rolling Mill. Here the bonus earnings of the workmen depend on group production rather than personal production. It has the effect of interesting every worker in the efficiency of every other worker in the department or departments concerned. In the profit sharing bonus which obtains in the Tata Iron and Steel Company, Limited and the Indian Tinplate Company the relationship between production and the reward is even less direct and visible; it is meant to create a financial interest in the good fortunes of the business as a whole.

345. With a view to encouraging the workers to be regular in attendance which is a matter of great importance to the employers, good attendance bonus is paid by some companies.

In the Mosabani Works, all underground employees who are not absent for any reason whatever during the month qualify for the attendance bonus which amounts to Rs. 2 a month in the case of some classes of workers and a day's extra pay for the others. In the Tata Iron and Steel Company, attendance bonus is a little elastic. It is payable to all weekly paid employees and monthly employees whose wage proper is less than Rs. 15 per month at the rate of two days' additional pay, for every four weeks of duty provided that the employee has not been absent for more than one day during the period. This is reduced to one day's additional pay when the employee has been absent for two days. To induce better attendance on the part of the miners and loaders who are most prone to be irregular the Tata Iron and Steel Company, Limited, has stipulated that in its collieries worked departmentally a profit sharing bonus will be paid to them if they are present on duty, for 190 days in the year.

346. A bonus is sometimes given not so much to stimulate production as to supplement the earnings of the workers for a limited period. This is done as an alternative to the enhancement of the basic wage-rate which may be impossible to bring down when the contingency has passed. Of this nature is the war allowance which is being given by some concerns to make up for rise in the cost of living. Bonus is a legitimate and well-recognised method of calling forth the best of which a worker is capable but it ceases to be legitimate when an attempt is made to exploit the worker as, for instance, when a bonus is payable for production in excess of a standard output and as the worker is found to increase his efficiency, the standard output is raised to prevent him from getting the fullest benefit of his increased efficiency. We cannot but express our strong disapproval of this practice. We would also like to point out that the attendance bonus, if it is too rigid, may cause harm to the workers. In order to qualify for the attendance bonus he might go to his work even when it is imprudent for him to do so on grounds of health. We, therefore, desire that the conditions for the attendance bonus should be made a little elastic to save the worker from his own possible imprudence.

347. It has been suggested to us by some labour witnesses that the bonuses should be amalgamated with the basic wage-rates so as to form an integral part of the latter. We are unable to support this demand which will defeat the very object for which the bonus has been created. If the bonus forms a

part of the regular wages there is no longer any incentive to increase earnings by harder work.

General level of wages.

348. The problem of wages in the major industries of the province is discussed in the chapter on those industries. Here we desire to exhibit the whole position in a simplified form. The figures relate to the wages of the unskilled workers for the year 1938 and have been taken out from the replies to our questionnaire.

TABLE XLIX.

TABLE XLIX.

Statement showing the number of establishments and the wages of unskilled labour (men and women).

Industries.	Rs. 5 a month and below.	Over Rs. 5-6.	Over Rs. 6-7.	Over Rs. 7-8.	Over Rs. 8-9.	Over Rs. 9-10.	Over Rs. 10-11.	Over Rs. 11-12.	Over Rs. 12-13.	Over Rs. 13-14.	Over Rs. 14-15.	Over Rs. 15-16.	Over Rs. 16.
1	2	3	4	5	6	7	8	9	10	11	12	13	14
Cement and lime-stone, etc.... M.	..	...	...	1	...	1	1	1+1+1+1+1	1	...	1	...	...
W.	...	...	1	..	1	1+1+1+1	...	...	...	...	...	...	...
Mica ... M.	1	...	...	1+1	...	1	...	1	1	...	...	...	...
W.	1+1	1+1	...	...	...	...	...	...	...	...	...	...	...
Coal ... M.	...	...	...	...	1+1	1+1+1	...	1+1	1+1+1	1+1	...	...	...
W.	...	...	1+1+1+1+1	1	1	...	...	...	1	...	...	...	...
Rice, Dal, oil and flour ... M.	1	1+1	1	1	...	1	...	...	...	...	...	...	...
W.	1	...	1	...	...	...	...	...	...	...	...	...	...
Workshop ... M.	...	...	...	1	...	1+1	1	1	1+1	1+1+1+1	1+1+1	...	...
W.	...	...	...	...	...	1+1+1+1	...	1+1+1	...	...	...	...	...
Public institutions ... M.	...	...	1	1	...	1	...	...	...	...	...	...	...
W.	...	...	...	...	...	...	...	...	...	...	...	...	...
Tea ... M.	1	...	1	...	...	...	...	...	...	...	...	...	...
W.	1+1	...	...	...	...	...	...	...	...	...	...	...	...
Electricity ... M.	...	...	...	...	...	1	...	...	1	1	...	...	...
W.	...	...	...	...	...	...	1	...	...	...	...	...	...

Sugar	M.	...	1+1	...	1+1+1+1 +1+1	1+1	1+1+1+1	1	1	...	...	...	...	...
	W.	...	...	...	...	...	...	...	...	...	...	...	...	...
Metallurgical	M.	...	...	...	1	...	1	...	1	1	1+1+1	1	...	...
	W.	...	...	1	...	...	1+1+1	1	1+1	...	...	...	...	...
Miscellaneous	M.	...	...	...	...	...	...	...	...	...	...	...	...	...
	W.	...	...	...	...	...	...	...	...	...	...	...	...	...
Total	...	8	6	11	14	6	29	5	13	10	13	3	1	...

N.B.—(i) Daily wages have been converted into monthly wages by being multiplied by 26.

(ii) Some figures refer to May 1939, and some to January 1938.

349. It will appear that the modal rate of wages is between Rs. 9 and Rs. 10, 45 establishments paying below and 44 paying above the modal rate. It would have been far more useful to present the number and proportion of the unskilled workers in receipt of these wages in the various establishments but it is not possible to do so for a large number of establishments owing to the information being supplied to the Committee in a more general form.

Diversity of wage-rates.

350. Apart from the low general level of wages, there is a striking diversity of wage-rates for the same kind of work in the same industry and sometimes even in the same place. Free competition is supposed to produce a uniform wage-rate over the whole area in which it operates. Whether for want of competition or other reasons, such a position has not established itself. It seems to us unfair to a worker that he should receive less for his work than another for the same work. Looking at the problem from a different angle, it is also unfair that a considerate employer who pays more for the work should be under-sold by the one who pays less. If the workers are organised in strong labour unions and if there is co-operation between these unions, this state of affairs would not long continue.

Wages and cost of living.

351. We have been asked by labour unions to suggest the linking of wages with the cost of living. We have every sympathy with their desire to preserve the workers' standard of living against the capricious movements of the price level and we admit that being weak and unorganised the workers are unable to protect themselves. It is for this reason that we have suggested the fixation of a minimum living wage by the State. The minimum wage-rates which we have prescribed in the following chapter are framed on the basis of the cost of living immediately before the present war in so far as the cost of living has been taken into account. If there should take place in future any serious variation from the present position, the State should revise these rates in accordance with the degree of variation after an impartial and expert enquiry into the subject.

352. Therefore, while our proposal will assure the workers against the effects of any large movements of the price level, there would not be that automatic and strict adjustment of wages to the cost of living which we think it is the desire of the

labour unions to secure. Even in England the application of the principle is limited to only a few industries. The witnesses on behalf of the industry have emphatically drawn our attention to the difficulty which would be created for any industry when the rise in the cost of living synchronized with a fall in the price of the product of that industry. It was said that if, on the other hand, the period of rising cost of living coincided with a period of prosperity of the industry, the workers by their own strength could obtain higher wages and the employers themselves will be most willing to accommodate them. It appears to us that the fear which was uppermost in the minds of the employers was the difficulty of persuading or forcing the workers to accept lower wages when the cost of living had fallen. We feel unable to recommend as the basis of legislation a principle which will seriously curtail the ability of the industry to adjust itself to changing conditions of the market. We think that our proposal for a minimum living wage variable according to the large movements of the cost of living will secure to the workers the substance of their demand in as large a measure as is practicable.

Wages and the Family.

353. Similar in nature was the demand for the wages of the worker to be varied with the size of his family. This raises extremely complicated and controversial issues. The employers maintain that as employers they pay for the work done and they have no knowledge of or concern with the family of the workers. The workers on the other hand maintain that what they earn is shared by the family and therefore a wage that takes into account only their own personal needs ignores the elementary facts of the Indian family life. We see considerable force in the contention of the employers. To make them liable under all circumstances to pay for the support of the entire family of their workers is to put on the employers a burden which should more legitimately be borne by the State. We also see force in the point of view urged by the workers and we have endeavoured to meet that point of view by fixing a minimum living wage which is determined by the needs of the normal family of a worker rather than the needs of the individual workers.

Wages in a Protected Industry.

354. It is sometimes said that the industries which enjoy protection at the expense of the community have a special obligation towards their workers. In our view, all industries have an equal obligation to pay their workers fair wages and to look

after their welfare. . But the extent to which they can implement the obligation depends on their resources. There is no reason to suppose that protected industries are necessarily either more or less prosperous than others. If the quantum of protection which is given to an industry were calculated on the assumption of a certain wage being paid to the workers, there would be the strongest possible argument for enforcing at least that wage on the industry. In determining the extent of protection, we are of the opinion, that an adequate wage for the workers involved should invariably be taken into account.

CHAPTER XVII.

WAGES (2).

State and Wages.

355. Wages in India as in most other countries of the world are fixed by free contract between the worker who has his labour to offer and the employer who is in need of it. Classical economics maintains that the wages so determined are the right wages in the sense that the employer pays and the worker receives the equivalent of what the worker contributes to the industry. This proposition is based on two fundamental assumptions; firstly, (that there is between the two parties equality of strength and intelligence; and secondly, that there is free mobility on the part of labour and free competition for labour on the part of the employer.) In no country are these conditions adequately fulfilled, not even in a country like England. It has, therefore, been found necessary for the State to intervene on behalf of the workers to secure for them wages which they themselves could not hope to secure. The intervention is limited to that section of the workers which is in a position of extreme disadvantage in bargaining with the employers and takes the shape of legislation for a minimum living wage. In England, with the exception of coal industry, where conditions are altogether different, minimum wage legislation is confined to trades where wage-rates are "exceptionally low" or "where no adequate machinery exists for effective regulation of wages". Other countries which have similar legislation likewise restrict its scope to persons who are weak and exploited and unable to better their position unaided. The notable exceptions are Australia and New Zealand where authoritarian determination or regulation of wages affects directly or indirectly all trades and industries of the country.

356. Our investigations have established beyond doubt that the bulk of the workers have failed to secure from the industry wages which can afford an adequate living. What is true of the workers in Bihar is, we are inclined to think, true in a greater or lesser degree of the workers throughout India.

The position has continued too long and any improvement which has taken place in recent years has been too meagre to afford us any assurance that the workers will of their own effort succeed in breaking through it. They have submitted to that position with a resignation which we have seen enough to convince us is rapidly yielding place to sullen discontent. Neither in the interest of economic justice nor on a long view in the interest of social tranquillity should the existing position be allowed to continue. We would suggest for the workers of Bihar what has been found necessary for workers in many of the much more advanced countries of the world, a minimum wage legislation.

Demand for minimum wage legislation.

357. Minimum wage legislation is the most vital and also the most controversial of the questions which have come up before the Committee. From the side of the workers and the workers' unions, the demand for legal fixation of a minimum wage is universal and is supported with passionate advocacy. Among employers, on the other hand, there is a division or rather a diversity of opinion. A few employers including the Tata Iron and Steel Company are opposed to it in principle; some employers have no objection provided legislation is on an all-India basis; others are disposed to agree to it provided the minimum is not fixed too high; while those who support it have often different estimates of what that minimum should be. Almost all independent witnesses, however, have expressed themselves decisively in favour of legislation.

358. It has been a most difficult task for us to define our own attitude. As we are drawn from different spheres of life, our approach to the problem as well as our notions of what is practicable or desirable are not quite the same. But we have worked in an accommodating spirit and endeavoured to press our points of view only to the extent that they were helpful and constructive. As our discussions proceeded, we discovered that it was possible, on the one hand, to satisfy the reasonable claims of labour, and on the other, to allay the legitimate fears of industry. Accordingly after a most anxious and careful consideration of the many complicated issues involved in it, we have decided to advise the Bihar Government to take the lead in introducing minimum wage legislation.

Scope of legislation.

359. The conditions in Bihar, as in the rest of India generally, are without parallel in any of the countries which

have adopted minimum wage legislation. Here a rapidly growing population which cannot be absorbed in agriculture, is driven to seek employment in industries and is forced by competition to accept "exceptionally low" wages. And the vast majority of workers have no organisation of any kind at all. Therefore "no adequate machinery exists for effective regulation of wages". These circumstances render necessary the application of legislation on a much wider scale.

Principles of minimum wage legislation.

360. The principle on which the minimum wage should be determined is itself a difficult question. There are two alternative and sometimes conflicting principles, namely the cost-of-living principle, and the capacity-to-pay principle. The former is guided by the normal needs of the workers and the latter by the economic conditions of the industry. In practice, all minimum wage legislation represents an effort, not always candidly acknowledged, to harmonize both. Legislation that takes no account of the normal needs of the workers is hardly worth while and legislation can disregard the economic conditions of the industry only on the pain of disaster.

361. Referring to the problems and results of wage-fixing in Australia the *International Survey* writes:—

"There is no doubt that, though special prominence was given to the criterion of needs and the basic rates of wages fixed by the Commonwealth and State Tribunals were regularly adjusted to changes in the cost of living, great importance was in fact attached to consideration of capacity-to-pay."

Sir Hector Hetherington described the methods followed by Trade Boards in England as follows:—

"There are broadly two considerations, which, subject to an estimate of the economic position and prospects of the trade, enter into the determination of wage-rates. The basic consideration is the necessity of securing that every normal worker employed in the trade shall be paid a rate which, in a period of full employment, will yield a wage which avoids the reproach of 'sweating', in other words, a wage on which at least maintenance is possible. There are, therefore, minimum rates below which the wage ought not to be allowed to

fall. The second point is that workers should be paid at rates more or less equivalent to the rates offered to workers in comparable occupations. But both these considerations operate within the general framework of the Board's estimate of the rate which market conditions of the trade permits it to pay. "

362. " There is little dispute about the relevance of these criteria; but there may be a good deal of discussion as to the relative weight of the first and third. The decision has to be taken in the light of the best judgment which can be framed as to their relative importance. "

363. In making our recommendations, we have paid due regard to both the principles of ' needs ' and the principle of ' capacity ' .

Cost-of-living Principle.

364. We have adopted as our definition of needs " the normal needs of an average employee regarded as a human being living in a civilized community ". An average employee is a person who lives not in isolation and for himself but with a family and a living wage for him must be sufficient to maintain him and his family. Some employers object to this conception of a living wage on the ground that they pay the worker for his work and as employers, they are not interested in his family. We regard the view as short-sighted and cannot ignore the fact that what a worker is paid is shared with his family. Therefore unless the wage is sufficient for his family, it cannot be sufficient for him. We take the family to consist of a man, wife and three children.

365. What are the " normal needs of an average employee "? There is room for the most varying estimates. The figures suggested by witnesses range from Rs. 10 to Rs. 30 a month. Mr. K. M. Ghoghari, Manager of the Gaya Cotton and Jute Mills, considers Rs. 10 a month sufficient at least for Gaya; Mr. R. Ghosh, Superintendent of the Government Printing Press, favours Rs. 12 a month for Patna excluding free services like housing and medical aid; Mr. Mukutdhari Singh, Secretary, Chota Nagpur Mazdur Sangh, thinks that less than Rs. 30 a month cannot yield decent living and the Tata Workers' Union demands Rs. 30 a month as minimum wages for unskilled coolies of the Tata Iron and Steel Company. Dr. Balraj Seth who conducted an investigation

into family budgets of the labourers in the coal-fields comes to the conclusion that Rs. 15 a month is a minimum living wage for them while Mr. Harinandan Prasad who conducted or supervised similar investigations in Jamshedpur, Jamalpur and Dehri, states in his memorandum that a minimum monthly salary of Rs. 20 for Jamshedpur, and Rs. 16 for Jamalpur and Dehri centres or its equivalent daily rate should be assured to each worker.

366. These differences arise from personal opinions about the degree of comfort to which the worker has a legitimate claim. Opinions must differ about sometimes of expenditure to be included in calculations of a living wage and also whether expenditure on any item is no more than is absolutely necessary. We have arrived at our figure on a most careful scrutiny of every item of expenditure and have allowed no expenditure unless we were satisfied that it was necessary for the health of the worker or was the minimum expenditure imposed by convention or social custom. Necessarily the cost of living will differ from place to place and even the standard of expenditure of the workers differs according to caste, community, religion, occupation and geography. It is neither practicable nor necessary to take into account all variations unless they are substantial in character.

Capacity-to-Pay Principle.

367. It has been a task of extreme difficulty to determine with any approach to accuracy the capacity of the industry to pay. It is evident that the capacity to pay will vary from industry to industry and in fact also within an industry itself. While judging the capacity of an industry to pay, we have been guided not only by the state of the development of the industry but also by the fact, firstly, of the extent to which it is liable to competition from other parts of India and the world, and secondly, the extent to which the industry has shown itself capable in the past and is expected to be able in the present to shift at least a part of the burden to the consumers.

368. We have indicated in the broadest terms the considerations both in regard to the 'needs' of the workers and the 'capacity-to-pay' of the industry which have led us to recommend the scale of wages shown below. It is not possible to exhibit here complicated statistical details or to

assign precise weights to many and often conflicting considerations on which our conclusions are based. The scale which we recommend is as follows:—

Scale of minimum wages.

SCALE OF MINIMUM WAGES.

	Rs.
(1) For Jamshedpur	18 a month.
(2) For Collieries:—	
<p>For miners and loaders the minimum wage should be secured by fixing a tub rate which will enable a miner and loader of average efficiency working under average mining conditions, and full number of days and hours allowed by law to earn Rs. 20 and Rs. 15 per month respectively or Rs. 35 jointly between the two. For other workers in collieries Rs. 13 a month.</p>	
(3) For Limestone and Iron Ore Quarries.	13 a month or equivalent piece - work rate.
(4) For metallurgical, engineering, railway workshops (outside Jamshedpur), paper, tobacco and Cement Industries.	15 a month.
(5) For Sugar	12 a month.

369. We have no data with regard to the other industries of the province to justify us in recommending minimum wages for them. We think that the condition of workers in mica mines requires immediate improvement both as regards wages and other amenities. We, therefore, suggest that prompt enquiry should be held and suitable minimum fixed for them also. We desire that, for the present, legislation should be confined to the industries referred to above. If the legislation is found to work satisfactorily, its scope should be extended to

include other industries after an expert investigation has been made into their economic position. Among these may be mentioned mica manufacture, shellac, *bidi*-making, rice, *dal*, flour and oilmills. These employ a considerable number of workers in the aggregate.

370. The above scale applies to an adult male worker. It is also necessary to prescribe a minimum wage for women and children. If the wages of the latter are left unregulated the law of substitution may come into operation and adult male workers may be replaced within limits by women or children. These limits rise from custom, suitability of the sex and age of the worker for a particular work and law which does not permit the employment of women and children except within broadly 6 A.M. and 7 P.M. (We suggest that the wages of an adult female worker should be 25 per cent below that of an adult male worker in the same industry and place. We believe that the difference in wages is in proportion to the difference in their normal efficiency. If the minimum wage for a woman is either much below or above the proportion which we have suggested there will be tendency for the male worker to be replaced by a female worker and *vice versa*. The minimum wage for a child should be 40 per cent below that of an adult male worker. We have arrived at this on the basis of the same criterion.

Possible adverse effects on Some Industries.

371. We desire to add here a few words regarding some industries which may be affected by our proposal for fixing minimum wages.

Such data as we have collected show that to some of the smaller factories of Jamshedpur the burden may prove very heavy. We have no doubt that the Government will give consideration to their difficulties. Similarly, some of the smaller collieries may be hit by reason of their lower grade of coal and competition from in and out of the province. We would like that the Government of Bihar should make an endeavour to persuade Governments of the other provinces particularly Bengal, Central Provinces and the Indian States concerned to fall in line with legislation here. We would further suggest that the difficulties of the smaller collieries as well as of other collieries producing inferior grade of coal should be sympathetically considered by the Government and exemption, where necessary, should be given on an adequate scale.

Minimum Wage and Time-work.

372. As our legislation is applicable to workers in factories or mines, the maximum hours that any person may be required to work to earn his minimum cannot exceed those permitted by law. (The minimum wage is, we want to make clear, assured only in and for a period of full employment.) It means that if a worker does not, for any cause whatsoever, work on all days and for the full hours which he is required to do, the wage which he can lawfully claim will be proportionally smaller. In jobs of irregular employment such as loading and unloading of waggons where employment is not necessarily available to a worker every day even for causes beyond his control, the worker will be entitled to claim wages only for the days he has actually worked.

Minimum Wage and Piece-work.

373. Where the wages are on a piece basis, the piece-rate should be such that a worker of average efficiency can within the hours and number of days permitted by law earn the minimum wage of the class to which he belongs. If, in the opinion of the Labour Commissioner, the piece-rate is below what should be the statutory rate or a representation to that effect is made by at least 25 per cent of the workers affected by it, he will move the Government to appoint a committee to decide the rate in dispute if no agreement can be reached. The committee will consist of equal number of representatives of the management and the workers and independent person or persons nominated by the Government whose number shall not exceed one-half of the committee and of whom one shall be the Chairman.

Period of Adjustment.

374. (We are aware that the enhancement of wages from their present level to the statutory minimum is attended with difficulties, specially in those industries in which wages form a substantial part of the cost of production.) Where an employer has been paying say Rs. 12 a month, a wage of Rs. 15 per month may involve a process of adjustment which he cannot be expected to accomplish at once. We, therefore, deem it essential to allow each employer a period of three years within which the statutory limit must be attained and to provide that in any year the rise in wages shall not be less than in proportion to the total rise. For example, a wage-rate of Rs. 12 may be raised to Rs. 15 in three years by an annual increment of Re. 1.

Exemptions.

375. There may arise, we anticipate, circumstances prejudicial to the carrying out of the statutory programme by the employers. On an application by an employer and on being satisfied that the position of the concern is threatened, the Government shall cause an enquiry to be held into the circumstances of the concern. The results of the enquiry will provide a basis for orders to be framed exempting the concern in part or in whole from its statutory obligation for a specified period subject to such measures of control and reorganisation as may be deemed necessary.

Apprehensions of the Industries.

376. Almost all the employers who have replied to our questionnaire or have given evidence before us have insisted on our avoiding any action which might prejudice the industries of Bihar in competition with the industries of the other provinces, the Indian States and the foreign countries. The Indian Mining Federation, the Indian Colliery Owners' Association and the Indian Mining Association showed anxiety about the coal industry of Bihar if any further burden was placed on it and more particularly when the coal industry of Bengal and the Central Provinces or the Indian States was not subjected to a corresponding burden. The Indian Sugar Mills Association related to us how burden after burden has been heaped on the sugar industry, firstly, in the shape of a minimum price for cane, then an excise duty and lastly, a cess. It drew our attention to the fact how these have led rival factories to be set up in Bengal, Madras, Bombay and some Indian States. The mica industry of Bihar which has enjoyed a virtual monopoly for many years has now several competitors in foreign markets and one, in fact within the country itself. The prosperity of the Tata Iron and Steel Company is challenged from Bengal across the borders. The Monghyr Tobacco Manufacturing Company expressed apprehension that burdensome legislation together with labour troubles will lead production in Bihar to be more and more restricted and concentrated in their factories in Saharanpur, Kidderpore or Bangalore while the Indian Copper Corporation took the most gloomy view of its future. The danger to which these and other witnesses have alluded, has always been present in our minds and has prevented us from going as far as we had wished or the conditions of workers justified.

377. It has seemed to many of us that the fears which the businessmen generally entertain about minimum wage legislation are exaggerated and while they stress the resulting increase of their costs they are apt to forget or to underestimate its effect on the efficiency and contentment of the workers and the indirect gain to industry therefrom. We confess that there is an element of risk in the legislation but we have incorporated in our proposals adequate safeguards which should dissipate all apprehensions.

Process of Adjustment.

378. The industries of the province may try to adjust themselves to the burden of minimum wage legislation in one or more of the following ways. Firstly, (by passing on a part or the whole of the burden to the consumers; secondly, by introducing labour-saving devices; thirdly, by intensification of labour; fourthly, by selecting a better type of workmen; and fifthly and lastly, by accepting smaller profits for the limited transitional period) How far the burden can be shifted to the consumers is a most difficult question to decide. It will depend upon a large number of factors, the most important of which are the degree to which the producers can regulate production and sale and the possibility of the consumers being able to transfer their patronage to a rival or substituted commodity. The extent to which labour-saving devices can be adopted to escape a part of the burden must be extremely limited. Intensification of labour may be, we fear, adopted on a large scale. The only effective way of meeting the threat is for the labour union to be vigilant and strong. The industry will make every endeavour in future to select a better type of worker who will justify the minimum wage which law makes compulsory. There can be no objection to this, provided no attempt is made to get rid of the present workers. We have already provided against the contingency of unjustified discharges. Lastly, the industry may have to be content for a time with smaller profits than are considered normal or legitimate. We do not think that the profit-earning capacity of the industry is going to be affected permanently. Experience of every country in the world justifies this optimism. In spite of growing multiplicity of legislation which imposes heavier and heavier burden on the industry, the fortunes of the industry in the long run have been little affected.

379. The process of adjustment for any industry will vary in detail. It may take longer time in some than in others.

The industry will need all the foresight, co-operation and goodwill of which it is capable in the difficult period of transition. At the end of it, both the workers and the industry will be stronger and more prosperous than they are now. Imbued with this conviction, we have taken upon ourselves the grave responsibility of recommending as the basis of legislation a principle which is, as far as this country is concerned, new and untried. Gradualness and caution are the key-notes of our recommendation.

Machinery for fixing wages.

380. Legislation for fixing wages is in some countries merely concerned with creating a machinery to which this duty is entrusted while in other countries legislation itself fixes the level of wages. We have decided to adopt the example of the latter countries. So far as the time wages are concerned, there is nothing more to be done under our proposals; but as regards piece-wages there must be a machinery to see that the rates for piece-work are such as to yield the minimum wage. This work requires intimate and expert knowledge of the detailed processes of the industry. Consequently, we have suggested in the preceding chapter that the Labour Commissioner should try to satisfy himself that the piece-rates in force are adequate to yield the minimum wage. If he fails to settle the piece-rate in consultation with the parties concerned he will refer the matter to the Government who will appoint a committee consisting of the representatives of management and the workers and impartial persons to decide the rate in dispute. The decision of this committee will be final.

381. We have also suggested that exemption or relief should be granted by the Provincial Government to industries which are unable to pay the statutory wage. The local Government will require expert advice before it comes to any decision in the matter. It is also necessary that such an investigation into the affairs of an establishment which demands exemption should be conducted by an independent and impartial body. Further there are industries which are at present outside the scope of legislation but it may be found necessary in due course to bring them within it. The local Government will again need advice on that subject from an expert body.

382. The constitution of the machinery concerned with the duties mentioned in the last two paragraphs must be guided by a few elementary principles. Firstly, there must be representatives of the management and the workers so that the points

of view of each side have an opportunity of being fully expressed and examined. Secondly, the representation of the two sides must be equal. This is not only fair in principle but is also a well-recognised and well-established practice. Thirdly, there must be an impartial element which should supply the Chairman. The impartial element should be large enough to make its contribution to the solution but should not be in a position to over-ride the opinion of the interests concerned. Its function is to hold the scales even between the contending parties. The Trade Boards in England are constituted on the principles to which we have alluded. We suggest that their constitution should provide the model for the minimum-wage-fixing machinery in this province. The Trade Boards usually consist of representatives in equal number of employers and workers in the trade together with a few impartial persons one of whom presides, the number of impartial members being less than one-half of the total number of representative members.

383. Professor Abdul Bari is of opinion that while this Committee has suggested the fixation of a minimum wage for the unskilled workers, the wages of semi-skilled and skilled workers are left without any sort of regulation. The supply of semi-skilled and skilled labour also being in excess of the demand, a situation is rapidly developing in which their wages may be pushed down below what may be deemed reasonable for them. He, therefore, thinks that some protection in their case may also become necessary. If the Government is satisfied that any class of semi-skilled and skilled workers is being paid wages which are not adequate or reasonable it will cause an investigation to be made into the whole position as a prelude to action when necessary. Other members of the Committee do not agree with him in this matter.

CHAPTER XVIII.

COAL.

Importance of the Industry.

384. Both from the point of view of the number of persons directly employed and the output, coal is by far the most important industry of the province. In 1937, the number employed was 103,195 and the output 13,836,717 tons. Even on an all-India view, the importance of the industry is impressive, the proportion of labour and production being about 53 per cent in each case. It is not possible to give an accurate idea of the capital invested in this industry. Some idea, however, can be obtained from the fact that there were in India in 1937, 203 Joint Stock Companies in this industry with an aggregate paid up capital of Rs. 9,94 lakhs, of which 183 companies were operating in Bengal and Bihar, the output of Bihar being a little more than twice that of Bengal. The figure does not include the capital employed by private individuals and syndicates of which no statistics are available.

Recruitment.

385. The industry has many complex problems which are peculiar to itself. Of these, the most important is connected with the recruitment of labour. The collieries are situated in areas which were sparsely populated and therefore, almost the entire labour supply had to be imported. About 80 per cent of this labour has been obtained from within the districts of the province of which the more important are Hazaribagh, Manbhum, Gaya and Monghyr. The rest has been drawn from other parts of India of which the main contributories are the districts of Rajpur, Bilaspur and Drug in the Central Provinces, the districts of Allahabad, Partabgarh, Mirzapur, Rai Bareilly, Jaunpur, Lucknow, Unao, Cawnpore and Gorakhpur in the United Provinces, Ganjam in Orissa, Burdwan, Bankura and Noakhali in Bengal, Lahore and Amritsar in the Punjab and Rewa in Central India. Of this heterogenous colliery population, the most considerable section is steeped in ignorance and superstition. They are never happier than when among their own people in their native surroundings. Economic pressure has driven them out of their

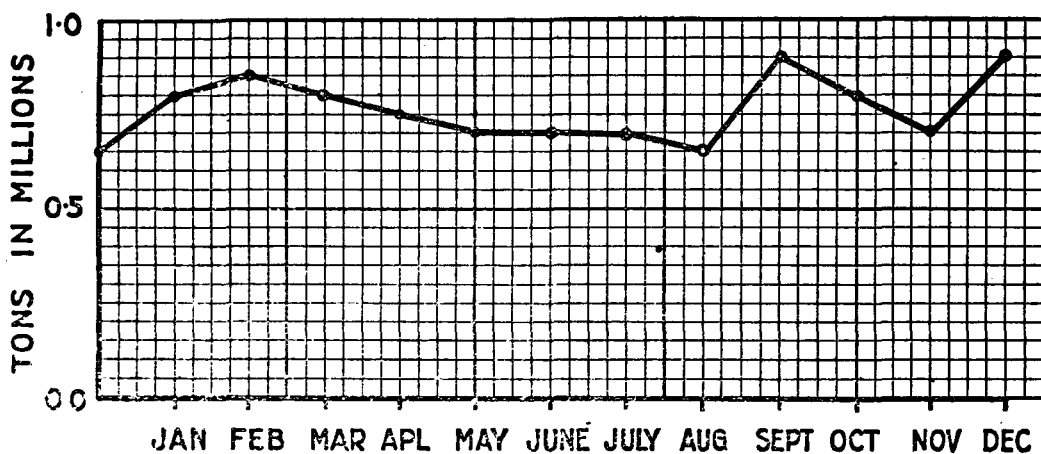
homes and an opportunity of earning at home in the harvesting season bring them back flocking. The seasonal migration of labour is reflected in the monthly raisings of coal of which we reproduce the graph from the report of the Chief Inspector of Mines for 1937 in so far as it relates to the Jharia coalfields.

(Kindly refer to graph facing page 186.)

386. The migratory character of labour retards the growth of efficiency while it involves the industry in considerable expenditure every year on recruitment. It would appear, on a review of the past situation, that an increasing proportion of labour is tending to settle down permanently in the collieries. The progress achieved in that direction till 1930 cannot be considered unsatisfactory. A number of factors contributed to the progress of which the improvement in wages as well as the working and living conditions of the miners must have a large share. In 1930, there set in a severe depression in coal trade which forced down the earning of the miners to terribly low figures. And the exclusion of women from underground work which began to take effect from 1933 and was completed in 1938 still further reduced the family earnings. It was no longer possible for many miners to keep their families with them. There was a set-back to the tendency of building up in the coalfields a permanent settled labour force. But there is no reason to think that the set-back is other than temporary. Economic improvement must restore into normal action the tendency which has been observed to be long at work.

387. A method of settling labour on the part of those who were in a position to do so was to assign small holdings for cultivation as a condition of service in the mines. While its advantage both to the management and the miners is obvious, it is liable to abuse. Miners may be forced to accept or put up

GRAPH SHOWING THE RAISINGS OF COAL MONTH BY MONTH IN 1937 IN THE JHARIA COAL FIELD.



(Kindly refer to page 186, paragraph 385.)

intimate touch with the miners which they have succeeded in establishing, are able to exercise on the latter a degree of influence which the colliery proprietor cannot do. The management contend that the *sirdars* are very considerate to their miners and the miners in their turn are extremely attached to them, as the economic interest binds them together. On the contrary, we have received many complaints and a few of those complaints have been found on investigation to be true that the *sirdars* unscrupulously exploit the miners under their control in diverse ways. Under the present conditions, the *sirdars*, it may be, are for some time and in some collieries indispensable, but we would advise these collieries to try to find out how and when these *sirdars* can be replaced by the paid officers entrusted with the same duty. As we have already recommended in our chapter on Contract Labour, the miner's *sirdars*, where they are employed, should be licensed by the State and those guilty of unfair dealings to the workers should have their license suspended or cancelled. To place the whole question of recruitment on a sound basis, we have recommended earlier the creation of a Labour Exchange in

Jharia under State Control as an experimental measure. If it should be found to work well and satisfy both the management and the labour, it may be extended to other areas where the conditions of recruitment justify it.

Raising Contractors.

389. Arising from the difficulty of securing sufficient supplies of labour and for other reasons there has grown up a system of employing contractors known as raising contractors who undertake to cut and load the coal in a tub or a waggon at an agreed rate. These are people who were originally supposed for reason of their position as local landlords to have control over supplies of labour. To-day, not many of them are landlords at all and their influence over labour is no greater than what the colliery itself can hope to achieve by legitimate business methods. The colliery supplies the necessary machinery and administrative supervision, the duty of the raising contractors being confined to the cutting and loading of coal for which they are paid a definite rate. This division of responsibility, we have been told by some witnesses on behalf of the miners, leads to the practice of unsatisfactory mining methods with a consequent high rate of mining accidents. On the contrary, it has been pointed out to us by the management that, freed from the duty of looking after the complicated details relating to the extraction of coal, the managers are able to give much more time and attention to the observance of safety regulations of which there are a great number. The Royal Commission on Labour has stated the difficulties of divided responsibilities in the following terms:—

“ Both in law and in fact the manager is responsible for the safety of the workmen : he determines where coal shall be worked and his decisions have the closest effect on the security of the miner. But even the safety men are not the manager's subordinates, being selected and paid by the contractor. The law also holds the manager responsible for compliance with its provisions in respect of hours of work, holidays, the employment of women, etc. As a rule he has also responsibility for housing and other matters (e.g., water-supply) affecting the welfare of the worker outside the mine. Yet he has ordinarily no responsibility for the selection of the workers, the distribution of their work, the payment of their wages or even the numbers employed.”

390. Therefore, it is hardly surprising that the workers generally show a decided preference for the departmental or *sarkari* management. Our own observations and enquiries

have convinced us that the workers under the *sarkari* system are better paid and better looked after than those under the contractors. Competition for contract has in some cases in recent years led to lower and lower rates being accepted by the contractors: and this has reacted unfavourably on the wages and welfare services provided to the workers, so much so that some managements have had to introduce a clause in their contracts to safeguard the wages paid to the labourers. The difference between the conditions under the *sarkari* and the contractors can only continue at the cost of serious discontent and constant friction.

391. A common argument for the continuance of the contract system is the difficulty of otherwise obtaining the required number of workers. The Indian Mining Association, the managers of the Railway collieries in Giridih and Bokaro, and the Superintendent of the collieries belonging to the Tata Iron and Steel Company have all stressed this difficulty in their evidence before us. Yet curiously enough, they have themselves demonstrated how the difficulty can be surmounted. 75 per cent of the total production of coal for which the members of the Indian Mining Association are responsible is raised by *sarkari* and only 25 per cent under contract: the Serampur colliery of the East Indian Railway is operated on the *sarkari* basis; and of the four collieries of the Tata Iron and Steel Company, those at Jamadoba and Digwadih are, for the most part, under the *sarkari* while those at Malkera and Choitodih are, for the most part, under contract. The experience gained by them should help them to carry the process further towards the complete elimination of contract and for others, their example should be a guide.

Mr. Hayman desires it to be recorded that his experience which extends over some years has convinced him that there are many distinct advantages in the employment of raising contractors at collieries and mines. He agrees with his colleagues that the comparative advantages and disadvantages of the departmental and contract systems can well be appraised in the collieries of the Tata Iron and Steel Company, Limited, where both systems are and have been in force for some years and that others will be well advised to be guided by their experience.

392. The Secretary of the Indian Colliery Labour Union informed us at Dhanbad that some Managing Agents had under contemplation a policy of reverting to the contract system

on account of continued labour unrest in the coalfields. If true, it represents a move in the wrong direction and cannot but aggravate the very trouble from which it is supposed to provide a means of escape. Eight years ago, the Royal Commission recommended that the contract system should be gradually abolished. We regret to find that the progress has been deplorably slow and more that there should be any desire to retrace the steps. We regret the more the failure of the collieries owned by the State Railways to make an endeavour to carry out the recommendation. It may be that the serious depression which overtook the coal trade made the collieries reluctant to depart from the old-established methods. If that is so, the relatively good conditions which now prevail and have prevailed for some time should give a fillip to the necessary effort. We would prefer to see the system of raising contractors abolished as soon as possible. But in case it is found impracticable to abolish it, the conditions governing contract labour enumerated in Chapter V should be enforced. These will secure to workers under the raising contractors the wages on the same level as those for *sarkari* workers of the same category. Indeed, we are inclined to believe that these will make *sarkari* the preferable alternative even for the collieries and therefore lead to its more general adoption.

Jharia Mines Board of Health.

393. The development of the coal industry and the consequent rapid growth of population in the coalfields has raised many problems of health and sanitation to deal with which the Bihar and Orissa Mining Settlement Act was passed in 1920. In accordance with its provisions, the Jharia Mines Board of Health was established in 1922. The Board consists of 11 members of which four are representatives of mine-owners, one represents the royalty-receivers, two are nominated non-officials, one of whom is a lady interested in welfare work and the other a labour contractor, while four are officials nominated by the local Government of which one is the Chief Inspector of Mines and the other the Additional Deputy Commissioner of Dhanbad who is also the Chairman of the Board. The nominated elements form a majority on the Board; and while the mining interests are fully represented, the interests of labour are supposed to be represented by a nominated non-official. We consider it highly unsatisfactory that the vital interests of nearly 50,000 workers should be represented by a single individual and even that one not of their own choice. It might

have been thought that workers were too ignorant and unorganised to make proper use of the franchise. That may have been so, but it is highly anomalous that while they can be trusted to elect their representatives for the Legislative Assembly their fitness for the exercise of the same right in relation to the Jharia Mines Board of Health should continue to be in doubt. We suggest that the registered trade unions of the colliery workers in the area with substantial certified membership should be given the right to elect the labour members of the Board. The representative character of some of the existing unions has already been recognised by the Secretaries of their executives being invited to serve on the Coal Mining Board. As regards the number of labour members, we have been asked to apply the principle of equality of representation. This is, in our opinion, a fair demand. The principle is applied to the constitution of all Boards or Committees such as Conciliation or Arbitration Boards or Trade Boards which are charged to draw a fair balance between the conflicting claims of labour and capital. In ultimate analysis, the function of the Mines Board of Health is not dissimilar in character. In the absence of a strong neutral element on the Board, the principle of equality will have produced recurrent deadlocks. Under the present conditions, the larger representation of labour will only result in more vigorous and sustained effort being made to improve the conditions in the coalfields of which nobody who has witnessed them will deny the need. The Board, in spite of the good work it has done in the past has tended in later years to be less active, damped, no doubt, by the misfortunes of the coal industry. Necessary improvements have been neglected; extremely unsatisfactory conditions have been allowed to prevail. The reorganised Board will as we have just said, strengthen the determination to deal with them effectively and expeditiously.

394. The success of the Board will largely depend upon the executive capacity and initiative of the Chief Medical Officer of Health. Without in any way reflecting on the past or the present incumbent for we have no reason to think that they have not done their best under the most difficult circumstances, we suggest that the local Government should in making the appointment be guided by the above considerations. The Chief Medical Officer is subordinate to the Board and we realise that this fact itself may be one of his difficulties in carrying out duties some of which, at any rate, may bring him in conflict with property interests. While he must remain

the subordinate of the Board, we suggest that his promotion, like his appointment, should be controlled by the local Government and no disciplinary action may be taken against him without the concurrence of the local Government. Mr. M. P. Gandhi and Mr. A. M. Hayman are of opinion that the Board as reconstituted will be an independent and autonomous body and should have the full right to deal with its employees.

395. Since the Board was created in 1922, the expansion of the coal industry has added new areas to the colliery population. Being outside the jurisdiction of the Mines Board of Health, they do not receive any attention from that body and are liable to become, as they have on occasions become, sources of epidemics. Control over epidemics of which there have been happily a very small number so far is, therefore, rendered difficult. We would like the area of the settlement to be extended by order under section 4 (4) of the Bihar and Orissa Mining Settlement Act to accord with the needs and developments of the present time.

396. The income of the Board is derived from a tonnage cess of Rs. 1-2-0 per 100 tons and a royalty cess of 15 per cent of the road-cess payable and amounted in 1936-37 to Rs. 1,22,155. This has to meet the needs of 531,401 persons which is the estimated population of the settlement for 1937 spread over an area of 787 square miles.

Medical Facilities.

397. Under bye-law 27 of the Bihar and Orissa Mining Settlement Act of 1920, colliery owners are required to appoint for the attendance and treatment of sick and injured persons, qualified medical practitioners and to provide adequate stock of drugs and appliances (including means of conveyance of sick persons). These facilities are meant for all persons resident on the premises of the collieries. Collieries employing less than 30 labourers are exempted from maintaining a doctor. Those employing more than 30 but less than 1,000 may combine and keep a part-time officer who is ordinarily not allowed to have more than 1,000 workers to look after; and those employing 1,000 or more workers must maintain a whole-time doctor. We have recommended in the chapter dealing with medical relief that any establishment employing more than 500 workers should have a whole-time doctor. There is no obligation on the collieries to maintain a hospital. There are, however, 18 hospitals

maintained by them, seven of which are fairly equipped for treating ordinary cases. These are:—

Name of the hospitals.	No. of beds.
(1) Mudidih Colliery Hospital ...	... 12
(2) Loyabad ditto ...	... 15
(3) Kustore ditto ...	... 12
(4) Jamadoba ditto ...	... 10
(5) Lodna ditto ...	... 14
(6) Jealgora Bararee Hospital ...	... 8
(7) Bhowrah Colliery Hospital ...	... 4

The rest are in the nature of emergency wards.

398. We feel that if the resources of the different collieries could be pooled together by agreement among themselves, even the present level of expenditure will greatly increase the efficiency of the services. We are happy to know that the Indian Mining Federation and the Indian Colliery Owners' Association share our belief and if the consent of the Indian Mining Association is forthcoming, and we expect that there will be no difficulty about it, a great step forward will be taken in the right direction. While every colliery under the Indian Mines Act must maintain a First Aid equipment, there will be situated at convenient centres hospitals to attend to all ordinary injuries, with ambulance facilities to take the cases to the hospitals. Serious injuries will be treated at Dhanbad. Besides the private hospitals, there is a central hospital at Dhanbad maintained jointly by the district board and the municipality with 36 beds for males and 16 beds for females, at an annual cost of Rs. 20,000. The contribution from the collieries to the expenditure of the hospital amounts to about Rs. 3,000. The central hospital will play its full part in the co-ordinated service. Even after taking into account the improvement in medical service which will result from the proposed measure of co-operation, there would remain an unsatisfied demand for more facilities. At our request, the Civil Surgeon of Manbhum has prepared a careful scheme which will cost in capital outlay Rs. 2 lakhs and annually Rs. 50,000. We are not sure whether the financial position of the Government will allow it to undertake the scheme or whether the industry can be saddled with the burden. Nonetheless, we have thought it necessary to invite the attention of

all concerned to the scheme because it represents our idea of how much there remains to be done if the medical facilities in Jharia coalfields are to be what they should be on any reasonable standard.

Housing.

399. Among the principal duties of the Board is 'to provide for and regulate the housing of residents, whether permanent or temporary'. Accordingly, the bye-laws of the Board have laid down regulations relating to the minimum size of rooms, verandah, white-washing, ventilation, sanitary arrangements and water-supply. A standard house should consist of a room seven feet high, eight feet wide with a floor space of 100 sq. feet and cubic capacity of 1,000 cft. and a verandah five feet wide and with floor space of 40 sq. feet. In order to prevent overcrowding, it is further provided that each adult should have a floor space of 33 sq. feet and air space of 333 cft. and a child under 12 should have half the space. These standards were prescribed over fifteen years ago. We invited the Director of Public Health, Bihar, for an expert opinion on the subject. In a note, he tells us that less than 500 cubic feet of air space for an adult person cannot be considered sufficient. We feel that the bye-laws of the Board with regard to housing need revision in the light of this observation. Of course, we cannot expect the industry to remodel the entire housing arrangement on the revised basis but we certainly desire that in the case of new housing, the new standard should be insisted upon. It is easy enough to have all houses built on any prescribed standard. But it is only by constant and vigilant supervision that the evil of more persons living in them than is permissible can be effectively stopped. We regret to find that overcrowding is a very common feature.

400. In spite of regulations, back to back houses continue to exist and lighting and ventilation are inadequate. We suggest that before any building is commenced, approval of the plan must be obtained from the Chief Medical Officer who will have the right to suggest alterations. The houses licensed by the Board are those which conform to the standard laid down by it. We believe that the occupation of non-standard houses is permitted by the Board in its discretion. Permission, we advise, should be given only in exceptional circumstances.

401. Sanitary arrangements are also utterly unsatisfactory. The Board has the right to ask the collieries to make whatever improvements are considered necessary for the health

of the workers and in default, to execute them itself at the cost of the colliery concerned. This is a valuable power, but we do not think enough use has been made of it.

Jharia Water Board.

402. For supplying water to the collieries in Jharia, the Jharia Water Board was established in 1915, but it was only after some years that the supply was available. Under the Jharia Water-Supply Act, the collieries pay a cess of 9 pies per ton of coal despatched by them and receive a free supply of water of not less than one thousand gallons per rupee of cess paid. Any consumption in excess of the free supply limit has to be paid for by the colliery concerned. Therefore, with a view to effect economy, the collieries restrict the use of water to domestic consumption like drinking and cooking, the pit water being available for bathing and washing. The water for domestic consumption limited to about 12 gallons per head is both adequate and of good quality. In 1939 summer, the water level of the Topchanchi reservoir dropped down too low owing to scanty rainfall and for many weeks, great anxiety was felt about water-supply in the coalfields. As a temporary expedient, pit water of the Kustore colliery after being filtered and chlorinated was supplied to meet the deficiency. This had never been the case before and is not, we are assured, expected to happen under normal conditions. The pit water which is available for bathing and washing is unwholesome and filthy. It should not be permitted to be used unless it has been chemically treated and arrangement has been made for the water to be drained off at regular and frequent intervals.

403. From the financial statement which was submitted to the Committee, it appears that the outstanding loan of the Board on the 31st March 1939, was about Rs. 45 lakhs of which about Rs. 19 lakhs are at 4 per cent, about Rs. 15 lakhs at $5\frac{1}{2}$ per cent, about Rs. 9 lakhs at $5\frac{1}{4}$ per cent, and about Rs. $1\frac{1}{4}$ lakhs at $3\frac{1}{2}$ per cent. We suggest that the Government should not miss the present favourable conditions of the money market to convert all the loans except the last to $3\frac{1}{2}$ per cent or thereabout. This is a practicable financial transaction and if carried out, will save the Board about Rs. 25,000 a year. Further the Water Board has so far supplied free water to Jharia, Kirkend and Katras Bazars. It has been decided to levy now a water-tax at the rate of $3\frac{3}{4}$ per cent on the rental value of assessable holdings in these bazars and this is expected to yield about Rs. 14,000 a year the benefit to the funds of the Board

resulting from these circumstances could, we suggest, be profitably passed on to the collieries in the shape of a larger free supply of water. If this was done, the collieries might be willing to allow the water to be used to some extent for washing and bathing purposes for which only the most filthy water is now available.

Hazaribagh Mines Board of Health.

404. The Hazaribagh Mines Board of Health was created in 1939 under a special Act of 1936. It consists of (a) two members of the district board elected by the district board, (b) two members elected by the Indian Mining Association, (c) two members nominated by the Railway Board, (d) two members nominated by the local Government, one to represent the royalty-receivers and the other to represent the labourers employed in the mines within its jurisdiction and (e) one official nominated by the local Government. The representation of labour here as in the Jharia Mines Board of Health is wholly inadequate and should be, for the same reasons, increased to parity with the representation of property interests. The funds of the Board are derived from a cess on profits at the rate of one anna per rupee of profits and a cess on despatches of 14 pies per ton and are shared equally between the district board and the Hazaribagh Mines Board. The functions of the Board are: to supply wholesome water; to look after sanitation, drainage or conservancy; to provide for and regulate the housing of residents whether permanent or temporary; to prevent the outbreak and spread of epidemics; to provide for the treatment of the sick, for the establishment and maintenance of hospitals and dispensaries. The Board has not yet begun to function in a practical way to allow us to form any judgment about its usefulness but we know that it has been created in response to a long-felt need.

Prohibition.

405. An enquiry conducted on behalf of the Committee into the conditions of the labourers in the coalfields reveals that nearly 64 per cent of the families included in the enquiry spend on liquor Rs. 1-10-6 per month which amounts to nearly 16 per cent of the total monthly average income. Since the introduction of the outstill system, the consumption of liquor has enormously increased. On any Sunday evening, one could encounter at every few steps groups of miners intoxicated with drink tumbling along the road. Both at Jharia and Bokaro, we spent a Sunday evening visiting liquor shops

and talking to the people who had collected there. The sight filled us with horror; but the talks inspired hope, for most confessed to us that they could not give up that habit as long as drink was available but that they would not mind and would rather be happy if the drink was stopped altogether. We note, with satisfaction, that the Government has introduced prohibition in Jharia from the 1st of April 1939 and that their declared policy is to enforce it throughout the province. We recall here the observation of the Prohibition Commissioner that in areas in which it has been in operation (and no where is it much older than a year), improvements are already noticeable in many directions such as dietary earnings and domestic peace.

Wages.

406. The most complex of all the problems of the coal industry is, undoubtedly, the wages. There is a great diversity of wage-rates which correspond to similar diversity of conditions in the mines. Before dealing with it we would like to present the complete picture in an all-India background with minimum essential details.

These are to be found in a table in the report of the Chief Inspector of Mines for 1937 which we reproduce below:—

Average daily earnings in December 1937.

Mineral field.	Underground.						Open workings.						Surface.			
	Overmen and Sirdars, Foreman and Mates.	Miners.	Loaders.	Skilled labour.	Unskilled labour.	Females.	Overmen and Sirdars, Foreman and Mates.	Miners.	Loaders.	Skilled labour.	Unskilled labour.	Females.	Clerical and super- vising staff.	Skilled labour.	Unskilled labour.	Females.
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
	Rs. s. p.	Rs. s. p.	Rs. s. p.	Rs. s. p.	Rs. s. p.	Rs. s. p.	Rs. s. p.	Rs. s. p.	Rs. s. p.	Rs. s. p.	Rs. s. p.	Rs. s. p.	Rs. s. p.	Rs. s. p.	Rs. s. p.	Rs. s. p.
Jharia coalfield (Bihar).	1 2 3	0 9 3	0 8 0	0 10 3	0 7 0	...	0 14 6	0 8 6	0 6 9	0 8 3	0 6 3	0 5 3	1 3 0	0 10 0	0 6 6	0 4 6
Bangunj coalfield (Bengal).	1 0 0	0 9 0	0 7 9	0 9 6	0 7 0	...	0 11 3	0 8 9	0 6 6	0 7 3	0 7 6	0 4 9	0 15 9	0 9 0	0 6 3	0 4 0
Girdih coalfield.	2 4 0	0 10 3	0 9 0	0 12 6	0 7 9	...	...	...	...	0 7 0	...	0 4 0	1 13 3	0 13 3	0 7 9	0 4 3
Assam coalfield	1 4 6	1 1 0	1 0 0	1 2 6	0 18 6	...	1 0 0	0 15 0	0 10 9	...	...	...	2 0 0	0 14 0	0 11 0	0 7 0
Punjab coalfield.	1 1 6	0 15 9	0 14 0	0 12 6	0 7 3	...	0 10 8	1 0 0	...	...	0 6 0	...	0 13 9	0 11 0	0 7 6	0 3 0
Baluchistan coalfield.	1 9 0	0 10 3	0 10 4	0 12 9	0 8 0	...	...	...	...	...	...	...	0 15 6	0 11 9	0 8 6	...
Penoh Valley coalfield (Central Provinces).	1 3 9	0 11 9	0 7 3	0 10 6	0 7 0	...	0 15 0	0 9 3	0 5 0	0 9 0	0 5 6	0 3 3	1 1 0	0 9 3	0 6 3	0 3 9

407. From the table it would appear that the earnings of workers in most categories including those which are numerically the largest are slightly higher in Jharia than in Ranigunj. Comparison with the Pench Valley coalfields in Central Provinces, shows substantially higher earnings for underground miners and appreciably higher earnings for miners in open quarries in the Central Provinces, but the figures for loaders are appreciably lower and for females substantially lower than in Jharia. Within Bihar itself, the conditions in Giridih are, on the whole, appreciably better than in Jharia except for the females. If the figures are compared with those in the annual report, it will be seen that there was a general increase in the wages paid to underground miners in all the coalfields. There were also some small increases in wages paid to other classes of labour in practically all the coalfields.

408. As cutting and loading are by far the most important operations in a colliery and account for about 75 per cent except in the mechanised mines where the proportion is 50 to 55 per cent of the total labour force, we attempt to give below a simplified picture of the wage-rates and earnings of these two classes of workers in the Bihar coalfields. They are paid wholly on the piece-basis. The following figures show the wage-rates per standard tub of 30 cft. and have been compiled from the data supplied by the collieries in reply to our supplementary questionnaire on coal. Some collieries do not use any tubs at all and pay on the basis of a stack; these have not been taken into account. Where the tub is of a size either above or below the standard, it has been reduced to the standard size. Where payment is made by weight we have converted the weight into the standard tub at the rate of 1 cwt. = $2\frac{1}{4}$ cft. We have assumed that the tub rates are exclusive of any commission paid to the *sirdars* and have deducted the commission from the tub rates where necessary. Some replies state that the rates vary according to lead and working conditions. We have taken only the basic rate. Rates also vary according to whether they are machine-cut or hand-cut. Only the latter has been included. Grades of coal also influence the rates. Slack coal has been left out of account.

409. Rate for standard tub of 30 cft.		Number of collieries paying the rate.
Annas 3 but less than annas 4	...	1
Do. 4 ditto 5	...	4
Do. 5 ditto 6	...	12
Do. 6 ditto 7	...	35
Do. 7 ditto 8	...	7
Do. 8 ditto 9	...	2

The above figures relate mainly to the larger collieries. Of these collieries the largest group pays between annas 6 and annas 7 per tub of 30 cft.

410. Before we proceed to give the figures of earnings we should like to quote from the memorandum of our investigator a statement on the number of working days and the number of hours on each working day for which the miners work. Generally, very few attend work on the first day of the week; many remain absent even on the second day. It is only on the third, fourth and fifth days of the week that good attendance is secured which begins to decline on the sixth day which is the pay day.

Number of days working.	Percentage of the workers.
Six days	About 10 per cent.
Five days	" 45 " "
Four days	" 25 " "
Less than four days	" 20 " "

The miners on an average work for about 4.5 days a week. This conclusion is supported by a large number of replies to our supplementary questionnaire as well as the joint evidence of the Indian Mining Federation and the Indian Colliery Owners' Association.

411. Under normal conditions a cutter and a loader of normal efficiency can, working together, fill three tubs a day. This is a common opinion in the coalfields and is shared by the Indian Mining Federation and the Indian Colliery Owners' Association.

412. The average rate for a standard tub of 30 cft. being annas 6, and the average attendance of a miner being 4.5 days, it follows that if a cutter and a loader can fill three tubs a day, the average earnings per head in a month if they are shared equally will be about Rs. 10-13-9 a month and Rs. 21-11-6 a month for the two. The annual report of the Chief Inspector of Mines for December 1937 records the average earnings of an underground cutter and loader in the Jharia fields at 9 annas 3 pies and annas 8 a day, respectively. On the assumption of a working week of 4.5 days the monthly earnings of a cutter and a loader come to Rs. 11-1-7 and Rs. 9-5-5 respectively or Rs. 20-7-0 between the two. These figures differ slightly from our own calculations which may be due to the fact that they refer to a slightly earlier period. Our calculations, however, are in substantial agreement with the conclusion of our investigator who examined the earnings of 1,030 families in June, July and August of 1938. The aggregate income of these families was Rs. 18,330-2-0 or

Rs. 17-11-2 per family or Rs. 11-12-9 per worker in the family. If incomes from sources other than work in the mines are excluded, the income per family was Rs. 17-7-4 or Rs. 11-8-2 per worker in the family.

413. Unfortunately too few collieries have cared to submit figures for the monthly earnings of the miners to allow us to arrive at a proper appreciation of the situation. We give below the figures which we have received from them :—

Name of the colliery.	Number of workers.	Average monthly earning.	The month for which information is given.
1	2	3	4
1. Joint Bokaro Contractor.	Miners 1,341 ..	Rs. a. p. 12 3 0	March 1939.
2. Central Kirkend..	Cutters 223 ..	12 8 0	} January 1938.
	Loaders 123 ..	12 8 0	
3. Gaslitan Colliery	Miners 8 ..	10 7 0	March 1939.
4. East Indian Coal Company, Bararee.	Cutters 330 ..	15 6 0	} July 1937.
	Loaders 320 ..	10 12 0	
5. East India Coal Company, Kendwadih.	Not given ..	17 0 0	} January 1938.
		13 0 0	
6. Jarangdih Colliery	Cutters 350 ..	16 8 0	} March 1939.
	Loaders 67 ..	13 4 0	
7. Kargali Quarry ..	Miners 1,170 ..	12 3 0	March 1939.
8. Kargali Under-ground.	Ditto 1,310 ..	12 3 0	March 1939.
9. Khemji Walji and Company.	Ditto 183 ..	13 0 0	January 1938.
10. Ekra Khas Colliery	Ditto 68 ..	13 13 0	March 1939.

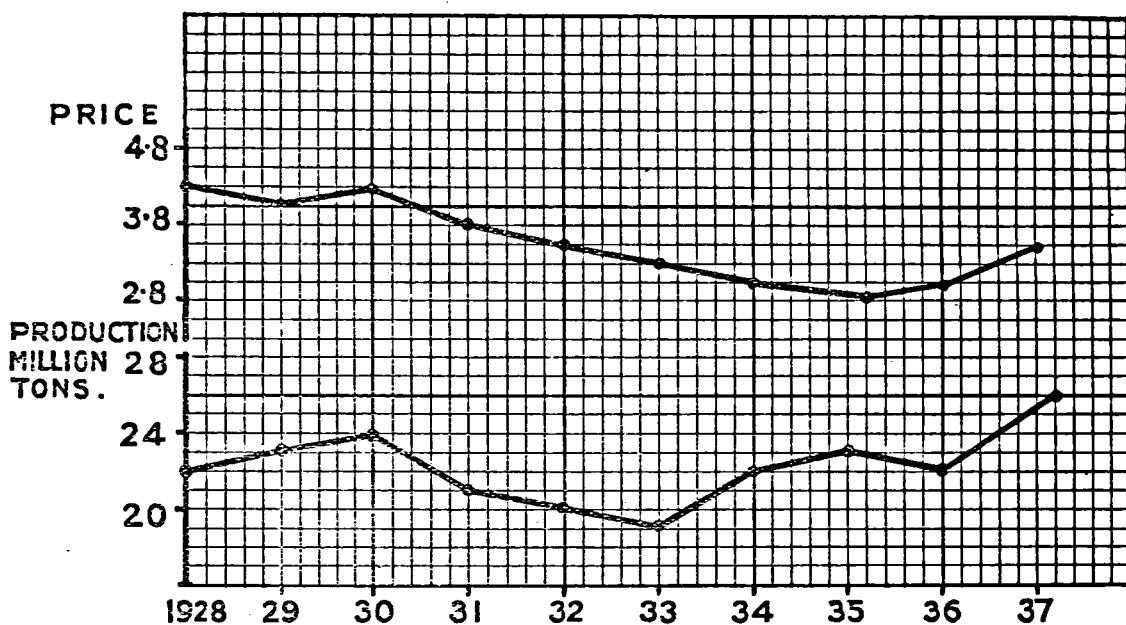
414. It is apparent that the earnings of the miner are too low when regard is paid to the risks and difficulties of his occupation. Speaking at the annual dinner of the National Association of Colliery Managers held towards the end of February 1937, the President observed that the earnings of miners and colliery labour "are already ridiculously low and now, with the women out, the family earnings would be still lower". We admit that if he gave up excessive drink and attended work on the six days of the week instead of the 4-5 days which is the average now, his earnings may increase by 33 per cent. But we feel that his absenteeism is at least in part due to the need for more rest. It is probably true that he does not actually work for more than five or six hours a day as is stated by the Indian Mining Federation and the Indian Colliery Owners' Association and is, indeed, the common opinion. Here again there is room for him to earn more by more work. But it is not wholly the lack of will or ambition which is responsible for the present position. His poor physique and the trying conditions in which he has often to work undoubtedly influence it. Messrs. Hayman and Gandhi do not think that absenteeism is due to need for more rest and trying conditions in which he has to work but to the causes mainly within the control of the miner.

415. Apart from these, "there are many causes outside the worker's control", says the Royal Commission, "which may prevent him from securing an adequate day's wage. Examples of such causes are deficiency of tubs, difficult working places, long leads, stone and shale and mechanical breakdowns". About these we shall speak presently. But the most important cause of his low earnings is the wage-rate itself.

Wages and Economic Depression.

416. The coal industry has tried to establish that present prices of coal are too low to permit higher wages being paid to the miners. So far as certain lower grades of coal are concerned, we believe this proposition to be, in a large measure, true. The boom in the coal industry which began during the last war lasted till 1923. In that year the average pit-mouth value of coal per ton in Jharia field was Rs. 6-13-0. The depression which set in this country in 1929 held the coal trade in its grip from as early as 1923. By 1930, the price had dropped to Rs. 3-10-0 and by 1935 to Rs. 2-8-0. Since 1936, an improvement was visible and the price went to Rs. 3-4-0 in 1938 but has since fallen to Rs. 2-12-0 per ton.

GRAPH SHOWING THE AVERAGE
PIT-MOUTH PRICE AND TOTAL
PRODUCTION OF COAL FROM 1928 To 1937



(TAKEN FROM THE INDIAN COAL STATISTICS 1937)

(Kindly refer to page 203, paragraph 417.)

417. If the depression in the coal industry is more severe and continued longer than in most industries, the industry itself is to blame in large part. It would appear from the graph below that production instead of being restricted to allow prices to recover has actually been increased since 1932 with disastrous effect on prices.

(Kindly refer to graph facing page 203.)

418. In order to appreciate the situation it has to be borne in mind that most of the coal companies are controlled and directed by Managing Agents in Calcutta who were usually paid a proportion of the total receipts or the net profits or a commission on tonnage basis. They naturally tried to make the largest profits or raise the maximum amount of coal. Indeed, it appears that an easy way of reducing overhead costs was to push on the production of coal so that the overhead costs were more spread out. They little cared to inquire into the effects of their action on the coal trade as a whole. Many of the Managing Agents are usually interested in a large number of industries and the low price of coal may not have been quite unfavourable to them if the entire position is considered.

419. The smaller collieries are in a difficult position *vis-a-vis* the bigger collieries which produce coal of superior quality and can sell for purposes for which inferior quality coal can do. They have also superior financial resources. The smaller collieries have no financial strength to hold out and have to sell out at any price rather than hold for a better market. This undesirable competition has brought the industry to the present sorry plight. We are assured by all coal interests that unless a method is found to eliminate undesirable competition, the industry will never recapture its former prosperity or ever retain it. We are ourselves drawn to the same conclusion.

420. The average value (per ton) of coal at the pit's mouth in some principal countries of the world is shown in the following table:—

	1933	1934	1935	1936
1	2	3	4	5
	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
India	3 2 0	2 14 0	2 13 0	2 12 0
Great Britain ..	8 11 0	8 9 0	8 11 0	9 5 0
United States ..	6 0 0	6 3 0	6 3 0	6 2 0
Australia .. .	6 13 0	6 6 0	6 4 0	6 4 0
Canada ..	9 14 0	9 2 0	9 1 0	9 0 0
New Zealand ..	10 12 0	10 11 0	10 11 0	10 11 0
South Africa ..	3 12 0	3 8 0	3 10 0	3 11 0
Japan	4 2 0	4 12 0	4 4 0	6 5 0

It is evident that the price of coal in India is too low to permit good wages being paid. An improvement in price is a necessary condition for the improvement in wages.

Regulation of output and sale.

421. One of the methods would be for the industry to arrive at an agreement to regulate production, price and sales or in other words, to form a cartel or syndicate. We questioned the coal interests closely and at some length on the possibility of doing so. Many difficulties were pointed out to us. Firstly, it was said that there are about 800 units working in widely separated areas like Assam, Bengal, Bihar, the Central Provinces, the Punjab and Baluchistan in British India and Hyderabad, Rewa, Korea and Talcher in the Indian States. To get them together was a task of extraordinary difficulty. And regional cartels have no chance of success, for competition between these areas for some markets is keen. Secondly, coal

has to compete with oil, electricity and wood and this sets a limit to the extent to which the price of coal can be raised. Wood has been used on the railways. Oil and electricity have practically supplanted coal in the Bombay City Mills. Soft coke has been trying during the last few years to replace wood as fuel and a small increase in the price of soft coke will check that process. While the first points to the difficulty of forming a syndicate, the second only proves that the power of the syndicate, if it is formed, will have to be exercised with moderation.

422. In the past, the industry made several attempts at agreement but mutual jealousies proved too strong. More than once, the industry requested the Government of India to impose an agreement by law but they have steadily declined to do so. They maintain that it is not consistent with their obligation to the community to help an industry to establish a monopolistic position, a position which will prejudice the interests of all consumers of coal including all the main industries of the country. The attitude betrays a faith in *laissez faire* of the early days of capitalism which we should have thought no longer operated as a major factor in the economic policy of the State. In the case of tea, the Central Government has imposed a measure of regulation. Sugar is controlled by a Syndicate of which all the sugar mills in the United Provinces and Bihar are required to be members. The Government of Bengal has compelled the jute mills to restrict the hours of work and by a recent ordinance fixed the minimum price of jute. These are notable departures from the traditional policy of non-interference in industry and these have been, we believe, as much justified by results as they were rendered necessary by the conditions of those industries. We concede that coal is different from these commodities inasmuch as it is the basis of nearly all industries. But all the same the coal industry should not be left completely at the mercy of undesirable competitive forces. Those who, like ourselves, have witnessed the plight to which the workers in the coalfields have been driven by these competitive forces would rather wish that the industrial prosperity of the country, if it could be described as such, should rest on better foundations. England, which is the home of *laissez faire* and where coal plays a larger part in determining the fortunes of other industries than here, has, nonetheless, been compelled to control the price of coal through a statutory body called the Central Sales Agency. In order to maintain the export trade in coal which is highly competitive, the Central Sales Agency provides a rebate out of the sale-proceeds of coal at home. We would urge the Government of Bihar to impress

on the Government of India the necessity of introducing similar legislation. The Third World Power Conference held at Washington in 1936 says: "One of the most striking features of the reports submitted in this Conference is the clear-cut evidence that unrestricted competition, as we knew it early in this century, has been generally abandoned so far as the coal industry is concerned. Nearly all countries apparently have found that an unregulated system of production brought results that were socially undesirable. Consequently, in all parts of the world, public control over the production and distribution of coal has been tightening." We do not think India can escape the same necessity.

Policy of the Railway Board.

423. The coal industry has a long standing and burning grievance against what it considers to be the policy of the Railway Board in regard to the production of coal from the railway collieries. To it is largely attributed the continued depressed condition of the coal trade. It is said that, as the largest consumers of coal, the railways are interested in keeping the price low and therefore, whenever the price shows a tendency to look up, the railway collieries are pressed into increased activity to bring it down. We had no opportunity of acquainting ourselves with the views of the railways. Our interest in the subject consists in the effect which the price of coal has on wages of the workers in the coal industry. The matter is important enough to demand investigation by proper authority and we would recommend the Government of Bihar to obtain such investigation.

Railway Freight.

424. Of the price that the consumer pays for the coal, much the largest part is taken away by the railways as freight. We give below the freights from Jharia to some important towns in India:—

Freight per ton of coal in 1936.
(Includes terminals and surcharge.)

					Rs.	a.	p.
To Calcutta	...	...	...	...	5	2	0
Cawnpore	...	...	...	...	7	10	0
Jubbulpore	...	...	...	...	8	8	0
Delhi	...	...	...	...	9	12	0
Lahore	...	..	...	...	11	12	0
Bombay	...	...	...	...	12	6	0
Samastipur	...	...	...	...	6	7	3
Karachi	...	...	...	...	15	0	0
Patna	...	...	...	...	4	12	0
Motihari	...	...	...	...	7	7	3

Coal freight has been increased by $2\frac{1}{2}$ per cent since 1st April 1940 and will be increased by a further 5 per cent from 1st November 1940.

425. When it is remembered that in 1936 the average pit-mouth value of coal per ton was Rs. 3-2-0 the burden of the freight becomes apparent. We do not know the case for the railways. Like other concerns, they have to meet their costs and earn a profit if they can. These figures surely make a case for an impartial inquiry into the present position of freights on coal.

Some Unfair Practices.

426. Except in a few collieries, the payment for cutting and loading coal is made on the basis of a tub. This has given rise to malpractices and complaints about malpractices. If the coal is not loaded to what is considered by the management the right level, a reduction is made which may exceed the amount justified by the shortage. Similarly, if there is in the tub any stone and shale, the whole tub or a much larger part of it runs the risk of being rejected. Compelling miners to overload a tub, that is, to put in it more coal than the standard weight which it is supposed to contain, is another and one would think a more common form of unfair dealing. We were told that many collieries have resorted to this indirect method of further reducing the wages, being afraid that a more apparent or direct method might lead to resistance. We have no doubt that the more important and respectable collieries will never countenance these practices; but there is no doubt that many collieries and raising contractors do indulge in them. At one of the collieries where the complaint was widespread and our own observation seemed to support the complaint, we asked the manager to show his registers. We took down figures for the tubs for which payment was made in a previous week and those for the tubs which were credited to the management in the same week. We were given several figures, a circumstance itself justifying the worst suspicions and from any of the figures, it appeared that either the workers or the proprietor was being cheated and our own conclusion is that both suffered at the hands of the unscrupulous manager. We cannot condemn too strongly these many forms of unfair dealing against the miner.

427. Our difficulty lies in suggesting a remedy. No doubt, it has been suggested that the miners should be paid by weight. It might appear to be a sound remedy and it is so theoretically, but in practice, it is liable to even more serious abuses than the present system. The miner, ignorant and illiterate as he is, knows a tub and can probably calculate how

much he is entitled to receive for the 10 or 12 tubs which he has filled in the week. But weights are unintelligible to him and he will have the greatest difficulty in finding out, if he ever himself can, how much payment is due to him on the basis of the total weightment in the week. In one of the collieries where payment by weight is prevalent, there were serious allegations against the clerk and the *sirdar* in charge of weighment. We, therefore, do not support this suggestion. Instead, we would like the Government to appoint one or more officers who would maintain frequent contact with the miners and check these malpractices and whenever these are discovered, will prosecute the offenders under the Payment of Wages Act or the ordinary law.

Shortage of Tubs.

428. Shortage of tubs is a most chronic grievance of the miner, for it has a direct effect on his earnings. Naturally, the shortage is more marked in the busy season. Several reasons are responsible for it. Firstly, it is said that the miner would not start his work unless he had a tub by his side. This is explained by the fact that without the tub he does not feel sure that he will get credit for the coal cut by him, for, if the tub does not come before his time is over, he cannot be sure that his coal will not be pilfered by the succeeding shift or that the whole of it will be credited to him. This affects the circulation of tubs. Secondly, the overman or the *sirdar* who is responsible for the distribution of tubs expects his *dasturi* or perquisite before the tub is given and those who are reluctant to pay may have their tubs delayed long enough to make it worth their while to yield. Thirdly, more miners are admitted into the mines than are necessary, for the management is interested in total output, and not output per head. To a large extent, the last two difficulties can be removed by stricter supervision and if the miner learnt by experience that he had nothing to lose and something to gain by starting his work immediately without waiting for the tub, he would give up his old practice. More can be achieved by more efficient organization of underground work than has been possible, for the ton mileage of a tub per hour in English mines is considerably greater than could be explained by the difference in conditions. In spite of the improvement which can be secured by these means, the need for more tubs will remain for which the only remedy is to have more tubs.

Uniformity of Tubs.

429. Of the tubs there are many sizes, the most common being the 30 c.ft. Uniformity of size is an advantage to the

miner for there is less chance of his being defrauded of legitimate earnings. The collieries themselves are agreed on this point and have made some efforts to introduce a standard tub. If the progress has been slow, the explanation is to be found in financial and in some cases also physical difficulties arising from the past lay-out of the passages.

430. The miners in particular collieries get used to the tub available there and sometimes they object to a change in the size on account of their inability to adjust the difference in the matter of payment.

Corruption.

431. Tipping is a serious evil prevalent in the coalfields. It is impossible to eradicate this evil except slowly and through the moral pressure of public opinion.

432. The workers should be encouraged to bring to the notice of the management any case of bribery or irregularity or ill-treatment and the management, in its turn, should make proper investigation and deal strictly with the offenders.

433. In some places, payments are made to the miners through the *sirdar*. This is an objectionable practice and must be discontinued, for the *sirdar* not unoften takes more out of the pool, than his legitimate share. We have suggested that the miners' *sirdar* should be licensed by the State and hope that this will put an end to his harassments.

434. The *munshi* whose duty is to record the tubs is known to make false entries in favour of those who grease his palm and thus deprive others of their legitimate earnings. The collieries managed by Messrs. Bird and Company have stopped this form of bribery by giving to every miner tickets bearing identification numbers which are dropped in the hole at the bottom of the tub before loading is done, and the tub is recorded in favour of the number in the hole. A tub without number is not accepted. We would like other collieries to consider this device for their own use.

435. The pay clerk has excellent opportunities of making money. Here again, we desire to bring to the notice of other collieries, the method which has been adopted by the collieries under Messrs. Bird and Company to prevent mulcting at the counter. A number is issued to every worker and there is a pigeon-hole for the corresponding number in which the dues of the worker wrapped in an envelope are kept. He produces the ticket and receives the envelope on the pay day.

436. The overman or *sirdar* who is responsible for supplying tubs has his own opportunities. We have already suggested that stricter supervision over him should be maintained.

437. Paying in kind through the *purji*, collecting the dues of grocers who may be friends or relations of the staff from the wages and deducting contributions for the *Goshala* or *Kalimata* are other serious evils which can be stopped by the Payment of Wages Act whose extension to the mines we have advocated earlier.

Indian Mines Act.

438. The Indian Mines Act of 1923, as amended up to date lays down the following restrictions about hours of work and the persons to be employed. No person shall be allowed to work in a mine on more than six days in any week. A person employed above ground in a mine shall not be allowed to work for more than 54 hours a week or 10 hours a day; he is in the same position as an adult worker in a perennial factory. When employed below ground in a mine, a person shall not be allowed to work more than nine hours a day. Employment or presence of a child in any underground part of a mine is prohibited and a child is defined as one who has not completed his fifteenth year. A person between 15 and 17 years of age must obtain a certificate of fitness from a qualified medical practitioner to entitle him to employment below ground. The mining legislation has thus been brought into line with the demands of public opinion in India. It is still behind legislation in many foreign countries and before long may have to be considerably improved.

439. Under section 30 of the Indian Mines Act, rules have been made which prescribe:—

- (a) Sufficient supply of pure drinking water;
- (b) Arrangements for keeping all underground working places and travelling roads clean from excreta;
- (c) Provision for latrines and urinals for the employees on the surface only or both on the surface and underground if so required;
- (d) Training of men in ambulance work and the compulsory employment of one such trained man for every 100 underground worker;
- (e) Keeping of ambulance appliances in good condition and ready for immediate use;
- (f) Restriction on the consumption of any intoxicating drink or drug by a person employed in or about a mine and also the prohibition of persons from entering or remaining in or about a mine in a state of intoxication.

440. The Mines Act is, for the greater part, necessarily concerned with questions of safety which are of immensely more importance in mines than in factories, and more specially in coal mines. And, therefore, there are some vital differences between mining and factory legislation. Firstly, every mine must be in charge of a manager and not more than one manager who is responsible for the control, management and direction of the mine. From the very nature of the case, it is necessary to fix responsibility on a single individual and vest him with all requisite powers. It follows that the manager must have sufficient technical qualifications, otherwise he cannot be expected to take correct decisions in circumstances in which expert advice may not be easily and immediately available. Secondly, as the Act itself cannot lay down the safety regulations which must necessarily vary with mining conditions, power to do so has been delegated to Mining Boards. These Boards are composed of two representatives each of capital and labour and three experts of which the Chief Inspector or an Inspector of Mines must be one and may be constituted for the whole province or any class or group of mines. All draft regulations are discussed by the Mining Board before they are sent to the Central Government and come into force on approval by the latter. In an emergency, the Central Government can make any regulation without prior consultation or discussion with the Mining Board. Thirdly, in addition to the regulations which are of a general character, special bye-laws may be necessary to deal with peculiar conditions of individual mines. It is provided that these bye-laws should be framed in consultation with the Inspector of Mines discussed by the Mining Board and should receive the approval of the Central Government before coming into force. And lastly, wide powers have been given under section 19 to the Inspectors to direct the Manager to do or refrain from doing anything when danger is apprehended and for which no provision has been made either in the regulations or the bye-laws.

441. Safety in mines being an exclusively central subject, we have not gone into it in any detail. And not possessed of technical qualifications, we thought it wise to limit ourselves to some general considerations. The following chart taken from the Report of the Chief Inspector of Mines for 1937 showing the death-rate from accidents in coal mines during the period of 1923—1937 gives an idea of how much progress has been made since the Mines Act came into force and how much more is necessary before mining can be considered a reasonably safe occupation.

(Kindly refer to chart facing 212.)

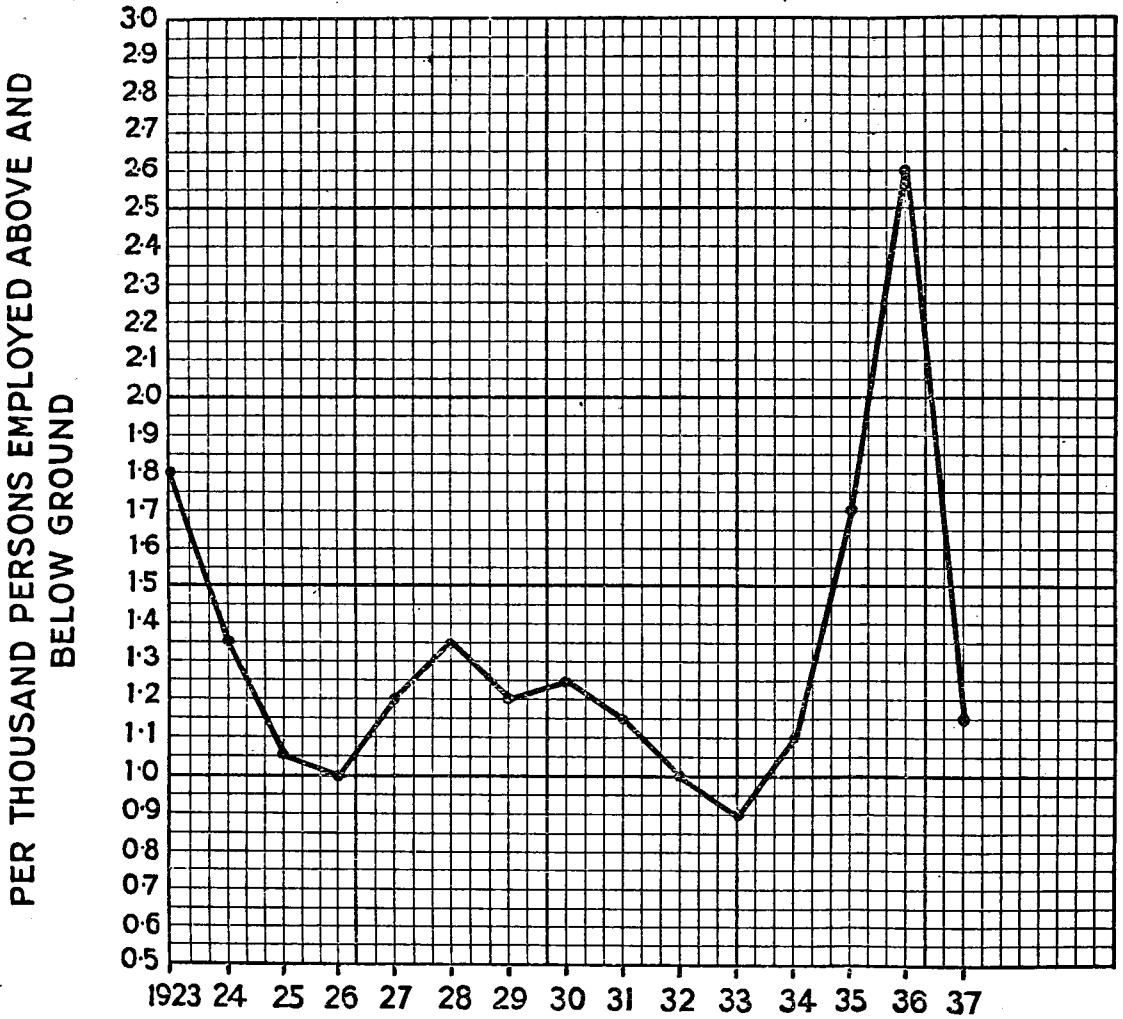
442. The question of safety in coal mines has been the subject-matter of investigation by the Coal Mining Committee appointed by the Government of India in 1936 and this is a further reason we have not thought it necessary to go into this matter.

443. There are three associations of the colliery owners, viz., the Indian Mining Association, the Indian Mining Federation and the Indian Colliery Owners' Association. The Indian Mining Association represents all the European collieries in Bihar and Bengal which together produce about 60 per cent of the total output of coal in those provinces. The Indian Mining Federation and the Indian Colliery Owners' Association represent the Indian collieries which are small relatively to the European collieries. The latter two have been working together for some years for their interests are identical. Between them and the Indian Mining Association there is little co-operation.

444. There are three registered trade unions in the Jharia coalfields—the Indian Colliery Labour Union, the Tata's Collieries Labour Association and the Indian Miners' Association. The reported membership is 3,521, 3,123 and 4,000 respectively. The Indian Colliery Labour Union and the Indian Miners' Association have done some propaganda work on hygiene and temperance; etc., and have rendered assistance to workers in compensation claims and wage disputes.

445. The Chota Nagpur Mazdoor Sangh comprising the colliery workers was founded during the last year. A Coal-workers' Union was formed in 1938 with its headquarters at Giridih and attempts were made to bring into the union the workers in the railway collieries in Bermo.

GRAPH SHOWING THE DEATH RATE FROM ACCIDENTS
IN ALL COAL MINES DURING THE PERIOD 1923-1937



(Kindly refer to page 211, paragraph 441.)

CHAPTER XIX.

IRON AND STEEL

Importance of the Industry.

446. We here consider the making of iron and steel and as the rolling of steel ingots into convenient shapes and sizes is carried on in the same works, we include it in the present treatment. We, however, exclude from it the subsequent processes of fabrication for a variety of uses from the making of nails and wires which is done in the Indian Steel and Wire Products, Ltd., to the fabrication of materials for bridges which is undertaken by the Kumardhubi Engineering Works, Ltd. These are technically engineering industries. In the iron and steel industry strictly so called, there is only one factory in Bihar, the Tata Iron and Steel Company, the biggest production unit in the East, and one of the biggest in the world. The total number of workers employed in the Jamshedpur Works alone including the supervisory and clerical staff was 28,674 on the 1st April 1938. This does not include the workers employed by the contractors on behalf of the company which numbered about 4,500 on the same date. The total block capital excluding the cost of obsolete and discarded plant was Rs. 25.5 crores in 1938. It paid in 1937-38 Rs. 220 lakhs as wages including the profit sharing bonus; Rs. 165 lakhs as railway freight; Rs. 36 lakhs as Income and Super Tax; and Rs. 238 lakhs as dividends. Owing to its overwhelming importance we deem it necessary to consider the conditions of labour in some detail and to propose such remedies, in addition to those applicable to the industries in general, as are, in our view, necessary.

Biharis in superior services.

447. Of the 28,674 persons who constitute the standard labour force of the Company, 9,089, i.e., about 33 per cent are from Bihar. But if only the superior services of the company are considered, the representation of the people of the province is extraordinarily small. The superior posts such as those of superintendents, assistant superintendents and foremen are filled by apprentices who are selected and trained for some years. For selection as an apprentice, a high degree in mechanical or

electrical engineering or metallurgy is necessary. And it was pointed out to us that the Bihari candidates were at a disadvantage because there was no provision in this province for the teaching of electrical engineering or metallurgy and that of the mechanical engineering was not as advanced as in some other provinces. We desire that this deficiency should be removed as early as possible and in the meanwhile, the Government should provide scholarships to a limited number of students for the requisite studies.

448. But that is not the full explanation of the position. Sir A. R. Dalal has admitted that, in the past, for various reasons, the proportion of Biharis in some departments is not adequate; and that other things being equal preference may be given to the children of the soil over others especially in departments where their representation was inadequate at present. We recommend that in the recruitment of A and B class apprentices the claims of the people of the province should be fully considered. Professor Bari does not think that it is necessary to insist on an adequate representation of the people of the province in what is a national concern.

Standard labour force.

449. The standard labour force of the company is, we believe, based on its normal requirements. For meeting any unexpected pressure of work, temporary men are employed. We find nothing in this practice to object to. But we are not sure whether the standard force itself does not need to be increased, in view of the expansion of the company's business, so as to absorb some of the temporary men. In the evidence before the Royal Commission on Labour it was stated on behalf of the Tata Iron and Steel Company that in 1927 the extent of casual employment in the works was only .03 per cent. In the reply to our questionnaire the company states that between the 1st April 1937 and 31st March 1938 the percentage of casual workers in employment varied from 6 to 8 per cent. This increased from .03 per cent in 1927 to 6 to 8 per cent in 1938 is striking. We would suggest that the company should investigate this matter and with their experience of the working, the company should be in a position now to standardize its permanent labour force and reduce the number of temporary workers as much as possible.

Privileges of Temporary Employees.

450. Except those engaged on construction jobs all temporary employees are entitled to the Departmental Bonus and the

General Production Bonus and acting allowance under the same terms and conditions as are applicable to employees doing the same kind of work who are borne on the sanctioned standard force. Further, all temporary employees who have rendered continuous service for one year or more (i.e., provided the interruption of service during a period of 12 months does not in the aggregate exceed 30 days) are entitled to the Privilege Leave and the Provident Fund and the Profit Sharing Bonus under the same terms and conditions as are applicable to men borne on the sanctioned standard force. In other words, all temporary employees who have rendered continuous service for one year or more become entitled to all the privileges including Retiring Gratuity of employees doing the same kind of work who are borne on the sanctioned standard force.

451. All temporary employees engaged on construction jobs are entitled to all the privileges stated above under the same terms and conditions except that they are not entitled to become members of the Provident Fund or to receive the Departmental Bonuses or Gratuity. We have described above the present position. We understand that there is a fair number of workers who have put in two or more years of service but in whose case the break in service in any year in the aggregate has been more than 30 days. Consequently they are deprived of these privileges. We think that if in a period of two years' temporary service, the aggregate period of break in service does not exceed 75 days, the employee should be treated as a permanent worker entitled to all the privileges of the latter. Mr. Hayman does not express any opinion on the subject.

Weekly-paid labour.

452. Among the permanent employees, 6,387 are weekly paid and the rest are monthly paid. The weekly paid are excluded from the Departmental and General Production Bonuses. If these workers fulfil all the conditions which qualify a worker for these benefits, we do not see any reason why they should be debarred from these benefits. Mr. Hayman thinks that the character of the work done by the weeklies is not such as to justify the grant to them of either of these bonuses.

Daily-rated and monthly-rated labour.

453. Of the standard force of 28,674 persons on 1st April 1938, 3,360 are monthly-rated and 25,294 are daily-rated. The men in clerical or administrative positions are monthly-rated

while those engaged in operating the plant, whether skilled or unskilled, are all daily-rated. The distinction is important, for, the monthly-rated men are allowed 30 days' privilege leave on full pay for every completed year of service and five days' casual leave in a year while there is no casual leave for the daily-rated and the privilege leave is limited to 14 days. Besides, the former are also given three months' furlough on full pay for every period of seven years' continuous service. But some of them are excluded from certain bonuses. Better privileges to the staff are an almost universal practice and we are unable to accept the proposal of the Tata Workers' Union that the present privileges of the other workers should be raised to the same level.

Recruitment of Skilled Employees.

454. We approve of the policy followed by the company of giving preference in appointments to its former employees and the relations of the employees. The recruitment of unskilled employees is made by the Employment Officer and of the skilled employees by the said officer in consultation with the Technical Superintendent of the department concerned. Professor Bari, Dr. Mukerjee and Mr. Chandra hold the view that the appointment of all monthly paid employees should be controlled by a board consisting of three Superintendents of Departments.

A special case of clerks.

455. It was represented to us that a large number of the clerks in the junior grade has been in receipt of the maximum pay of the grade for several years. We have looked into the representation and recommend that the management should consider the desirability of amalgamating the grades of junior clerks and senior clerks into one grade on an incremental scale of pay rising from Rs. 30 to Rs. 80 per mensem.

Revision of Retiring Gratuity Rule.

456. From the 1st of April 1937, the company has brought into force a scheme of retiring gratuity under which a worker who has been in service for at least 20 years and is drawing less than Rs. 500 a month receives on retirement a gratuity equal to half a month's pay for each year's service. We propose that subject to the income limit mentioned above the benefit of retiring gratuity should be on the same terms and conditions as are in force on the Bengal Nagpur Railway.

Provident Fund.

457. Since June 1920, there has been in operation a scheme of Provident Fund for which all employees of the company drawing not less than Rs. 15 a month or an equivalent daily rate are eligible. Each member must subscribe not less than 1/24th or more than 1/12th of his wages and the company will contribute 1/12th of the wages actually received by him to his account.

458. An employee who receives Rs. 75 a month or an equivalent daily rate is permitted to withdraw each year one-half of the sum contributed by the company to his credit, while all can withdraw after 12 years the entire amount standing to their credit including the company's contribution. A person can obtain advances to the limit of his own accumulated contributions which must be repaid within an agreed time.

459. A new Provident Fund was created in May 1937 which all workers in receipt of a monthly wage of not less than Rs. 15 are required to join, and those in receipt of a monthly wage of less than Rs. 15 may join if they like. They must contribute 1/12th of their wages and the company makes an equivalent contribution. No withdrawals either of the whole amount or of his own contribution are permitted as long as the worker continues to be in service of the company. Temporary advances under more restricted conditions can be obtained.

460. Under either scheme, a worker who is dismissed by the company for misconduct is deprived of the company's contributions to his credit and it is laid down that the company is the sole judge of misconduct. We have no doubt that the company will permit an aggrieved member to appeal to the Labour Commissioner and the company will give due weight to the opinion of the latter.

Welfare Services.

(a) Medical Facility.

461. The company has provided welfare services on an impressive scale.

462. There is, firstly, a hospital with 168 beds and facilities for treatment on modern lines and a staff of 29 medical officers and 38 nurses. Besides, there are six outdoor dispensaries. The employees of the company receive free service at the hospital and in their homes; but their families receive free service only if they attend the hospital, a fee being charged by

the doctor for attendance in their homes. As the fee is paid out of the wages of the employee, we desire the company to consider whether the fee cannot be abolished and the doctor given a conveyance allowance. Strictest supervision is always necessary to see that the services which are free are so in reality. Medicines for the employees as well as their families are free but a charge of two pice per dose is levied on the non-employees since last year. The company has been obliged to do this in view of the fact that nearly 66 per cent of the outdoor patients are non-employees. We can hardly object to this action. This makes it all the more necessary that the dispensaries which are maintained by the Government at Sakchi and Jugsalai should be enlarged and their stocks increased.

(b) Education.

463. Secondly, the company maintains at its own cost two high schools for boys and one high school for girls, five middle English schools for boys and one middle English school for girls and sixteen primary schools, nine night schools and a technical night school. Besides these, there are also a few private schools in Jamshedpur. It is estimated that 49 per cent of the boys of the school-going age and 19 per cent of the girls of the school-going age in Jamshedpur attend schools. The company has undertaken a five-year programme of educational expansion which when complete will increase the percentage of school-attending boys and girls to 90 and 30 respectively. Primary education in Jamshedpur is free to all. We desire that the schools committee should include a representative of the guardians.

(c) Sanitation.

464. Thirdly, Jamshedpur has been provided with excellent sanitary arrangements. In the *bustee* areas, however, conditions in the matter of water-supply, lighting, latrines and roads are unsatisfactory. We would like the company to pay more attention to them and to control more rigidly house building in these places than in the past.

(d) Housing.

465. Fourthly, the company has built 6,000 quarters excluding the bungalows for superior officers and it is estimated by the company that about 30 per cent. of its permanent employees are housed in them. Besides, land has been leased out on monthly tenancy to 5,238 employees for building houses.

With the building of 3,000 more quarters within the next three years which has been agreed to by the company, the housing difficulties of the workers should be relieved.

466. There is a general complaint on the part of the lower-paid employees that the rents are too high. We invite the attention of the company to this complaint and suggest that an investigation should be made into it at an early date.

467. The company grants house-building loans at 3 per cent. In respect of *pucca* houses, the loans are advanced up to one-half of the estimated cost on a mortgage basis, repayable within a maximum period of five years. For *kutchra* houses, a loan equal to four months' wages and realisable within 18 months of the completion of the building may be given without bond. For the latter, the land is leased out on monthly tenancy. If, for any reasons, the tenancy is terminated, the worker loses his investment. We propose that he should always be given a fair compensation in that event.

Co-operative Stores.

468. The cost of living at Jamshedpur is a subject of much adverse comment. And not all of it comes from the workers alone. It is sometimes said that rents charged for the markets or shops at Jamshedpur are so high that they cannot but add substantially to the sale price. The management denied that the rents could ever have much effect on prices and attributed high prices to the fact that all important commodities of consumption have to be imported, some of them from long distances. It is also said that the wholesale traders have formed a sort of combine to raise prices. The management again was not disposed to give much credence to this statement. It was not possible for us to investigate the question at length, for it is in itself a big question. We are, however, glad to note that the Tata Iron and Steel Company has established a large Co-operative Stores for its workers. This will satisfy a long-felt need and we trust that it will act as a price regulator.

Scale of Compensation.

469. The Tata Iron and Steel Company has made elaborate arrangements for accident-prevention and for treatment of accident cases. In the matter of payment of compensation to injured workmen or their dependants, its provisions, are more liberal than required by the Workmen's Compensation Act,

For temporary disablement, the payment accrues from the date of the injury and full wages are paid for the whole period of disablement.

Protective Equipment.

470. The company provides to its employees special equipment to prevent bodily injury or to diminish risks to health, such as boots, goggles, gas masks, safety leggings, dust masks, hand-leather, hand-gloves, helmets, safety-bells, safety aprons, industrial veils, etc. During our visits to the works, we heard complaints that boots are not renewed until after a given time, however unusable they might have become in the meantime. We trust that the management will sympathetically attend to the difficulties of the workers in this and like matters, as in fact it has expressed its willingness to do.

Conclusion.

471. In the above paragraphs we have made certain suggestions for improvement in the services provided by the company. They do not in any way detract from the high appreciation which we felt for all that has been done. We have no hesitation in saying that the Tata Iron and Steel Company by spending lavishly on roads, drainage, water-supply, electricity, sanitation, play-grounds, markets, schools and hospitals thereby providing modern conditions in the town which has been built out of jungles within the last quarter of a century, has set an example which others should emulate.

CHAPTER XX.

SUGAR.

Importance of the Industry.

472. From the point of view of the number of workers directly employed, sugar industry is one of the most important industries of the province. In 1938 the number of workers employed in it was 18,110. The progress of the industry in the province since the introduction of protection in 1932 has been phenomenal. The number of sugar factories has increased from 10 in 1932-33 to 33 in 1939-40. This period has synchronized with the virtual extinction of open pan concerns.

473. The importance of the sugar industry to the province can be appreciated from the fact that it paid out Rs. 2½ crores to canegrowers in 1938-39 and Rs. 20 lakhs to the Provincial Government as cess. The figures of total amount of wages paid to the workers have not been supplied to us. The production of sugar in 1937-38 was 225,360 tons.

474. Viewed in an all-India perspective, Bihar is the second largest manufacturer of sugar, the first place being held by the United Provinces with 69 sugar factories in 1937-38 and an estimated production in the same year of 531,300 tons. Bihar and the United Provinces together produced 756,600 tons that is about 81 per cent of the total output of the country. There is discernible within last few years a threat to the continued supremacy of these two provinces. The following table will show how sugar factories are growing in other provinces and more particularly the Indian States:—

TABLE L.

*Comparative growth of the sugar industry in the various Provinces since 1931-32.**

Province.	1931-32	1932-33	1933-34	1934-35	1935-36	1936-37	1937-38	1938-39	1939-40.
1	2	3	4	5	6	7	8	9	10
(Number of cane-factories working.)									
United Provinces ...	14	33	59	65	67	68	68	69	72
Bihar ...	12	19	33	34	35	33	33	32	33
Punjab and Sind ...	1	1	5	6	4	5	3	3	3
Madras ...	2	2	4	8	8	11	8	7	7
Bombay ...	2	1	4	5	6	6	7	7	7
Bengal ...	...	...	2	5	6	6	6	8	9
Orissa ...	...	...	...	...	...	...	2	2	2
Indian States ...	...	...	4	5	9	8	9	11	12
Burma* ...	1	1	1	2	2	3	2	2	2
Total for India ...	82	57	112	180	137	137	136	139	144

* Burma excluded from 1936-37 onwards from the total for India.

Vide Mr. M. P. Gandhi's Indian Sugar Industry Annual, 1939, page 90.

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State Regulation.

475. The sugar industry was given protection in 1932 at the rate of Rs. 7-4-0 per cwt. An Excise duty was imposed in 1934 at the rate of Rs. 1-5-0 per cwt. which was raised to Rs. 2 per cwt. in 1937 which has again been raised in 1940 to Rs. 3 per cwt. The sugar industry in the United Provinces and Bihar has been the subject of regulation since 1937 by their respective Governments which have followed a common agreed policy. The main object of the policy has been to secure to the canegrowers a fair share of the price paid for sugar. With a view to regulate the industry properly the Governments of Bihar and the United Provinces passed the Sugar Factories Control Act, 1937. Under this Act the Governments of Bihar and the United Provinces have made it compulsory for any factory desiring to crush sugarcane to acquire a license from the Government. Previous permission from the local Government is also necessary under this Act for any factory wishing to extend its cane-crushing capacity. In order to help the industry to evolve a common selling policy, which would eliminate internal competition resulting in detriment to the industry and also the growers, the Government have laid down that every factory must be a member of the Sugar Syndicate and indeed have made such membership one of the conditions for the grant of the license.

476. In order that a factory may take an abiding interest in the cultivation of cane of good quality which is a factor of overwhelming importance to the prosperity of the entire industry (zones of cane cultivation have been allocated to the different factories in which they enjoy exclusive rights of purchase.) A cess of 6 pies per maund of cane has been levied on the industry, the proceeds of which are to be used for the welfare of the industry, the canegrowers and agriculturists generally. The Government of India have set apart one anna per cwt. of the excise duty to a fund from which grants are made to the Provincial Governments for expenditure on approved schemes of research work for improving the quality of sugarcane.

Wages.

477. It will be seen from the foregoing narrative that while the Central Government has extracted from the sugar industry an ever larger revenue and the Provincial Government has taken action to compel the industry to pay what is considered to be an adequate price for its cane, the workers

in the industry have been left to take care of themselves. The Report of the Indian Tariff Board on the Sugar Industry, 1938, observes on labour conditions as follows:—

“ In regard to the remuneration paid to the different grades of labour and to the tenure of employment, the situation is not generally satisfactory. In a protected industry it is expected that the labourer in the factory should also share in the benefits of protection but we find that the interests of labour have not received the consideration they deserve. ”

478. From the following statement on the wages of unskilled workers which has been compiled from the memorandum submitted to the Committee by 16 out of the 33 sugar factories in the province, it is apparent how unsatisfactory the position is:—

TABLE II.

Earning in a month.		Number of establishments.	
Rupees 5 and below	Nil.
Over Rs. 5—6	2
Over Rs. 6—7	Nil.
Over Rs. 7—8	6
Over Rs. 8—9	2
Over Rs. 9—10	4
Over Rs. 10—11	1
Over Rs. 11—12	1
More than Rs. 12	Nil.

The earnings of the unskilled workers in the largest number of these 16 factories come to between Rs. 7 and Rs. 8 a month.

479. Two elementary but well known facts are responsible in a large measure for this position. Firstly, (sugar is a seasonal industry) and the normal working season consists of about 130 days in the year although in 1937-38 the season was exceptionally short consisting of about 99 days only due to short supply of cane. This means that a large number of

the workers of the industry have to live for the year on what they can earn in the season unless they are fortunate enough to have holdings of their own for cultivation or to find employment in other occupations. In this regard the position of the skilled workers is far worse than that of the unskilled ones for the former have often no other means of livelihood and little possibility of finding another employment in the 'off-season. Secondly, (the labour market for the industry is in a chronic state of over supply.) There is at all times of the year a large volume of idle labour in the countryside specially in North Bihar where a large majority of the sugar factories of the province are situated. There follows a scramble for employment in the factory resulting in unduly low wages. This is true of all unskilled workers. The position of the skilled workers, like the engineers or chemists is hardly better for in their case also the supply is much in excess of demand and therefore the economic law takes its full revenge. We have recommended a minimum wage of Rs. 12 per month for the unskilled workers in the industry after taking into account all relevant considerations.

Improvement of the Industry.

480. Here we desire to make a few suggestions which will strengthen the economic position of the industry and therefore lead to the amelioration of the condition of labour.

481. Firstly, a larger working season will reduce the cost of production of the industry and also provide greater employment to the workers. For this purpose it is necessary to promote the cultivation of cane of early and late ripening varieties.

482. Secondly, it is also necessary to improve the quality and yield per acre of cane. The provincial cess revenue and the grant of Government of India from the excise duty should be utilised to help these objects. The factory can do a great deal itself because the zoning system has placed it in a position to reap the full benefit of its investment and foresight.

483. Thirdly, the sugar industry is not able to make the fullest possible use of its byproducts with the result that the whole cost of production has to be charged to sugar alone. Two of the most important byproducts of sugar are molasses and bagasse. Bagasse is now used as fuel. It can be used perhaps more profitably for making paper board. The industry should explore the possibility of doing this.

More important than bagasse are molasses which are at present more or less completely wasted. Molasses can be used as manure, for road-surfacing, for making vinegar and power and industrial alcohol. The Governments of the United Provinces and Bihar appointed a committee in 1938 for the purpose of investigating the possibility of making power alcohol on commercial basis. The committee has reported unanimously in favour of the scheme of manufacture of power alcohol. The United Provinces Legislature passed a Bill in 1939 for the manufacture of power alcohol but it has not yet received the assent of the Governor. Bihar is also committed to pass a similar legislation.

484. The present would appear to be the most favourable opportunity for putting the scheme into operation. We would urge the industry to take immediate initiative and the Government to afford every facility for the same.

485. Fourthly, we recommend that the present ban on export of sugar from India by sea should be removed and a fresh outlet should be found for the disposal of any surplus production.

Special Problems of the Industry.

Re-engagement.

486. The seasonal character of the industry raises some special problems. Firstly, (there is the problem arising from the discharge of labour at the end of the season and its re-engagement at the beginning of the following season.) It is the general practice to re-engage those who have worked in the last season on their old rates of wages but we have found that this practice is neither strictly nor universally followed. The effect of the recommendations which we have made earlier with regard to the classification of workers into temporary and permanent workers and the limits of disciplinary action will make the non-engagement of an employee who has worked throughout the last season, an act of dismissal and therefore, subject to the safeguards against unjustified dismissals or his engagement on a lower wage-rate than in the last season, a measure of disciplinary action and therefore unlawful. Secondly, (there is the problem of paying the workers an allowance during the off-season.) All the workers of the sugar factories are not discharged at the end of the season. Some of them are retained for repair and overhauling

work. The number of workers retained depends upon the amount of repair and overhauling work to be done and this varies from factory to factory and even for the same factory from year to year. We shall not be far wrong if we put the figure of those workers who are not employed in the off-season at 90 per cent of the total number of workers.

Seasonal Allowance.

487. The question, therefore, of paying an allowance during the off-season arises in respect of these workers. So far as unskilled workers are concerned they are not paid any off-season allowance except at Ryam Sugar Mill where the following provision is in operation :—

“ All seasonal workers whose work has been found satisfactory by the Manager or Cane Superintendent and are re-engaged the following season, will be paid for their unemployed period at the time of re-engagement, at the rate of 10 per cent of the daily wages drawn with a maximum of Rs. 5 per month; the month will be counted as 30 days. The off-season allowance, of course, does not apply to any employees who are at present in receipt of a retaining fee and in the case of Cane Department will only apply to those working at the factory. ”

488. We welcome this initiative on the part of Ryam Sugar Mill. This is, in our opinion, a very desirable provision. It creates in the employees a sense of permanent attachment to the factory and at the same time gives them a means, even though inadequate, of assisting to maintain themselves while there is no work. (We have suggested exemption of the sugar factory from the obligation to provide to its employees holidays and sick leave with pay only for the season that a benefit, on the whole, of nearly equivalent monetary value but of greater concern to the employees could be secured by the provision of an off-season allowance.)

489. We recommend that every unskilled and semi-skilled employee who has been employed in a factory for a full season, should be given an off-season allowance at 10 per cent his wage-rate on his re-employment in the next season. If he is not re-engaged in the following season he should be paid at half the above rate for the preceding off-season period.

The payment in either case should be made at the beginning of the next season. (Mr. Gandhi and Mr. Hayman think that this benefit should be given only to workers who have worked for the two preceding seasons.) This is not acceptable to other members because firstly, in case of other industries one year's service has been considered sufficient for entitling workers to the privileges of a permanent employee, and secondly, in practical effect there will be little saving to the employer as the labour force is expected to be permanent. The law for providing off-season allowance should be enacted along with the law for the introduction of holidays and sick leave with pay.

490. As regards the off-season allowance for the skilled workers, the people concerned are mainly the chemists and the pan men. A large number of sugar mills give them an allowance for the off-season which is usually one-half of their wages.

An off-season allowance is more necessary for them than for the other workers because the former are, as has been already pointed out, more helpless than the latter in obtaining any other employment or means of livelihood during the slack season. We, therefore, recommend that an off-season allowance for the skilled seasonal workers should be fixed by law on the following scale:—

Monthly wage-rates.	Scales of monthly allowance admissible.
(1) Where the monthly wage-rate or 26 times the daily wage-rate does not exceed Rs. 50.	Fifty per cent. of the monthly wage-rate.
(2) Where the monthly wage-rate or 26 times the daily wage-rate exceeds Rs. 50 but does not exceed Rs. 100.	Rs. 25 <i>plus</i> 33- $\frac{1}{3}$ per cent of the excess of the monthly wage-rate over Rs. 50 per mensem.
(3) Where the monthly wage-rate or 26 times the daily wage-rate exceeds Rs. 100.	Rs. 41-10-8 <i>plus</i> 25 per cent of the excess of the monthly wage-rate over Rs. 100 provided that no employee shall receive an allowance of more than Rs. 75 per mensem.

491. It was represented to us by chemists and pan men during our visits to sugar mills that the allowance is paid to them only after they have joined their work in the next

season. These workers drew our attention to the difficulties which they experienced in the slack season when no income was forthcoming. They want that their allowance or at least a part of the allowance should be paid to them every month as it accrues or at longer intervals which they would refund if they do not offer themselves for re-engagement. On the other hand, the employers would not naturally like to be put to the necessity of having to recover the off-season allowance paid out in case the employee does not join at the next season. This difficulty arises in the case of the unskilled workers also and is real and calls for sympathetic dealing on the part of the management.

Instability of service.

492. There are some special problems connected with the employment of the skilled seasonal workers to which it is necessary to make some reference here. In the earlier stage of the development of the sugar industry there was excessive and unhealthy competition for securing the services of competent chemists and pan men whose number was very limited. The result was that sometimes the chemists or the pan men found that their places had been taken by others supposed to be more competent by their employers and the employers sometimes found themselves in a similar position of having been deserted by their chemists and pan men who had succeeded in securing more attractive positions. When either of these contingencies occurred in the middle of the season the loss to the other party was very great. We are happy to find that stable relations between this class of workers and the management of sugar factories are being gradually built up. The terms of these relations are defined in the contract between them. Contracts are not as universal as they should be. We do not desire either to make the contracts universal or to prescribe the terms of contract because both the parties are intelligent enough to understand their interest.

Need for standardization.

493. (Wages for the same work in the sugar industry differ a great deal from one factory to another.) The Sugar Industry is an industry in which wages can be standardised without much difficulty because one sugar factory is very much like another. Since all the sugar mills of Bihar are members of the Indian Sugar Syndicate, Limited, the latter can take the initiative in this matter.

Contract work.

494. There is very little of contract work in the sugar industry. It is confined mainly to the unloading of cane and stacking or loading of sugar bags. The contract work here is of the nature of group-piece-work in which a *mate* or a *Sirdar* undertakes to do a job on a piece-rate, the payment for which is divided among his co-workers according to their share of work. The piece-rates in force in different sugar factories should be reviewed and if necessary, revised to secure to the workers the minimum wages prescribed for the industry.

Overtime payment.

495. The manufacture of sugar is a continuous process and therefore the hours of work do not exceed eight a day. The worker on a shift duty is not relieved until the man on the next shift duty has arrived to take his place. It, therefore, often happens that a man has to be on duty for much longer than eight hours. When the hours of work exceed 10 a day, the worker is entitled to payment at overtime rate. It was stated on behalf of managements that wherever it occurred this was as a result of mutual arrangement among the workers themselves with which they do not interfere and of which they had no knowledge at all. A mutual arrangement cannot be held to justify the violation of law. We would suggest that the Inspector of Factories should pay special attention to the enforcement of the provision in regard to overtime payment.

Shift hours.

496. During our investigation in the sugar industry some of us felt that the hours of shift duty in so far as some factories are concerned could be profitably altered so as to give to the workers more convenient hours for sleep and meals. As the change of the hours of shifts involves practically no extra to the management, there should be no difficulty in altering any existing arrangement, if a representation to that effect is made by a majority of the workers concerned.

Shelters.

497. Whatever may be the arrangement for shift duty it is not possible for some people to return to their homes when their duties are over in the night. To avoid any journey in the night some may arrive several hours before their duty begins. (We have found that in many sugar factories there is no suitable place where these people can rest before going home or starting work in the factory.) We found some of

these people sleeping in extremely inconvenient places where that they exposed to the full rigours of winter or in warm places near the boiler house where there may be some risk to them. We suggest that suitable shelters for rest should be provided by all factories.

Welfare services.

498. Some employers have provided warm jerseys to the coolies who work on the cane carrier in the open and are, therefore, exposed to winter conditions. We hope that all employers will do the same of their own free will for the cost involved is small.

499. Housing is provided to some of their employees by the sugar factories. The question of housing in sugar factories stands on a somewhat different footing from that of other industries. As the labour is largely drawn from adjoining villages it has not the same importance as in other factories. Many sugar factories have provided some housing for their workers who live in the factory premises. But such housing is neither sufficient nor in all cases suitable. Our recommendations relating to housing and sanitary arrangements elsewhere should apply to sugar factories also *mutatis mutandis*. It should be noted that some factories provide one or more of the following to their workers free, viz., kerosene oil and fuel, chowkis and buckets.

500. Medical facilities are lacking. Some employers depend on the doctors and dispensaries of the district boards. Some pay the doctors an allowance for looking after the factory employees while a few pay a monthly or annual contribution to the district board hospitals. Unsatisfactory as this arrangement might appear there are other factories which have not done anything at all.

Labour Unions.

501. Few Labour Unions have been organised on a stable basis in the sugar factories. The reason presumably is that work is seasonal. We think, however, that well-organised Labour Unions are as much a necessity in sugar factories as elsewhere and workers and those interested in their welfare should endeavour to start or strengthen them. This will tend to avoid conflicts in the industry which have been rather prominent during the seasons of 1938-39 and 1939-40.

CHAPTER XXI.

Mica.

502. The mica industry falls into two divisions, mica mining and mica manufacture. We deal first with mining.

(a) Mining.

Position in Bihar.

503. The total output of mica in India in 1937 was 103,641 cwts. which was 17,137 cwts. more than in 1936. Outside Bihar, mica is found in the Nellore district of the Madras Presidency and Ajmere-Marwara in Rajputana, the contribution of these areas being about 16,000 cwts. and 2,000 cwts. respectively. The bulk of mica is produced in Bihar. The production is distributed in the different districts of Bihar as follows:—

	Cwts.
Hazaribagh	61,108
Gaya	20,055
Monghyr	3,646
Bhagalpur	923
Manbhum	246

The total number employed in Bihar was 23,473 in 1937.

General Conditions of Labour.

504. There is a large number of very small mines, situated mostly in inaccessible jungles, each with a small output and labour force. There is hardly any settled labour, the workers moving from one mine to another, and during the rains returning to their own fields when most of the mines are closed down. There is much competition for labour, and the *sirdar* with his men will go wherever he is promised better reward. The industry has made no efforts to create a permanent labour force and indeed the difficulties appear to be too great. Mining methods are usually simple and require little skill and therefore, the industry has not paid any attention to this aspect of labour.

Welfare Services.

505. The workers are housed in straw huts of the flimsiest type. They hardly afford any protection against rains, and wind and sun and in all seasons are the most uncomfortable. Sanitary arrangements are non-existent. Pure drinking water is unobtainable. The workers drink the polluted water of the near-by streams and at one of the mines which we visited, many workers complained of several kinds of ailments. Arrangement has been made by some proprietors to carry water in lorries from the wells at the foot of the hills to the mines which may be several miles away buried in deep jungles but as is to be expected the water is hardly sufficient for all. Water-supply in mica mines is, in our opinion, a serious problem and one which has not received sufficient attention either from the industry or the State. But it is not easy to suggest ways and means for overcoming the difficulty which is inherent in the physical conditions of the area where these mines are located. So far as we are able to judge, no central scheme of water-supply is possible and the problem has to be tackled locally at each mine. We recognise, however, that it is a matter essentially for expert investigation and we, therefore, suggest that it should be undertaken without delay.

506. Another serious problem is that of medical relief. Every mine is required by the Indian Mines Act to maintain a First-aid equipment and some body who is competent to render First-aid. Some of the mines which we visited lacked even this minimum provision. Most of the mines are so situated that there is no doctor or hospital or dispensary within easy reach. The difficulties of those who suffer serious injuries can be well imagined. Fortunately, mica mining is a relatively safe occupation as is shown by the fact that there were only nine fatal and 27 serious accidents in Bihar in 1937. Nevertheless, we think that there is an urgent need of a travelling dispensary and an ambulance service to convey cases of serious injury or illness to the hospital for treatment. Before full benefit can be derived from these facilities, it is necessary that the communications should be improved which are, at present, in an utterly deplorable condition.

Wages.

507. No data have been supplied to us by the mica-mines in regard to wages. Such data as we have collected show that the wages are more or less uniform, being generally annas 12

to annas 14 a day for a mechanical driller, annas 10 a day for a hammer-man, annas 7 for a Dhanwar, annas 4 a day for men coolies, and annas 3 a day for women coolies.

Hours of Work.

508. We believe that the hours of work are not strictly observed. In one mine the arrangement of shifts as described to us by the workers involved 24 hours' work in two days. This arrangement was subsequently confirmed by the manager himself. It is a clear violation of the Mines Act. Increased demand for mica coupled with scarcity of labour had led the manager to resort to this practice. Other cases, not as obvious, also came to our notice. In mica, unlike coal, the miners are paid on the time-basis and therefore, the management may be actuated by a motive of gain to keep them longer in the mine than is permitted by law. Inaccessibility of the mines makes detection of the malpractice difficult. More frequent and vigilant inspection is necessary.

Payment of Wages.

509. Irregularity in the payment of wages is widely prevalent. Wages are often not paid until a long time after they are earned and when paid, it is usual to keep back a substantial part. The workers are thus forced to buy on credit with ruinous consequences to themselves. At one of the mines, the shop was being run by a friend of the manager who would deduct the shop dues from the wages of the workers. Some workers said that they never saw any money at all. The object seems to us to be to deprive the worker of his freedom to leave the mine and go where he would. The worker can regain his freedom only by foregoing his wages and running away. We consider the position as utterly intolerable and as a remedy, suggest the immediate extension of the Payment of Wages Act to the mica mines and a suitable authority on the spot being charged with the duty of the enforcement of the Act. The wage-period for mica miners should be a week unless a longer period is desired by the workers themselves.

(b) Manufacture.

General Conditions.

510. We now turn to mica manufacture. This is carried on in a large number of small and some very big establishments in or near Kodarma and Giridih. There is only one establishment belonging to Messrs. F. F. Chrestien and

Company at Domchanch which makes use of mechanical power for certain processes and therefore so far as these processes are concerned, comes within the Factories Act; all the others are subject to no regulations at all. Besides, the splitting of mica is carried on in homes mostly by women who are supplied mica by the bigger establishments and deliver the splitting to them. Their earnings are small and are meant to supplement the exiguous income from field work. Messrs. F. F. Chrestien had on their register 1,759 men, 4,592 women and 1,089 children home-workers in March 1939, and the average earnings per month varied from annas 15 to Rs. 1-9-6. As their work is in the nature of a cottage industry, we do not make any further observations in regard to it. There were in 1937, 126 establishments employing 11,395 persons.

Employment of Children.

511. These establishments are of special interest to us as they employ a large number of women and children. Not a few of these children were at work when they should have been at school and play. Their parents must have been so poor as to welcome any addition to the family earnings, however small and won at whatever cost. Poverty and ignorance prevent them from taking long views. Although the work of the children is light and free from risk, they have in some cases to walk several miles to and back from the factory. We note that the Central Government has passed the Employment of Children Act which came into force from 1st of October 1939 prohibiting the employment of children below 12 years of age in a number of occupations of which mica manufacture is one. In a memorandum, our attention was drawn to the pledging of child labour which, it was said, prevails in the mica industry. We did not come across any evidence of its existence. But if the practice obtains in mica or elsewhere, there is the Pledging of Children Act recently passed to deal with it.

Extension of Factories Act.

512. Recommendation made by us elsewhere will bring mica establishments within the Factories Act and give to the workers in them the protection and benefit of its various provisions.

Wages.

513. In mica the processes of cutting and splitting are comparatively simple, but there are other processes which call

for trained judgment and dexterity in the use of fingers. The employers testified to the very high degree of skill of the workers in these matters. There is a great diversity of wage-rates based on the quality of the work done. In one big establishment at Kodarma we found that each worker had been separately rated on personal efficiency. Messrs. F. F. Obrestien are the only mica manufacturers who have cared to send us the figures of earnings of different classes of workers which are tabulated below:—

Monthly earnings in May 1939.

Persons.	Splitters.			Sorters.			Die and pattern cutters.			Packers and sewers.		
	Number.	Earnings.		Number.	Earnings.		Number.	Earnings.		Number.	Earnings.	
		Maximum.	Minimum.		Maximum.	Minimum.		Maximum.	Minimum.		Maximum.	Minimum.
1	2	3	4	5	6	7	8	9	10	11	12	13
		Rs. a. p.	Rs. a. p.		Rs. a. p.	Rs. a. p.		Rs. a. p.	Rs. a. p.		Rs. a. p.	Rs. a. p.
Men ...	631	8 6 0	4 3 6	700	25 8 0	9 12 0	84	19 8 0	8 15 0	354	21 4 0	8 12 0
Women ...	819	8 10 6	4 3 0	...	...	...	...	...	...	...	...	...
Children ...	143	3 7 0	1 11 0	197	7 12 0	2 8 0	66	4 14 0	2 7 0	82	6 4 0	2 8 0

Figures of earnings for some classes of workers are too low. We have not had sufficient data to enable us to propose any figure to be fixed as the minimum wage for workers in the mica mines or mica factories. We have suggested, however, that so far as mica mines are concerned, prompt enquiry should be held and a suitable minimum wage fixed as for other mines.

514. The worldwide trade depression which began in 1929 did not spare the mica industry. But there has been some improvement in recent years. Dr. Satyanarayan, the President of the Mica Workers' Union, observed before us that the workers who had their wages reduced during the depression have not shared in any degree the recent improvement. We have been unable to obtain any wages-figures for the past years and indeed, none for the present year except from Messrs. F. F. Chrestien and Company. Therefore, we cannot judge for ourselves how far the statement is correct. Wages where reduced when the industry was in a bad way, should be restored when the position has improved.

515. Several kinds of abuses in matters of payment are discernible. One mica factory in Kodarma used to pay or still pays wages in kind. For unsatisfactory splitting, deduction from wages is sometimes arbitrary. We have come across cases of regular deduction of 2 chattaks from the weight attributed to defective splitting. There are also regular wage deductions for late attendance, *dasturi*, bad workmanship and *goushala*.

Utilization of Mica.

516. We are much concerned to find that a large quantity of mica is allowed to go to waste. Attempt must be made to prevent this enormous loss to the industry and the community. We suggest that the State should initiate a research into the profitable utilization of the waste mica. To our mind a practical method of doing so is to make an annual grant to a suitable Industrial Research Institute earmarked for this purpose.

Co-operation in Sale.

517. Mica is a product of which there is little demand in the country itself, and therefore, nearly the whole output is exported, our best customer now being the United States of America, a position which was held until recently by Germany. Of the particular quality of mica which we produce here, we have a practical monopoly. It would appear that the

industry could secure a better price for its product than has ruled for some years, if it could set aside unhealthy internal competition and agree to co-operate. One profitable form that this co-operation can take is the establishment of Export Sales Agency. If this practical step were taken, its effect on the fortunes of the industry and therefore, also of labour may well be considerable.

Labour Union.

518. Apart from physical difficulties arising from the scattered and inaccessible nature of the localities where the mines are situated, the mica workers lack industrial consciousness. They need a strong organisation to protect and promote their interest and it requires patient and persistent effort to build up a strong trade union.

CHAPTER XXII.

Shellac.

Position of the Industry.

519. According to the Report of the Chief Inspector of Factories, there were in 1937, 112 shellac factories employing 4,172 persons. The annual production of scraped lac in India varies between 1,200,000 to 1,600,000 maunds and the export of shellac of all kinds varies from 400,000 to 800,000 cwts. valued at about 1.6 crores of rupees at the present time. Of this annual production Bihar contributes almost 55 per cent. Shellac manufacture also is carried on in homes on a small scale which is not included in this number. The important centre of industry is the Jhalda subdivision of the Manbhum district but it is carried on in various places in the districts of Ranchi, Palamau and Santal Parganas.

Extension of Factories Act.

520. Like mica, shellac is an industry in which little mechanical power is used. The number of those using power does not exceed a dozen and even in their case, it is limited to the crushing and sieving of seed-lac. With the exception of these, the other factories are not governed by the Factories Act. We have suggested that all establishments in which at least 40 workers are employed should be brought within the scope of the Factories Act.

General Conditions of Labour.

521. Labour supply is almost wholly local. Only in the case of a factory at Pakur, the *karigars* were brought from Mirzapur many years ago and have since remained there. The workers live in their villages. There are no rigid timings. All the workers except a few are on the piece basis and even in the case of the time workers, there are no strict rules about attendance.

522. Lac is a seasonal industry. The active periods are from March to May and again from September to January coinciding with what are known as *chaiti* and *kusumi* crops. Only

in the big factories is the work carried on throughout the year. The usual arrangement in the factories is for a number of *bhattas* or *chulhas* to be laid out in rows in a long hall. There is overcrowding and lack of ventilation and where the roofs are low, the latter is more serious. In summer, the discomfort of the workers is indescribable. The application of the Factories Act to these premises will no doubt result in their being improved suitably to accord with the needs of the health and comfort of the workers. Perhaps, the most objectionable feature of the lac factory is the foul smell of which the visitor becomes quickly aware. This is due to the water in which the lac has been washed being allowed to stagnate and form cess-pools. We are told that this water is a sort of a fertilizer and if that is so, a little enterprise is all that is necessary to turn a curse into a blessing. The Factories Act is not concerned with uncleanness outside the premises of the factory, however injurious to health it may apparently be. The local bodies can take action and it is high time that they did so. In future before the plan of a factory is approved by the Director of Public Health which we have recommended should be done, he must satisfy himself that proper arrangement has been made for the disposal of the effluents.

Wages.

523. Women are employed in large numbers in lac factories. Their work chiefly consists in separating impurities from the seed-lac. They are mostly paid on piece basis but in a few cases they receive daily wages. It was gathered by some of the members of the Committee from conversation with the workers that their earnings varied from annas 2 to annas 4 a day and these were nearer annas 2 than annas 4. The wages for crushing and cleaning seed-lac are between annas 4 and annas 6 a day although some workers where payment is on piece basis can sometimes earn annas 8 a day. The most important work in the lac factory is the *bhatta* work, the process of melting seed-lac and making it into sheets of shellac. On each *bhatta*, there are a *karigar*, a *belwaiya* and a *pherwaia*. The *pherwaia* turns the wheel to which the *thaila* filled with seed-lac is attached, and as the lac melts before the fire and the liquid is pressed out of the *thaila* by the action of the wheel, the *karigar* who sits on the *bhatta* wipes it off and spreads it round a bottle and the *belwaiya* completes the process by drawing out the layer, holding it with his feet at the one end and his teeth at the other. The payment for the whole *bhatta* work varies from annas 12 a maund to Rs. 1-4-0 a

maund. In Thulin it is between annas 12 and annas 14. In Jhalda it is Rs. 1-4-0 in the bigger establishments, although there is between Thulin and Jhalda a distance of hardly four miles. In Pakur the rate is Rs. 1-2-9 and in Kothalpokhar Re. 1 and they are separated by only six miles. The payment for *bhatta* work is divided among the *karigar*, *belwaiya* and *pherwaiya* in the ratio of 50 : 33 : 17. In Pakur of Rs. 1-2-9 paid for the *bhatta*, annas 9 go to the *karigar*, annas 6-6 to the *belwaiya* and annas 3-3 to the *pherwaiya*. The Re. 1 at Kothalpokhar is distributed among them as annas 8, annas 5-6 and annas 2-6 respectively. The variations from the above rates are slight, if any.

524. As we have already said, the rate for converting a maund of seed-lac varies between annas 12 and Rs. 1-4-0. But the range of variation is greater if a distinction is made between nominal and real rates. In some places, a maund means a maund and five seers; and on the quality of the lac depend the time which it takes to turn it into shellac; the time varying from 7 to 10 hours. In our opinion, there is no justification for these large variations when the conditions of work are more or less uniform.

525. Compulsory deductions from wages of 3 pice or 6 pice per rupee in the name of *dharma* or *thakurbari* are widespread in the industry. In Kothalpokhar, there is a pernicious system of payment in kind. We wish to draw the special attention of the Government to the latter and trust that a stricter administration of the Payment of Wages Act will remove both these evils.

Prospects of the Industry.

526. Of all the industries of the province, the shellac industry has fared the worst in the depression. And it has not shared the improvement of recent years which has in greater or lesser degree spread to all other industries. It appears to us that there is in the industry a disequilibrium of a more or less permanent character. This is due to the fact that the demand for it has failed to keep pace with the supply. If the industry is ever to recover its prosperity, it is essential that more uses should be found for the shellac. The gramophone record industry consumes about 30 to 35 per cent, the electrical, paint and varnish industries about 35 per cent and the hat-making industry about 10 per cent. Shellac has to meet with severe competition from synthetic substitutes. The

Lac Institute at Namkum is making investigations for finding new uses for shellac.

527. The industry made abnormally high profits during the last war and for some years after it. The profits were largely dissipated and scarcely any thing went into the improvement of the shellac industry itself. The present difficulties of the industry are in no small degree due to the lack of foresight.

528. We give below the table showing the export trade in lac and shellac:—

TABLE LII.

	Seed-lac.			Shellac.		
	Quantity.			Quantity.		
1	2			3		
	Cwts.			Cwts.		
1927-28	54,694			404,367		
1928-29	92,420			530,746		
1929-30	68,003			498,252		
1930-31	106,289			366,419		
1931-32	104,657			297,012		
1932-33	120,822			261,733		
1933-34	152,214			529,075		
1934-35	88,635			431,937		
1935-36	125,842			284,532		
1936-37	261,822			496,940		

529. It will thus be seen that while the export of seed-lac in 1936-37 was five times of what it was in 1927-28, the export of shellac in 1936-37 was only a little greater than in 1927-28. This leads us to the conclusion that our foreign customers prefer to buy seed-lac rather than shellac from us because they can turn seed-lac into shellac at a lower cost than ourselves.

530. We can regain the export trade in shellac only if the production costs are reduced. And the way to do it is not to reduce the wages which are already low but to introduce improved processes of manufacture.

531. It has been suggested to us in the course of the evidence that an export tax should be levied on seed-lac. After we had left Pakur, we heard of an attempt being made by the shellac workers to prevent by force the despatch of seed-lac. It was only by the intervention of the Deputy Commissioner that the attempt was given up, but not without some unhappy incidents. We appreciate the anxiety of the workers to keep the seed-lac for local manufacture. But by trying forcibly to prevent the despatch of seed-lac, they are attacking the symptom and not the cause of the disease. The cause evidently is that the methods of manufacture are inefficient and antiquated.

532. An export tax on seed-lac raises many complex issues which we are not in a position to examine fully. But we feel that it will not achieve the object which its advocates have in view. For lac is not our monopoly. Our foreign customers will be forced to obtain their supplies from other sources notably the Malaya States. And the lac growers would lose an important market. In modernization alone lies the salvation of the industry and we desire that the Government should examine how the industry can be helped to achieve it, and in particular whether any financial assistance can be given to it under the State Aid to Industries Act.

CHAPTER XXIII.

Trade Unions.

Development of Trade Unionism.

533. The Indian Trade Unions Act, 1926, came into operation from June, 1927, and invested the registered trade unions with legal and corporate status and with immunity from civil and criminal liability in respect of strikes. With the status and protection thus acquired it was expected that the Indian trade union movement would soon develop into a strong, responsible and organised working class force creating among the workers a growing sense of organisation, catering to their needs and requirements, negotiating with the employers for bettering their conditions of life and service and voicing forth their social, economic and political aspirations and ambitions. Twelve years have now passed and the expectation has not been more than only partially realised. It may be that the number of trade unions and their membership have to some extent increased or that the volume of their propaganda and agitation grown in intensity. It may also be that the working class have become more class-conscious. But it cannot be said that the movement has picked up adequate strength from within, that its membership has remained steady, that it has brought about continuity in the personnel of its leadership or policy, that the leadership wields influence over the rank and file so as to be in a position to "deliver the goods" or that its power of collective bargaining has grown or become fairly well established. The increase in the number of industrial conflicts and the failure of the workers to win many of them are a sad commentary on the internal strength of the movement and its power of collective bargaining. The conditions in the jute industry in Bengal and other textiles in Bombay, Madras, United Provinces and Central Provinces, the collieries in Bihar and Bengal, the sugar industry in United Provinces and Bihar, the iron and steel and allied industries at Jamshedpur establish the truth of the one or the other, if not all, of these statements. The conditions on the railways have also deteriorated. This shows that law can neither create trade unions nor infuse in them strength. It must come from within.

Progress in Bihar.

534. The progress in trade union organisation in Bihar has been slow. In the first decade of the operation of Indian Trade Unions Act, only one union in Bihar was registered annually for seven years and the remaining three years saw no registration at all. Two of these seven unions were dissolved in the same period. In 1937-38 five fresh unions were registered and the total came up to 10. Six of these did not in 1937-38 submit their annual returns required under the Act. Figures of their membership, income and expenditure and the position of the general fund were not, therefore, available to the Registrar of Trade Unions. The remaining four unions showed a membership of 5,710, an income of Rs. 2,315-2-9 including the opening balance of Rs. 43-5-6, an expenditure of Rs. 1,565-7-6 and a closing balance of Rs. 749-11-3. It may be pointed out that one of those unions which was registered only a month previous to the close of the official year, was alone responsible for 1,485 members, an income of Rs. 1,061-7-6, an expenditure of Rs. 356-5-9 and the closing balance of Rs. 713-1-9 including an opening balance of Rs. 8. In 1938-39 eight new unions were registered and brought the total number of registered unions to 18. All these unions were organised during the year of registration; and therefore, in the absence of their annual returns, the Registrar could not ascertain their membership figures and other information. We may note, however, that during the last two years several unions have been formed which have not all been registered and about which information is not available. We recommend that, following the practice in Bombay, the Registration Form should contain information about membership and should be accordingly modified so that the Registrar may know the figure of membership on registration and without waiting for the annual returns to come at the end of the official year. No union has yet got a political fund.

535. The general idea conveyed by these figures was largely confirmed by what we saw at the different industrial centres during the course of our tour. It was perhaps at Jamshedpur where we witnessed the vigour of organisation, the enthusiasm among the rank and file and the influence of leadership. In the coalfields it was the competition among the leaders rather than the strength of organisation, that impressed us. In this area, new forces are at work and struggling at fresh organisation but it is too early to assess the success of their efforts. At some centres of the sugar industry, unions have sprung up. Their

stability can be judged only after the first flush of enthusiasm created by the strikes and their success has subsided. At Monghyr a strong union has been organised in the tobacco factory; but the constant stoppages of work have threatened the continuity of its strength, if not its existence. In the cement industry at Japla and Dalmianagar trade unions have been started and have successfully negotiated with the employers. Similarly unions have been formed in the Jute and Cotton Mills. A railway union at Jamalpur is functioning with some strength. We came across a few places where we were told that unions had been organised; but further examination elicited that only a few persons formed themselves into trade union organisations and that their constitutions and membership were to follow. Our general impression of the trade union movement in Bihar is that at a very few places it has taken a definite shape and has a tone and at other places there are distinct visible signs of organisation and of the growing need for it; but it has not yet entered the region of stability and lacks coherence and vigour.

Causes of Slow Progress.

536. The causes for this slow growth are many and varied. We propose to discuss at some length the difficulties, internal and external, of the trade unions and suggest, wherever possible, ways and means to overcome them.

537. The absence of education among the workers, their consequent inability to take a long view and their poverty constitute a powerful impediment to the normal growth of trade union organisation. The average worker does not yet understand the importance of organisation and the advantages that follow from its continuity. He knows that his combination with other comrades generally helps him in the strike. He, therefore, supports it with his contributions during the strike period and selects for leadership an agency which voluntarily or otherwise offers itself and holds out promises of success in the strike. A trade union thrives in this period of stress and strain and enthusiasm is whipped up by propaganda and slogans. If the strike fails, the workers' interest in the union begins to slacken and gradually disappears. If it succeeds, he finds no material advantage after normal conditions set in; and again his interest in the organisation gradually wanes. Before the State took up the responsibility of insuring the workers against the risks of unemployment and sickness, the trade unions in Great Britain

provided them with unemployment, sickness, strike and other benefits and were thus able to maintain the workers' interest in their organisation. Even today, some unions pay such benefits in addition to those provided by the State. In India there is no such inducement. The Indian worker does not appreciate, nor are any adequate attempts made to make him appreciate, that a strong permanent trade union is itself a healthy check on the employer, which ensures as little fluctuation in the conditions of his service as possible, forms a channel of discussion and negotiation which can prevent accumulation of grievances and become as effective an instrument as direct action but without the suffering the latter invariably brings, and also a powerful weapon for conducting a strike when it becomes necessary. Moreover, the worker's earnings are so low that he cannot afford to pay regularly even a small contribution to his trade union. In an abnormal circumstance such as a strike, he stakes his all without minding the consequences; but he does not do so in normal times. To educate the worker in the theory and practice of trade union principles and methods of work, collective bargaining, functions of trade unions, etc., is primarily the duty of trade union leadership. Attempt should be made by labour leaders to instruct the workers in different aspects of trade unionism such as the aims and objects of a trade union, its methods of work, advantages of collective bargaining, different methods of settling industrial disputes including strikes, arbitration and conciliation procedure, etc., and instruction may be made attractive by the use of lantern slides and films.

Trade Union Leadership.

538. The difficulties associated with the present trade union leadership are no less serious than those of the rank and file. Socialism, National Socialism or Nazism and Fascism, and Communism, or, in other words, democratic trade unionism and totalitarian trade unionism have divided the trade union movement internationally and India has not escaped from the repercussions of this international split. The All-India Trade Union Congress is a central organisation of the industrial workers in India; but it cannot be said to be a homogeneous body. It is a heterogeneous combination of several groups competing with one another to secure supremacy in the Trade

Union Congress. Most of these groups have their political affiliations outside the Trade Union Congress and a few of them derive their inspiration from outside India. The existence of groups and absence of common loyalty accentuate the element of competition within the Trade Union Congress, and this element seriously affects the primary trade union organisations. The propagation of different philosophies and ideologies represented by the various groups bewilders the average worker who gets confused and confounded and does not know whom to follow. In order to win the support of the rank and file, strong language and promises not easy of attainment become a marked feature of the propaganda. The less circumspect workers succumb to the group which talks the tallest; others sit tight and do not join any group. The result of this rivalry is either the formation of rival unions, weakening of the existing unions or no unions at all. In either case the movement receives a serious setback and its normal growth is impeded. This is what has been happening in India and we saw signs of this in Bihar also. It is most difficult to suggest a way out of this unfortunate situation. The remedy lies in the hands of the workers themselves and their training will not, we believe, fail to make that remedy available to them.

Attitude of the Employers.

539. On the employers' side, the position is no less difficult and complicated. The attitude of most of them towards trade unions has no doubt considerably softened and many of them who have profited by their own experience or that of others, frankly recognise the need for a sound and *bona fide* trade union organisation of their employees. But the difficulty arises when one attempts to understand what exactly they mean by a sound and *bona fide* trade union. The evidence before us shows diversity of views. Some say that by a sound and *bona fide* trade union they mean the exclusion of outsiders; others say that they mean that the constitution of a trade union should have their previous approval and that the trade union must modify its constitution by incorporating the suggestions they may make; there are yet others who insist that the membership of a trade union must be restricted to their own industrial concerns; and there are not a few who want not only all these conditions but insist upon some others. The question of recognition of trade unions has become a source of conflict in many places. The channel of collective bargaining tends to get closed. Our considered view is that the difficulty is not

as great as it appears and if only prejudices on either side are overcome and a correct attitude brought to bear on the problem, the channel of collective bargaining can be opened up. The grounds on which our view is based will be better understood if we examine the various objections of the employers.

Objection to the " Outsider ".

540. The objection to the " outsider ", i.e., the inclusion of a non-worker in the trade union organisation, has not yet wholly died down, though it has considerably weakened, since the Whitley Commission reported in 1931. As we have pointed out above, the forces with different and sometimes conflicting, ideologies and methods of work, have entered the field of trade unionism and are struggling to extend their spheres of influence. This has made the task of the employers in dealing with trade unions more difficult. Without minimising the seriousness of their difficulty we are clear in our mind that in the existing conditions at any rate the elimination of the outsider is well nigh an impossibility. The vast majority of workers are so ignorant, apathetic and afraid of displeasing their employers, that outside help is indispensable for organising and conducting unions. Complete elimination of outsiders from trade unions has not been found possible elsewhere and Bihar can be no exception, especially in these early stages of trade union development. It is possible only if it is voluntary, i.e., if the workers themselves decide to run their own unions without the aid of the outsider.

Approved by the Employers.

541. The employer is, we are afraid, in an equally weak position when he insists that the constitution of a trade union should have his previous approval and or, that it must agree to incorporate in the constitution such modifications as he may suggest. Fundamentally this is a wrong attitude to take. A trade union is as much independent of the employer as the employer's association is of the worker in its management and administration. For the purposes of collective bargaining, the trade union and the employer's association or the worker and the employer have the same status and independence. If it is unreasonable for a trade union or a worker to insist upon the constitution of the employer's association being made the subject of its or his approval and to demand right of modifying it, it is equally unreasonable for an employer's association or an employer to make a similar demand on a trade union or a worker. The most important provisions in all constitutions of

registered trade unions such as their aims and objects, constitution of the executives, financial control and audit, are framed in accordance with the Indian Trade Unions Act. The employer cannot be justified in insisting upon additional provisions.

Restriction of Membership.

542. We may examine, another objection which an employer sometimes raises, viz., the membership of a trade union should not extend beyond his own factory. In other words, he says that each industrial concern, however small it may be, should have its own union. Here again he is, we are afraid, in a weak, untenable and unhelpful position. If by this objection he thinks that he can eliminate even a worker from outside his factory, he is mistaken. He cannot effect such elimination so long as the Trade Unions Act permits it. Moreover, we cannot ignore the difficulties which the organisers of labour will have to encounter if one union for each industrial unit is insisted upon. The ranks of organisers are none too numerous to allow them to undertake the responsibility of framing of constitutions, looking after administration and finance and doing propaganda for the large number of separate unions. Secondly, many of the unions will be so small that they will not be able to conduct their business within the finances at their disposal. There are certain other problems relating to trade unions and we proceed to deal with them.

Affiliation and Co-ordination.

543. A question which may be mooted, although it has been settled by the Trade Unions Act, is whether trade unions should be permitted to join a Provincial or an All-India organisation. This is permitted by law and is perfectly reasonable. Labour has as much right of coordination and consolidation of its strength as the employers. An employer can and may redress individual grievances and also perhaps such collective ones as obtain in, and have only an application to his own factory. But there are problems of labour which are common to a particular industry or to several industries and even to all industries. Some of them the employers of that industry or all the industries can solve only by common action. There are other problems for which a provincial or countrywide solution may be necessary. There are yet other problems for the solution of which the intervention of the State is necessary. No union of a single industrial unit, however strong and efficient, can influence the employers other than its own or the State, unless it joins hands with other unions not only of the same

place, district or the province but of the other provinces also. We would, therefore, like that the primary unions in the province should co-ordinate at the top by forming themselves into a federation which may become the Provincial branch of an All-India Labour Organisation.

Some Problems of Organizations.

544. Another question which is agitated is in regard to the basis on which trade unions should be organized. This like many other questions should be left to the discretion of the workers to decide. In our view, however, it is neither safe nor desirable to lay down a hard and fast rule. The number of workers in a particular factory may be too small for an effective union to be formed and in such cases the workers in a particular industry at a centre should do well to join one single union. On the other hand, at one centre there may be several factories for several industries and the problems of workers in the different factories may also differ. A single union for all such factories may be equally ineffective on account of the diffusion which its activity will necessarily have to be subject to. In our opinion the best thing is to have one union for one trade subject to such limitation as numbers and physical distance may impose.

545. Another allied question is whether workers in different occupations in the same industry should have separate unions of their own. The law gives them freedom in this matter but we would like to say that in our opinion a multiplicity of unions in the same industry based on difference in occupations will impede the growth and undermine the strength of trade unionism in that industry.

546. A point which has assumed some importance is whether works guards in any establishment should be permitted to join a general union of the workers as distinguished from a union of their own. All members are agreed that they have a right to have a union; but the Committee is not agreed as to whether they should join a general union. The majority is of opinion that there should be no restriction of their right to join a union of their choice. Messrs. Hayman and Gandhi are of opinion that they should have a separate union of their own, if they so wish, but they should not become members of a general union in view of the nature of their duties.

Recognition.

547. We now proceed to discuss the question of recognition of the trade unions by the employers. It is necessary at the

very outset to make clear what we mean by recognition. Recognition of a trade union by an employer implies that the employer is willing to negotiate with the trade union about the conditions affecting the workers in his establishment. It is claimed by the representatives of the workers that this recognition should be accorded as a matter of course to all trade unions. In justification of this view, it is urged that recognition opens out the channels of communication with the management in the absence of which misunderstanding and therefore friction are bound to occur. It can do the employer no possible good to refuse to take notice of a point of view that his workers or a part of them may like to present to him in their collective capacity.

548. On the other hand, it is contended by the employers that recognition of a union which wields no sufficient influence among their workers is neither of any consequence to themselves nor to their workers. They maintain that recognition is not something which can be given or withheld at the discretion of the management. A union which is strong enough can compel the management to recognise it through its sheer strength. The management cannot withhold recognition from such a union without serious consequences to itself. Thus while the workers would like to make recognition of all trade unions compulsory by law, the employers would like to leave the matter entirely to the discretion of management or to the strength of the trade unions concerned. We find ourselves unable to accept either point of view in its entirety. To demand compulsory recognition for all trade unions irrespective of their representative character and strength is to ask for a status without the power to fulfil the obligations arising from that status. On the other hand, to withhold recognition from a trade union unless it has demonstrated its strength by making itself a source of trouble is for the management to court trouble. While we are anxious to prevent recognition being made cheap and therefore carrying with it no privilege of real importance, we cannot reconcile ourselves to a situation in which a trade union has to fight for its recognition. Accordingly, we suggest that recognition must be given in all cases to a trade union provided it is registered and, therefore, is expected to conduct its business in a legitimate manner; and has been in existence for at least six months and has therefore shown a certain degree of stability; and has a minimum membership of 5 per cent of the total labour force of the establishment and therefore can be assumed to have some influence on the workers in the establishment. While not making recognition a matter of course

our recommendation, nonetheless, makes it easy of attainment by every legitimate trade union.

549. In Mr. Hayman's opinion recognition is a matter which must be left to the employer to decide. No good employer can afford to deny recognition to a well-organised union working on accepted trade union principles and one which has a fair number of workers as members. Further a powerful union will by reason of its power and influence compel recognition.

550. Mr. M. P. Gandhi is of the opinion that for purposes of a union's recognition the limit of 5 per cent of membership referred to above should be raised to at least 10 per cent and that in calculating this percentage only such members should be included as have paid their subscription. He also thinks that the limit of six months for compulsory recognition of a union should be raised to one year.

Compulsory Membership.

551. It was suggested to us at one stage of our enquiry that trade union membership should be made compulsory for all industrial workers. The idea behind this suggestion is evidently to strengthen trade unions. While we appreciate the motive, we cannot accept the suggestion. The strength derived by compulsion where voluntary action should alone constitute the urge of combination, may prove to be a weakness and even a danger. Compulsory membership and consequent flow of contributions will add to and accentuate the jealousies and rivalries in trade union leadership which is already divided and will sap, we have no doubt, the springs of internal growth. And lastly, it will interfere with the civil liberties of the workers. If a worker thinks that his interests will be better served by remaining out of an organisation whose ideology and methods of work he disapproves, he is and should be, entitled to remain out of it. Moreover, we are not aware of trade union membership being made compulsory anywhere except in the totalitarian countries.

Freedom of Association.

552. At the same time we hold that there should be no obstacle in the way of the worker joining any trade union he likes or holding a trade union office or taking part in collective bargaining. It should be regarded as an inherent right of a worker to whatever category he may belong to join, if he so desires, a trade union or hold an office in it. We are anxious

that the worker should entertain no suspicion or fear in this respect. We have heard complaints of victimisation of workers and of the use of other methods on the part of some employers which creates suspicion and fear in the workers and discourages them from joining a trade union and taking part in its activities. We know that the employers deny such allegations and express sympathy with trade unions and their legitimate activities. We cannot, however, ignore the suspicions and fears of the workers. We believe that they can only be removed if the workers are given the protection of law; and the employers will not, we are confident, object to give by law what they themselves have generally given by word.

Protective Legislation.

553. The protection we wish to give the workers is on the lines of the National Labour Disputes Act of the United States of America which contains the following important sections defining and dealing with the prevention of unfair labour practices on the part of employers:—

“ Section 7.—Employees shall have the right to self-organisation, to form, join, or assist labour organisations, to bargain collectively through representatives of their own choosing, and to engage in concerted activities for the purpose of collective bargaining or other mutual aid or protection.

Section 8.—It shall be an unfair labour practice for an employer—

- (1) To interfere with, restrain, or coerce employees in the exercise of the rights guaranteed in Section 7.
- (2) To dominate or interfere with the formation or administration of any labour organisation or contribute financial or other support to it: Provided that subject to rules and regulations made and published by the Board pursuant to Section 6 (a), an employer shall not be prohibited from permitting employees to confer with him during working hours without loss of time or pay.
- (3) By discrimination in regard to hire or tenure of employment, encourage or discourage membership in any labour organisation: Provided, that nothing in this Act, or in the National

Industrial Recovery Act, (U. S. C. Supp. VII, title 15, Sections 701—712), as amended from time to time, or in any code or agreement approved or prescribed thereunder, or in any other statute of the United States, shall preclude an employer from making an agreement with a labour organisation (not established, maintained, or assisted by any action defined in this Act as an unfair labour practice) to require as a condition of employment membership therein, if such labour organisation is the representative of the employees as provided in section 9 (a), in the appropriate collective bargaining unit covered by such agreement when made.

- (4) To discharge or otherwise discriminate against an employee because he has filed charges or given testimony under this Act.
- (5) To refuse to bargain collectively with the representatives of his employees, subject to the provisions of Section 9(a)."

We recommend the incorporation of similar provisions in the Indian Trade Unions Act.

Collection of Subscriptions.

554. Another suggestion that was made during the course of our enquiry was that the employers should be requested, and even perhaps required, to collect union contributions from their workers and pay them to the union in a lump sum. The example of Ahmedabad where this practice prevailed in the textile industry for several years and is now, we understand, stopped owing to such collection being made illegal under the Payment of Wages Act, was cited in support of that statement. When the Payment of Wages Bill was being enacted into law, the practice prevailing at Ahmedabad was before the Government of India and the legislature; and yet the practice was not allowed to continue. There are thus no prospects of the suggestion being accepted even if we endorse it. Apart from this consideration, there are other considerations which do not permit us to accept the suggestion. We may first point out that the example of Ahmedabad does not stand on all fours with the suggestion made to us. The Ahmedabad example was an act of voluntary agreement between the employers and the workers and had behind it the disinterested and unique influence of Mahatma Gandhi who has always enjoyed the

confidence of both the parties. The suggestion before us seeks the medium of a third party, viz., the Government, for enforcing it and introduces an element of compulsion. Secondly, it wholly contradicts the position we discussed in the last paragraph. If the workers and their leaders entertain genuine fears and suspicions about the attitude of the employers towards them and their unions, and therefore, want legislative protection, they cannot, in strict conformity with that position, hand over to the employers a full list of the union members to enable them to collect contributions. If they do so, they give a handle to the employers to pick and choose those workers whom they consider to be trade union leaders or agitators for the purposes of victimisation. Those who want union contributions collected by employers and simultaneously demand legislative protection against victimisation and what is called in the United States of America "unfair labour practices", want to eat the cake and have it too. When we say this, we do not minimise the difficulties which the trade unions experience in collecting union contributions. We are fully conscious of them. But we believe that the remedy does not lie in asking the employers to collect the union dues but in the unions themselves organising the collections through their members. While we are thus not prepared to recommend that union subscriptions should be realised by the management, we think the establishment should give proper facility to the union for realising its subscription, e.g., by permitting union workers to realise it from its members near about the pay office at the time of payment, so long as it can be done without disturbance.

Interference with Trade Union Work.

555. This raises an issue which was brought to our notice. The collection of union contributions by union collectors involves periodical visits to the workers' quarters and also organisation of propaganda meetings for collection and other legitimate trade union activities. It was represented to us that some employers object to the union men visiting the workers' quarters which, in a majority of cases, are generally built on employers' ground or otherwise belong to them. This, in our opinion, is not only unfair but inimical to the establishment of healthy relations between the employers and workers and their respective organisations. To deny him the ordinary right of meeting his comrades and discussing with them matters of common interest, cuts at the root of personal liberty which we are

anxious to protect. We, therefore, recommend that an employer should not have the right to prevent approach to workmen's quarters and to prohibit or restrain meetings of workers at or near their quarters, even if these be the employers' property, provided that such meetings are not held in the work places or factories or mines or at too near their gates and provided further such meetings are not in furtherance of any action which under the law is illegal. We recommend that in industrial centres, where the land is owned by the establishment, suitable and convenient places should be set apart by the management in consultation with Labour Union for meetings of workers.

Political Activities of Trade Unions.

556. The structure of trade union organisation which we have suggested in the preceding paragraphs for the trade unions in Bihar to adopt is calculated to serve primarily the economic and social interests of the workers.

557. We wish to draw the attention of trade unions to the absence of political funds which they are entitled to constitute under the Indian Trade Unions Act. Since the Act was passed, labour has been given more political powers and therefore the need for expenditure for political purposes has increased. The main difficulty is the workers' ability to pay. But it cannot also be denied that the trade union leadership has so far made no attempts towards convincing the workers of the necessity of a political fund. When they are made, we believe that at a place like Jamshedpur or in the case of better paid workers like the railway workers, it should not be difficult to make a beginning; and we recommend that it should be made. We also recommend that section 16 of the Act should be amended so as to enable a trade union, if it so desires, to set apart for the current year not more than 25 per cent of the balance of the previous year as a political fund. We further recommend that the union wishing to do so must obtain the consent of the general body of members by a two-thirds majority in the annual or special general meeting. This recommendation is calculated to meet partly a two-fold difficulty. One is that for miners and other workers whose wages are very low, it is difficult to contribute to the political fund in addition to the general fund. The second is that the fund so created will enable the more intelligent among the rank and file to stand for elections and take part in other activities which, on account of financial difficulties, they cannot at present do and have necessarily to depend on outside leadership.

CHAPTER XXIV.

Industrial Peace.

Need for Peace.

558. The continuance of industrial peace is an essential condition of the growth and development not only of the industry itself but also, in a great measure, of improvement in the worker's conditions of work and wages. It is the industry that by its continued working ensures not merely profits for the investor but also wages and all other amenities that the worker claims. The condition of the textile workers of Ahmedabad has rightly been held up as an instance of how better wages can exist side by side with amity in industrial relations. The example of Ahmedabad, however, has its limitations in that the presiding guardianship of Mahatma Gandhi's spirit which has exercised such a profound influence on the attitude of the employers and the union alike, is not available at other centres. In fact, the development of industrialism in a capitalistic organisation of society is inherently fraught with situations in which a conflict between the employers and workers becomes inevitable, and the workers' right to adopt collective methods of bargaining and ultimately to resort to strike in exercise of that right has been recognised in all democratic countries. But the interests affected by the suspension of work are sometimes so vast, and the hardships caused to the parties so great that the need for regulating the conduct of a strike or lock-out has also been universally recognised. The Trade Disputes Act of 1929 has sought to regulate it in this country, and recently the Presidency of Bombay has enacted special legislation in respect of its own workers. This latter legislation, as we shall see hereafter, has numerous salutary provisions, but unfortunately, on account of the political background in which its enactment took place it evoked from a section of the workers and their representatives, a strong measure of protest.

Strikes in Bihar.

559. We have not been able to get statistics of the number of strikes or lock-outs in Bihar in recent years and the loss

occasioned thereby to the worker and the employer. The Tata Iron and Steel Company, in their evidence state that the strike that occurred in their works in 1928 and which lasted for 105 days caused to the workers a net loss in wages amounting to Rs. 25 lakhs. The loss to the Company, direct and indirect has been estimated at Rs. 220 lakhs. The strike which occurred in the Tinplate Company of India in 1929 lasted for about nine months, but we are not in a position to estimate the loss to the parties. Recently, strikes have become more frequent and have sometimes dragged on to inordinate lengths. Among recent instances may be mentioned those that occurred in—

- (1) The Tinplate Company, of India, Limited, at Jamshedpur in 1938 lasting for about three months and affecting about 3,200 workers.
- (2) The Indian Cable Company, at Jamshedpur in 1938 lasting for about eight months and affecting about 1,000 workers.
- (3) The Indian Copper Corporation, Limited, Mines at Musabani lasting for nearly three months and affecting about 5,000 workers.
- (4) Messrs. Bird and Company's collieries at Katrasgarh in 1938 lasting for about three months and affecting about 7,000 workers.
- (5) The Kumardhubi Engineering Works.
- (6) The Indian Steel and Wire Products Company.

In fact, it is difficult to single out any important industry or establishment which has not been a scene of acute industrial disagreement or conflict.

Causes of Strikes.

560. The years 1937, 1938 and 1939 which coincided with the advent of popular administration in the province, witnessed a large number of strikes which became a source of great embarrassment to the public and the Government. It is arguable that in a period of comparative political freedom, efforts were made by labour leaders to secure for the workers effective rights of trade unionism and improved conditions of wages and employment, and that as a result of natural opposition from the side of employers long accustomed to entirely different conditions, widespread industrial disputes ensued. Even a cursory examination of the causes of these disputes,

however, would disclose that while in some cases vital questions affecting the rights and privileges of the workers were involved, in very many of them a general sense of dissatisfaction with the existing conditions took the form of strikes, although the workers themselves had not clearly understood what they actually wanted. Cases are not unknown in which the actual list of demands and grievances of the workers were presented to the management after the strike had actually commenced. Lockouts, whenever they have occurred, have, as a rule, been a consequence of rather than a prelude to strikes. In the absence of organised trade unionism, the guidance and restraint of responsible leaders were missed. Some strikes, however, particularly in the Jamshedpur area, were well conducted and as a result, greatly increased the strength of the workers. The loss that the worker and the industry have suffered as a result of these strikes and lock-outs in recent years has been immense. In fact, industrialists who want to invest capital have sometimes felt a sense of fright as to the ultimate effect of such continued industrial unrest and have doubted whether it was worth their while to risk fresh capital in the industrial development of the province. From the point of view of labour, it would appear that a very large number of these disputes could have been amicably settled in favour of the workers and their privations prevented. Timely conciliation by disinterested parties was attempted in a number of cases and succeeded.

561. It is striking, however, that the provisions of the existing Trade Disputes Act were taken advantage of only on three occasions on each one of which the Board of Conciliation appointed by the Government succeeded in effecting an agreed settlement. These cases were :—

- (1) Dispute of the Indian Copper Corporation.
- (2) Dispute of the Tinplate Company of India.
- (3) Dispute of the Tatanagar Iron Foundry Company.

562. Demands for improvement in wages and conditions of work have been the more general causes of strikes. But there have also been other fundamental causes like the employer's refusal to recognise trade unions, and the attempts at victimization of workers connected with union activities which raise important issues in regard to the workers' rights of free association and collective bargaining. As the result, the situation becomes one of continual mistrust and uncertainty. To regard

the worker as mere unit of production deals a blow to his self-respect and becomes almost a fatal barrier to the development of real understanding between the parties.

563. In regard to Trade Unions, the position in law is that workers are allowed to secure the assistance of persons from outside their ranks for the development of trade unionism amongst them and these persons can join the union executive provided their number does not exceed a certain proportion of the total. In the present state of lack of consciousness among workers, we consider the presence of such outside leadership almost indispensable to the proper growth and organisation of the trade union movement. But the management has not unoften characterised these persons as "outsiders" or "third party" and has refused to deal with them in any shape or form and even gone to the length of insisting on their removal as a condition precedent to the grant of recognition to the union. It is not suprising if the workers under such circumstances resort to strikes in defence of their rights. In fact, in each of the three instances of trade disputes where the Government appointed Boards of Conciliation in this province, recognition of the workers' unions formed one of their main demands; and ultimately they succeeded in obtaining such recognition by the employers after prolonged strikes. In the chapter on Trade Unions, we have recommended that employers should be required by law to recognise unions of at least six months' standing provided they have been registered and have an effective membership of at least 5 per cent of the workers on their roll. This, we believe, will remove one of the most persistent causes of strikes.

564. "Victimisation" which has in the past been both a cause and a consequence of strikes usually arises from the employers' anxiety to obstruct the growth of collective bargaining power among the workers. The method adopted is to pick out workers either singly or in groups, and inflict punishments on some plea or pretext, far in excess of the requirements of the case. It takes its victim unawares and is intended to engender alarm in the minds of the general body of workmen. Not unoften does the employer insist on discharging a worker in exercise of his "right" to get rid of an unwanted employee even though no case for punishment could be made out. For all these causes, victimisation is keenly resented by the workers, and it is not surprising to find them resorting to a collective trial of strength by a stoppage of work as the only safeguard

left. We have in the chapter on Trade Unions recommended that the employer should by law be prevented from resorting to unfair labour practices. But it cannot be too strongly emphasised that a sense of awakened self-consciousness is the only remedy for the workers. Again a resort to victimisation as a consequence of a strike immensely increases the difficulties of re-establishing industrial peace and even though the pressure of circumstances might bring about a resumption of work, psychologically, the worker remains thoroughly discontented. In so far as no punishment should be meted out in excess of the requirement of the case, the limits of disciplinary action for various kinds of offences should, in our opinion, be laid down in the Service Rules provided for elsewhere, and the offences themselves defined in as much detail as experience would permit. While the employer's right to retrench his employees should be legitimately safeguarded, he should not be allowed to discharge a worker without sufficient cause. Likewise, on a general resumption of work after a strike no striker should be discharged merely because he had taken a more prominent part in it than others or was a *ringleader* or because the employer had developed an aversion to him. Alleged cases of victimisation should be decided by the Labour Commissioner or any other officer authorised by him in this behalf, and in cases arising within three months of the termination of a strike or a lock-out, an appeal should lie to the Industrial Court whose decision should be final and binding. Without an adequate remedy of victimisation the vicious circle of the employers' mistrust and the workers' bitterness cannot be broken.

Machinery of Conciliation.

565. It has been widely felt that more effective machinery than the one provided for in the Trade Disputes Act for the settlement of industrial disputes is an urgent necessity. Commenting on the absence of a suitable conciliation machinery which can be enforced before a strike or lockout takes place, the Royal Commission on labour observed as follows:—

“ In concluding this chapter, we would emphasise the fact that the most useful form of State assistance in dealing with trade dispute is scarcely employed in India. The official outlook, like that of the public, has been concentrated largely on the final stages of disputes.”

566. The Indian Trade Disputes Act, 1929, provides a machinery for dealing with a dispute which “ exists or is

apprehended between an employer and any of his workmen". It has, however, not been used as frequently as it could have been to prevent disputes developing into strikes. The Board of Conciliation can be appointed only by the Government and it was not appointed in any case till 1938 in this Province. It has been considered impracticable or inexpedient to appoint it until the strike has been in progress for some time and the parties have either through exhaustion or the pressure of public opinion developed a disposition to negotiate.

567. The necessity of conciliation through responsible and impartial officials has been recognised by employers and workers alike. An instance of such unanimity of opinion is furnished by the "Terms of Settlement" agreed to by the Tinsplate Company and the Tinsplate Workers' Union on the 24th October 1938, which contains the following passage:—

"Pending the appointment of a Labour Commissioner the *status quo* as settled by this memorandum shall be maintained and no strike or lock-out shall be resorted to without giving an opportunity to the Director of Industries, Bihar, for investigation and negotiation with the parties."

We, therefore, recommend that a notice period must compulsorily precede the declaration of a strike or lockout and a conciliation machinery should be set up which can be taken advantage of by the parties to the dispute in the initial stage. Professor Bari is not in favour of compulsory conciliation at any stage. The present law insists on a fortnight's notice in respect of disputes arising in public utility concerns only. It was suggested to us that in respect of other classes of industrial concerns this notice should be reduced to one week. On the other hand, it was represented that a longer notice should be required in respect of workers engaged on processes essential to the maintenance of the plant or of key men. The representatives of labour have on practical grounds generally been averse to discrimination between one section of worker and another on the question of notice period. We, therefore, recommend a uniform notice period of fourteen days. Notice must be given to the opposite party and a copy simultaneously forwarded to the Labour Commissioner before a strike or lock-out can be declared. Such notice should contain a statement of reasons for the action contemplated, and on its receipt it shall be the duty of the Labour Commissioner to set the conciliation machinery in motion and to endeavour to obtain a peaceful

settlement of the dispute. If the Government considers that the issues are of sufficient importance, a Board of Conciliation should forthwith be appointed by it to go into the matter and try to bring about settlement. Such Board when appointed, should be required to complete its proceedings within fourteen days from the date when the notice of strike expires. No strike or lockout should be permitted until the expiry of this subsequent period of fourteen days when conciliation proceedings are in progress. It follows, therefore, that the maximum period to which a strike can be deferred is four weeks. This would naturally be a period of intense activity on both sides for conciliation. We expect that occasions will be increasingly frequent when experienced officers by tactfully handling the situation, or by bringing out such aspects of the case as might have been overlooked and suggesting possible means of compromise will minimise the risks of stoppage of work. The success with which the attempts of Boards of Conciliation appointed by Government have been attended all over the country makes us optimistic in making the above recommendation. We must make it clear, however, that we have no intention of restricting or curtailing the workers' existing right to strike. In the first place, our recommendations in regard to the conditions of employment will remove a host of the workers' grievances which have been fruitful causes of strikes. Secondly, experience shows that the workers have in a large number of cases, gained their point through responsible conciliation machinery and have had the added advantage of public sympathy on their side. In cases where an obdurate employer would not agree to a settlement, which, it must be admitted, would be unusual, the report of the Conciliator will strengthen the workers' cause. Where, however, the Board of Conciliation considers the demand and attitude of labour as unreasonable and the workers challenge it, it will still be open to them to go on strike but they will run the risk of losing sympathy of the public which may accept the Boards' decision as fair and impartial. Apprehension has been expressed lest this period of four weeks may materially weaken the workers' resolution and give the employers time enough to consolidate their power for facing the strike. But examined in the light of our recommendations in this chapter, such fears, in our opinion, are groundless.

568. As a strike or lockout progresses, the parties do sometimes realise the futility of the dispute and become more appreciative of each other's point of view. A machinery of approach should, therefore, be provided which should leave

them, no chance of standing on ceremonies before meeting each other in a common endeavour to bring about a settlement. Even where the parties are not so minded, nothing can be lost by an exchange of views in a joint meeting convened by an impartial agency. The Bombay Strike Enquiry Committee, 1928-29, has described a machinery for mediation, which had been approved by the Millowners' Association as well as the Joint Strike Committee and is as follows:—

“ Whenever a settlement of any trade dispute shall not have come to and the operatives are on a strike or have been locked out meetings shall be held periodically between the representatives of the Millowners' Association and representatives of the trade unions concerned in the dispute. The first of such meetings shall be called *within four weeks* after the commencement of the strike and lockout and subsequent meetings at monthly or shorter intervals, thereafter.”

We recommend that such meetings should take place and the Labour Commissioner or a suitable officer nominated by him in this behalf should be the convener.

Arbitration.

569. Compulsory arbitration in industrial disputes is generally disliked by the workers and employers alike. Such an attitude would appear to be natural on the part of workers in the present state when trade unionism is in a weak and unorganised condition. Arbitration has two difficulties to contend with which makes its compulsory application unsuitable for achieving industrial peace. First, the workers and employers do not generally agree on the impartiality of any individual and secondly, the enforcement of an award of an arbitration tribunal, imposed on the parties without their consent, against large masses of workers in particular is beset with serious practical difficulties and attended with grave risks. We are not, therefore, in favour of compulsory arbitration. Voluntary arbitration on the other hand is essentially of a different character. Its award is made binding on the parties out of their own free will which the law enforces. The workers forego their right to strike, and the employers to lock-out, out of their own free will. The arbitration authority, having been selected by common consent, commands the confidence of both the parties. And the voluntary nature of the reference enjoins

an obligation, which the law enforces, on the parties to carry out the award even at a sacrifice, an obligation which they can only ignore at the risk of losing public confidence. We are, therefore, of opinion that voluntary reference to arbitration of points of dispute between the employer and his employees should be encouraged and we trust will be more and more resorted to.

570. A recent remarkable instance of voluntary arbitration is the case of the Tata Iron and Steel Company, where the management and the Tata Workers' Union referred their case to the joint arbitration of Pandit Jawaharlal Nehru and Dr. Rajendra Prasad. The results of the award have been to the good of both the parties and have avoided much loss and suffering. It will, however, not always be easy to secure the services of impartial persons commanding the confidence of both parties.

571. While therefore, hoping that voluntary arbitration will be more and more accepted by parties concerned, we cannot help apprehending that this method of settling disputes cannot be always readily brought into play. We have accordingly suggested a method of Compulsory conciliation before a dispute has entered a critical phase and ended in an actual strike or lock-out with all its attendant loss and suffering. We have also provided for attempts at mediation at suitable intervals after a strike or lock-out has started to bring about its termination at the earliest possible opportunity. The machinery of voluntary arbitration will always be available both before and after a strike or lock-out has started and unlike the opinion of a Board of Conciliation is binding on the parties.

Stay-in and Sympathetic Strikes.

572. Before proceeding to discuss the circumstances attendant on the declaration and progress of a strike or lock-out, we may here briefly refer to what are known as "Stay-in" and "Sympathetic" strikes. In the "stay-in" strike the workers refuse to move away from the work places. This occurred on two occasions in the Monghyr Tobacco Factory, on the first of which not merely was there no pilfering of materials nor sabotage but the management gave free permission to the workers to obtain their food inside the premises. An atmosphere of mutual understanding prevailed on both sides. This, however, was absent in the second strike which was more prolonged and in which police aid was requisitioned by the employers after a few days. "Stay-in" strikes, inasmuch as they are fraught with risk to the plant and to the

workers should be prohibited by law. Professor Abdul Bari would not prohibit "Stay-in" strikes or for that matter any strike by law. "Sympathetic" strikes, on the other hand, arise out of the common action of workers distributed in the industry or industries among several establishments at the same or different centres. These spring from a more extended labour consciousness and represent a united effort of the workers to attain their objective. These strikes cannot be regarded as illegal.

Conduct of a Strike.

573. We will now consider briefly the conduct of a strike. Absence of fair play on both sides has, in the past, been a sore point and has left behind bitterness and exasperation aggravating the evils of a legitimate conflict. There are allegations on the part of Unions of employment of *goondas* by employers for breaking strikes, disturbing and preventing strikers' meetings and harsh treatment of individual strikers. There are equally serious allegations of strikers intimidating, molesting and even assaulting loyal workers.

In order to ensure fair practice on both sides we consider it essential that the legitimate limits of activities of the respective parties should be recognised and respected, and as far as possible, legally defined. The workers' want of staying power calls for active organisation and propaganda on their part during the strike period for eliciting public sympathy and support. Freedom of association must be assured to them and no hindrance should be offered by employers to meetings, peaceful demonstrations or house-to-house visits.

Peaceful Picketing.

574. Peaceful picketing is a legitimate part of the workers' activity during this period so long as it does not result in intimidation, obstruction or violence. According to Mr. R. E. Russell, Chief Secretary to the Bihar Government, it is with reference to these three features that picketing is to be judged whether it is peaceful or not. In his evidence, he observes, "There is no definition in the Indian Penal Code of peaceful picketing but there is an offence of molestation under the Criminal Law Amendment Act which includes these criteria", and goes on to point out that there ought to be a working definition of peaceful picketing to give guidance, and it should be made as complete as possible. The definition of peaceful picketing should follow the British Act.

Continuity of Essential Service.

575. Again the employers should not interfere with or discontinue such essential services as the supply of water and light, and sewage disposal in the workers' quarters. In fact, in these matters the reciprocal relations partake of an essentially different character from those of the employer and the employed. No worker who has joined a strike should be ejected from his quarter. A striker does not cease to be an employee merely because he exercises the right to strike.

Recruitment of Fresh Labour.

576. On a general resumption of work after a strike, no worker should be discriminated against unless his activities during the strike are found to have transgressed the limits of law. On the other hand, workers who either do not want to join a strike or want to resume work earlier than others, are entitled to full protection against molestation or intimidation by the strikers. Nor can the ordinary right of a free citizen to accept service whenever he can get it be limited by law to suit the exigencies of a situation created by a strike. We may nevertheless point out that a difficulty in the settlement of a strike is often created by the employment of new workers during the period of a strike. The employer is anxious to continue his production, if he can, in spite of a strike and therefore often resorts to this device, especially when the strike is prolonged. When the terms of a settlement are negotiated a difficulty is presented by these new employees. The employer is naturally anxious to retain the services of men who have helped him in his difficulty and perhaps have been instrumental in ending the strike. The workers, on the other hand, equally naturally do not like to see some of their comrades left behind without work because they had joined the strike. The result is a fresh conflict resulting in a prolongation of the strike until one party or the other is compelled to acknowledge defeat and accept the terms dictated by the other. No strike ever ends in a dismissal of the entire body of workers and a large number, if not a great majority, of the workers on strike returns to work on its termination. The fact that they have been forced to leave some of their comrades uncared for and to work in company of those who had intentionally or otherwise smashed the strike rankles in their minds and embitters their future relations not only with the employer but also with the new employees. Such a contingency is harmful to all parties and should as much as possible be avoided in the interest of peace in the industry.

Dr. Mukerjee and Professor Bari are of opinion that the recruitment of fresh labour during a strike should be prohibited by law. Messrs. Hayman and Gandhi hold that the employers' right to recruit fresh labour should remain unfettered. An employee should not be dismissed or discharged simply because he has exercised his right to strike and should be taken back when the strike has ended.

Safety of Property.

577. Apart from the protection which a worker loyal to the employer during a period of strike is entitled to and which we have suggested above should be safeguarded to him in his own right, the employer is also entitled to safeguard against molestation to and undue interference with workers who have not joined a strike or have returned or are willing to return to work before others. He is further entitled to be guaranteed that his plant or other property shall not be damaged. In public utility concerns this protection is necessary not only in the interest of the employer but also in the interest of the public at large. In private concerns too, it is no less necessary. The safeguard required is for protection against sabotage and any kind of wilful damage to property. In a highly mechanised plant there are certain essential processes which must be carried on whether there is a strike or not. A complete or sudden stoppage of such essential processes may lead to damage to the plant so extensive as to require much expenditure of money and a long time to repair. This involves loss not only to the employer but also loss to the workers as even after the termination of a strike work cannot be resumed immediately. It is, therefore, necessary that strikers should not by their action or refusal to work do anything which causes such damage; and usually in well-conducted strikes where the workers and their leaders understand the situation such essential services are not interfered with. For instance in the event of a strike in a coal mine arrangements should be made by the strikers to see that pumps keep working and thus the flooding of the mine be prevented. Similarly where the establishment also supplies light, water and municipal services, they should not be interfered with at the time of a strike.

Duty of the State.

578. Complaints have been made to us against the police and magistracy questioning their impartiality at the time of strike. When passions are roused, even innocent action is liable

to be misunderstood and misinterpreted. Nor is the line very easy to draw when picketing transgresses its legitimate limit. The need of protecting a worker loyal either to the union or to the employer against force, intimidation and coercion by the other side is imperative but not easily fulfilled without exposing the action of the police to criticism by the one side or the other. The demands of law and order are paramount and are particularly difficult to meet in times of excitement. While we recognise all these difficulties, we feel we cannot strongly emphasise the absolute need and desirability of the police and magistracy maintaining an attitude of strict neutrality and confining their activities to the enforcement of law and maintenance of peace. Much depends upon the way a duty is discharged, and action without bias and with circumspection alone can guarantee not only equal fairplay to the parties concerned but also immunity to the police and magistracy from criticism. Superior officers like the Superintendent of Police and the District Magistrate or the Deputy Commissioner should keep in close touch with a developing situation at the time of a strike. It will help the police and magistracy in the discharge of their difficult and delicate duty if they keep in touch with the officials of the Labour Department who have an intimate knowledge of the situation as it develops from day to day.

Agencies for Settlement of Disputes.

579. Our recommendations in this and other chapters require the following agencies to be set up either permanently or *ad hoc* as occasion arises :—

- (1) A Labour Department with a Labour Commissioner at its head. We have dealt with this Department in detail in a separate chapter.
- (2) A Board of Conciliation. It shall be constituted on the line laid down by the Trade Disputes Act, 1929; that is, it may consist of a chairman and an equal number of representatives of the employer and the employees concerned or it may consist of a single independent person unconnected with the industry. This Board may be appointed by the Government within fourteen days of notice of a strike or lock-out, if Government considers the dispute substantial enough to set this machinery of conciliation in motion. It may also be appointed by Government when a dispute has actually arisen and taken the form of a

strike or lock-out. In the former case no strike or lock-out can take place for a fortnight after the period of notice to enable the Board to bring about a settlement; this time may be extended by consent of parties. We recommend not only conciliation before a strike or lock-out has taken place but also more prompt and more energetic action than has hitherto been taken by the provincial Government under the Trade Disputes Act, 1929, when a strike or lock-out is proceeding.

- (3) The Officers of the Labour Department should initiate mediation during the continuance of a strike or lock-out from time to time by bringing together representatives of the parties of the disputes to effect settlement.
- (4) Arbitration Tribunal. This can be set up only by consent of parties to the dispute and will in its nature be appointed *ad hoc*.
- (5) Industrial Court. This shall consist of one or more members. In case it consists of more members than one, one shall be its President. Every member of the court shall be a person who is not connected with any industry and who is or has been a judge of a High Court or is eligible for being appointed as a judge of such a court. We have already recommended in the chapter dealing with conditions of employment that rules relating to employment should be framed in the form of "standing orders" on the lines laid down by the Bombay Industrial Disputes Act, 1938, which provides for appeals to the Industrial Court in certain cases. The Industrial Court will deal with such appeals relating to settlement of standing orders or Service Rules as we have called them. It will also interpret in case of dispute any standing orders as also any agreements between parties arising out of a settlement of an industrial dispute and deal with other matters incidental thereto. We have also recommended that an appeal shall lie to the Industrial Court in cases of alleged victimisation. In all matters coming before it the decision by the court shall be final and binding on the parties. We

believe that for some time to come there will not be sufficient work for a court sitting whole time as an Industrial Court to deal with matters coming before it and the duties may be entrusted to the High Court or to a court appointed *ad hoc*. Later on with greater development, resort to the court may become more frequent and owing to the special nature of the question coming before it, special qualification may become necessary in the judge; when that stage is reached a wholetime court consisting of a judge or judges with special qualifications may have to be appointed.

Our Recommendation and Existing Central Legislation.

580. We claim that our recommendations constitute an advance over existing conditions. We have gone ahead of the Indian Trade Disputes Act and proposed, in addition to the power conferred by that Act, powers of compulsory conciliation, except in cases where Government decide that no such machinery was called for. We have suggested a process of mediation during the progress of a strike or lockout.

Our Recommendation and Bombay Legislation.

581. We are in general agreement with the principles underlying the Bombay Industrial Disputes Act of 1938; firstly, in so far as it lays down that conditions of employment and discharge should be stabilised and, as far as possible, regulated by law, thus reducing the chances of stoppage of work on those accounts; and secondly, in that the Act provides for an attempt at settlement of disputes by an independent conciliation authority before any resort to a strike or lockout can be allowed. Our recommendations in actual operation are different from the Bombay Act in one important respect. There, the machinery of conciliation is rather elaborate, and for the various compulsory processes to be gone through, much time would be required. This aspect of the Act has often been interpreted by its opponents as an attempt to make it impossible for workers to resort to strike with any chance of success. We do not agree with this criticism. We have, however, recommended that whenever Government considers that the merits of a case deserve an attempt at conciliation, it must, as the custodian of the larger interest of the community, be allowed fourteen days to bring about an amicable settlement. Any further postponement should only be with the consent of both parties. We have deliberately sought to regulate strikes in

this manner, because although the workers' right to strike and to bargain collectively is inalienable, the hardships of a strike, which tell more heavily on the worker than on any other class, are frequently preventible. Recent experience of numerous strikes in the province affords conclusive proof that a large number of them could have been easily avoided and the points at issue satisfactorily settled otherwise.

582. Compulsory arbitration has not been favoured either by the employees or the employers and we have not recommended it. Voluntary arbitration, on the other hand, is of a different nature and being self-imposed gives both the worker and the employer an opportunity to assimilate an economic right with their obligation to the community. We have, therefore, suggested to the parties concerned to resort to it whenever an opportunity arises. We have suggested that rules should be laid down for the guidance of both workers and employers in the event of a strike or lock-out taking place defining as carefully and precisely as possible their respective rights and obligations. Where such rules are not possible or desirable, we have indicated the limitations which each party should place on his own rights.

CHAPTER XXV.

Department of Labour and Statistics.

Need for More Statistics.

583. Bihar, like many other Indian provinces, suffers from the absence of adequate statistical information on the working conditions of industrial labour and its standard of life. The annual reports on the working of the Factories Act and the Indian Mines Act, issued respectively by the Chief Inspector of Factories, Bihar, and the Chief Inspector of Mines, India, are about the only publications which give information about the number of persons employed and their hours of employment. The report of the latter is fuller than that of the former and gives information about production, output per person employed, sanitation and health, which is not found in the factories report. Both reports contain wages tables; but the wage figures are so general and vague that they can be hardly of any use for the purpose of comparison or for settling an industrial dispute. We find that the recommendation of the Whitley Commission that "all the statistical tables at present prepared be compiled and published separately in respect of perennial and seasonal factories" (page 443), has been given effect to. But their other recommendation to amend the Factories Act "So as to make it possible to call for returns in respect of wages following the analogy of the Mines Act" (page 443), does not seem to have been given effect to. We recommend that this should be done so that the supply of wage figures for being incorporated in the "wage return" table in the Factories Report will be made obligatory. We further recommend that, following the other statistical information given in the Factories Report, the wage figures also should be given separately for perennial and seasonal factories.

584. Under the Workmen's Compensation Act and the Indian Trade Unions Act are issued annual returns with statistical information relating to payment of workmen's compensa-

tion and to registered trade unions. We have seen some of the conciliation or arbitration awards published in the *Bihar Gazette*. The Department of Industries, Bihar, publishes monthly the index numbers showing the rise and fall in the cost of living in six industrial centres in Bihar. We have studied the basis on which the index numbers are constructed and we are of the opinion that it needs revision. The index numbers should refer to other important centres also. The construction of cost of living index numbers reflecting as accurately as possible the actual economic condition of the workers, has developed into a technique which only the knowledge of the principles and methods of compiling the index figures and experience can acquire. The machinery we recommend for this purpose will, if established acquire that knowledge and, in course of time, experience, as has been done by the Bombay Labour Office.

585. Most of the statistical information to which we have referred is designed mainly for administrative purposes and throws little light on the economic position of the worker. Even if the wage figures are improved in the manner indicated in the first paragraph of this chapter, they cannot take the place of regular statistics of earnings and of the worker's expenditure. "The three main subjects" say the Royal Commission on Labour, "on which information is most urgently needed are wages, earnings and the expenditure of the workers" (page 445). Attempts were made in the past to collect information on those subjects; but in a majority of cases they were more or less haphazard and had no continuity behind them. Their utility could not, therefore, be so high as that of the attempts made by a trained agency possessing continuity. Sampling and other methods of collection of statistics, their analysis and co-ordination under definite heads, weights to be attached to the different groups—these are all matters which require training, sustained effort and continuity if the results are to be utilised for settling industrial disputes and for comparing the economic position of the workers from time to time. In addition to wages, earnings and the expenditure of the workers, accurate and reliable information is also necessary on methods of recruitment, absenteeism, turnover, inter-provincial and intra-provincial migration, rents, unemployment, incidence of sickness, price, etc., if the recommendations we have made in this report are to be carried out with expedition and advantage to all and in the interest of securing peace and harmony in the industry. We cannot over emphasise the

following remarks with which we entirely agree, of the Royal Commission on Labour :

“ There seems to be an impression in some quarters that the collection of such statistics is a luxury in which only rich countries or provinces should indulge. This, in our view, is a profound error. It is on facts that the policy must be built, and so long as there is uncertainty as to the facts, there must be confusion and conflict regarding the aim. The absence of accurate statistics regarding the life of the workers constitutes a serious handicap to intelligent efforts to better their condition ” (page 445).

Labour Department.

586. We, therefore, recommend that the Government of Bihar should take prompt steps to establish a Labour Department for this province with the Commissioner of Labour at its head. In addition to the collection, compilation and publication of statistical information bearing on the conditions of service and standard of living of the workers which will form its most important duty, the Labour Department should perform other important duties as well, such as registration of trade unions, settlement of industrial disputes through the machinery that may be set up, recommendation, or consideration of labour legislation, publication of a periodical for the dissemination of labour information, organisation of a labour library for its use and that of Government and remain in touch with international labour intelligence and opinion. In short, we desire that the Government of Bihar should aim at the development of their Labour Department on the model of the Bombay Labour Office which, we believe, is the best organised in the country.

587. The present growth of the Bombay Labour Office is the result of efforts extending over nearly two decades; and we do not expect that the Bihar Labour Department should start at the point which the Bombay Labour Office has reached after twenty years. At the same time we are anxious that the beginning in Bihar should not be so modest as it was in Bombay if the results commensurate with the needs of the present situation are to be obtained. We recommend that besides the Commissioner of Labour, one Deputy Commissioner permanently stationed at Jamshedpur with a jurisdiction extending over the Chota Nagpur Division and two Assistant Commis-

sioners, one in charge of the rest of the province and another at the headquarters to look after the administration of the Labour Department with an adequate staff for collecting statistics and investigation, should be appointed. We also recommend that as the Labour Department will largely cater for the needs of the collieries and help towards the establishment of industrial peace, the Government of India should be requested to contribute a share towards its expenses of the Bihar Labour Department. We recommend further that its headquarters of the Labour Department should be at Patna so that its services will be readily available to Government.

588. For the Labour Department to be a thoroughly efficient and expert body capable of doing its work with knowledge and commanding the confidence of the employers, workers and the public, utmost care must be taken in the selection of its officers. In addition to the work of collection, compilation and publication of statistical information for which high qualifications in the theory and practice of economics and statistics are necessary, they will have, under our recommendations, to undertake the duties of conciliation officers for which great tact, sympathy, patience and knowledge of industrial problems are indispensable. We recommend that the Deputy and the Assistant Commissioners should be officers of the Provincial Civil Service and possess the requisite academic qualifications in economics and statistics. With regard to the training of its staff, we make alternative recommendations for the consideration of Government. One is that on their appointment, they should be deputed to Bombay to receive training in the Bombay Labour Office. In our opinion, the Deputy and Assistant Commissioners should receive training for a period of three to four months. The statisticians and investigation should receive practical training during the period of an actual enquiry. One of them should receive training in the wage census enquiry and another in family budget enquiry if it is not possible to receive training in both. We do not think that the period of training in the case of each may exceed three to four months. The alternative recommendation is that the Government of Bihar should request the Government of Bombay to lend on deputation the services of one of their Assistant Commissioners for a period of three years to organise the Labour Department and train its officers. This period of three years may be extended, if necessary, by a year or two. One advantage of this proposal is that the organisation of the Labour Department and the training of its officers will proceed simultaneously

and no time will be lost. We may, however, state that we have no preference for one proposal over the other. The only criterion we might like to apply in selecting the proposal is the expedition with which the Labour Department is established.

Need for Co-ordination.

589. We shall now review the present arrangements for the administration of labour subjects and make recommendation for their co-ordination which, in our opinion, is highly essential. The inspectorate of factories and the inspectorate of boilers are two branches which are independent of each other and directly responsible to Government through the Commerce Department. The Government have recently appointed a Labour Commissioner for Jamshedpur and have announced their intention to appoint a Conciliation Officer for the Collieries. So far as we are aware, the duties of the Labour Commissioner are not defined. In practice, however, the Labour Commissioner for Jamshedpur mainly does the work of conciliation in industrial disputes at Jamshedpur when they are threatened or have taken place. He is also directly responsible to Government. In addition, there is a "Labour Assistant to the Ministry" whose work is to settle industrial disputes in the whole province including Jamshedpur. His duties and position *vis-a-vis* the Labour Commissioner have not yet been defined. The Labour Assistant was responsible directly to the Minister in charge of Labour as long as the Ministry was in office and is now responsible to one of the Advisers to Governor in charge of Labour. Before the resignation of the Ministry, one of the Parliamentary Secretaries to Government in charge of Labour and subordinate to the Labour Minister, did many times conciliation work either jointly with or independently of the Labour Commissioner or the Labour Assistant or sometimes both. The Registrar of Trade Unions is again an independent officer not in touch with any of the agencies or officers mentioned above and is directly responsible to Government. His is only a part-time job and he, therefore, naturally combines in himself many other duties such as those of Commissioner of Excise, etc. The province has no Commissioner for Workmen's Compensation as such. The administration of the Act is carried on by many officers in the districts who are generally district magistrates or deputy commissioners or subdivisional officers. It is apparent from the above that there is a considerable overlapping of function and there is a lack of precision in the demarcation of duties and responsibilities of various officers. This is due to the fact that in the

absence of a separate department of labour to deal with matters relating to labour, *ad hoc* officers had to be appointed as necessity arose.

590. We consider these arrangements to be unsatisfactory and recommend their adjustment and co-ordination. In the words of the Royal Commission on Labour, " what is urgently required is for the administration of labour subjects everywhere to be brought to a common point. At the point there should be expert advice and experience at the disposal of Government. The great majority of questions relating to labour administration can be best dealt with in each Government by a single office, and if this is suitably constituted, there will be a considerable saving in personnel, an efficient instrument for administration and a valuable adjunct for the evolution of policy " (page 453). We wholly endorse these remarks. The Commissioner of Labour will be the head of the Labour Department and his functions will be to administer all Acts relating to factories and mines in so far as the latter are under the jurisdiction of the Provincial Government, trade unions, trade disputes and conciliation as well as collection and compilation of labour statistics. We understand that there is a large staff of Cane Inspectors appointed under the Sugar Factories Control Act. As sugar factories work only for a part of the year it is possible that all their time throughout the year is not wholly filled up by such inspection. We would, therefore, recommend to the Government to explore the possibility of utilising their spare time in relieving the Inspectors of Factories from the duty of administering the Payment of Wages Act throughout the province.

Acknowledgments.

591. In concluding the Report, we desire to accord our thanks to all the employers and the labour unions and others who have helped the Committee with their memoranda and oral evidence which have formed the basis of our report. Thanks are also due to the co-opted members who made very valuable contribution in elucidating points relating to the particular industries with which they were concerned. The officers of the Government have given us the most valuable help by placing before us all facts in their possession relating to our enquiry. We desire particularly to acknowledge the great help we received from Mr. W. Kirby, Chief Inspector of Mines, Government of India and Mr. N. Barraclough, Inspector of Mines, who accompanied us during our visit to the coal

mines and helped us in understanding some of the technical difficulties of work in mines. Mr. Kirby also gave valuable evidence before the Committee.

592. We, the Members of the Committee, desire to record our warm appreciation of the great patience, tact and skilful manner in which Dr. Rajendra Prasad, our distinguished Chairman, has conducted the work of the Committee, during the last two years. In spite of his numerous urgent pre-occupations in other spheres of life, and his weak state of health, he has not spared himself in devoting his earnest attention to the problems before us. We have the highest admiration for the remarkable energy and zeal with which he has discharged his responsibilities, at great risk of undermining his health. We would be failing in our duty if we did not also refer here to the unfailing courtesy and consideration he has shown to all of us throughout our deliberations.

593. The other members of the Committee desire to record their thanks to Mr. R. R. Bakhale for the very valuable contribution he had made during the time the Committee was engaged in recording evidence and his knowledge and experience of labour problems and trade union work were very helpful when the Committee discussed and arrived at conclusions. Their regret is, therefore, all the more keen that on account of domestic difficulties he was not able to participate in the final discussions of the Report.

594. The work which fell to Professor R. K. Saran, who has been a member and Secretary of the Committee was very onerous and heavy, and he has borne the burden cheerfully. His tact and ability no less than his untiring zeal and indefatigable labour have proved of immense help to the Committee and the other members of the Committee desire to record their high appreciation of his work and capacity.

595. Pandit Vidyabhushan Shukhla, the Assistant Secretary of the Committee, deserves our warm thanks for helping us in many ways specially in organising the tours of the Committee and looking after the convenience of the Members.

596. The Investigators Messrs. Harnandan Prasad, Balraj Seth, Devaki Nandan Prasad and Rameshwar Dayal worked hard in collecting large mass of valuable information and the first two prepared able reports for the Committee.

597. The small staff with Mr. Aiyub Hassan at its head and consisting of Messrs. K. Ramaswamy and Nihar Ranjan Sahay has had to cope with an immense amount of typing work and reporting of oral evidence and the Committee place on record their appreciation of the ungrudging manner and the efficiency with which they performed the work entrusted to them.

RAJENDRA PRASAD. (Chairman.)

R. R. BAKHALE. (Deputy Chairman.)

M. P. GANDHI.

RADHA KAMAL MUKERJEE.

ABDUL BARI.

H. B. CHANDRA.

JAGAT NARAIN LAL.

A. M. HAYMAN.

R. K. SARAN. (Secretary.)

PATNA : 12th April, 1940.

A SUMMARY OF THE MORE IMPORTANT RECOMMENDATIONS.

(a) General.

1. The conditions arising out of the war require investigation and action in the shape of a compensatory allowance to correspond with the rise of the cost of living and the sharing of excess profits with labour as long as these conditions operate (paragraph 30).

(b) Recruitment.

2. We desire all establishments to give their ex-employees the first claim on employment (paragraph 71).

3. We endorse the principle of giving preference in employment to the relations of the employees but would like to make the position more definitive by confining preference to only the near relations of those employees who have put in not less than five years of service (paragraph 71).

4. Preference should be given in employment to the children of the soil and none of the foregoing recommendations should be pressed to the point of depriving them of their legitimate claim (paragraph 71).

5. We propose that the Government should require all employers in the province to submit an annual statement showing the number and proportion of employees by provinces and nationalities in different classes of work (paragraph 73).

6. Discrimination against Beharis in matter of employment in the administrative and technical services of the industry must be discontinued and here also they should have their due share of employment (paragraph 74).

7. Rules about recruitment should be framed by the management in consultation with the workers and registered with the Labour Commissioner (paragraph 75).

8. In all establishments which employ not more than 1,000 persons the appointment should be made personally by the Manager or by the next senior officer in his absence (paragraph 75).

9. Recruitment of labour through contractors should be discontinued as early as possible (paragraph 76).

10. Where contractors or similar agents are for some time indispensable, they should be licenced by the State (paragraph 76).

11. Where workers have been imported by an employer or his agent, they should have the right to be repatriated at the cost of the employer, if they should find themselves without work on adequate wages for more than a month (paragraph 77).

12. We propose that an Employment Exchange under State control should be established in the Jharia Coalfields (paragraph 82).

(c) Contract Labour.

13. The Government should assume power to prohibit contract labour except for work where the special conditions make it necessary (paragraph 91).

14. Where contract labour is employed certain safeguards should be provided by statute (paragraph 93).

(d) Conditions of employment.

15. Every establishment should have service rules. These rules should be framed in consultation with the labour unions where they exist or representatives of workers and submitted to the Labour Commissioner for approval and registration. The Labour Commissioner shall endeavour to adjust the differences between the parties. In the event of his failure to do so, the issue in dispute may be carried to the Industrial Court for final settlement (paragraph 100).

16. For all offences for which a warning is not deemed sufficient and fines have to be imposed, the procedure laid down in the Payment of Wages Act should be strictly followed (paragraph 103).

17. In the case of more serious offences a formal charge sheet should be served and no punishment awarded without a formal enquiry (paragraph 103).

18. No authority below the rank of General Manager shall have the power to discharge or dismiss a worker. The majority is of the opinion that if a dispute is likely to arise between a union and the management over any case of discharge or dismissal the Labour Commissioner may intervene to bring about a settlement (paragraph 104).

19. The majority is in favour of retaining suspension as a form of punishment provided it is limited to 10 days (paragraph 106).

20. Reduction of wage-rate as a form of punishment should be abolished by law (paragraph 107). The majority is of opinion that demotion or reduction of grade should not be used as a form of punishment (paragraph 109).

21. All apprentices should receive an appropriate allowance during training and full wage-rate of the job on employment (paragraph 110).

22. Every large establishment should reserve a good proportion of vacancies in any grade to be filled by promotion from the grade next below it (paragraph 114).

23. The majority holds that promotion normally should be on the basis of seniority. When a senior man has to be superseded the reasons for supersession should be recorded (paragraph 115).

24. A scheme of provident fund should be compulsory for every establishment but the Government shall have the right to grant exemption (paragraph 118). [The Committee is divided equally on the question whether retiring gratuity in addition to the provident fund should be made compulsory for certain industries.]

25. Holidays with pay should be provided by law to those workers who have rendered a minimum actual service of 265 days in a period of 12 months. For the miners and loaders the qualifying period shall be 230 days. In the case of metallurgical and engineering industries the period for holidays shall be 22 days [one member dissents] and in the case of other perennial industries 15 days in a year (paragraph 129).

26. An enquiry is suggested into the practicability of introducing by law a scheme of sickness insurance on contributory basis. Pending the introduction of such a scheme, sick leave should be provided on the following scale:—

<i>Period of service.</i>	<i>Period of leave.</i>
(1) Not less than 3 years but less than 5 years.	One week on full pay and one week on half pay.
(2) 5 years but less than 10 years.	10 days on full pay and 10 days on half pay.
(3) 10 years and over	15 days on full pay and 15 days on half pay.

27. Legislation for maternity benefit should be enacted without delay (paragraph 142). It should follow the lines of the Act in force in the United Provinces (paragraph 150).

28. Where the work is of a permanent character and the worker has been employed on such work in a temporary capacity for a continuous period for one year he shall be considered to be a permanent worker. Breaks of service not exceeding 30 days in a year shall not be taken into account (paragraph 151).

29. In a seasonal factory the qualifying period for a permanent worker shall be the length of the working season instead of a year and condonation for breaks of service shall be calculated on a proportionate basis [two members dissent] (paragraph 151).

30. The employees of the Government factories shall have the same benefits and privileges as have been suggested for those in private establishments (paragraph 152).

(e) Conditions in factories.

31. The Factories Act should be extended to all manufacturing establishments not using power provided they employ at least 40 persons (paragraph 172).

32. The Government should assume power to treat as one establishment different departments or branches of the same establishment which are nominally separate to prevent evasion of the Factories Act (paragraph 173).

33. The plan of a factory should be submitted to the Chief Inspector of Factories and the Director of Public Health for approval before building is commenced (paragraphs 174 and 175).

34. The Factories Act should include a provision for supplying protective equipment to the workers (paragraph 177).

35. All big factories must have a safety committee which must include at least one representative of labour (paragraph 178).

36. Washing facilities under section 19(3) of the Factories Act should be provided on a wider basis (paragraph 179).

37. The Local Government should require employers to provide shelters for rest wherever necessary (paragraph 180).

38. The Local Government in exercise of the powers conferred upon them by section 33(2) of the Factories Act should insist on the maintenance of creches for the care of children (paragraph 181).

39. The number of Factory Inspectors needs to be increased. At least one of the Inspectors should be an officer with medical and public health qualifications and one of them should be a woman (paragraph 186).

40. The Inspectors of Factories should be asked to resort to prosecution in appropriate cases without hesitation (paragraph 187).

41. The Inspectors of Factories should explain the provisions about overtime in the Factories Act and see that they are strictly followed (paragraph 189).

42. It is desirable for the Inspectors to make direct enquiries from the workers and the labour unions about the infringement of the provisions of the Factories Act and the Payment of Wages Act (paragraph 190).

43. The Local Government should urge the Government of India to found an Indian Institute of Industrial Psychology and Fatigue (paragraph 194).

(f) Rationalization and Intensification.

44. Where a scheme of rationalization is likely to lead to the retrenchment of 10 per cent of the labour force or 100 workers in any establishment, the workers should be given a three months' notice and an attempt should be made to find suitable employment for them in the same establishment as far as possible and training should be provided to them, if necessary (paragraph 195).

45. Gains of rationalization should be equitably shared with labour (paragraph 201).

46. Every large establishment should maintain an adequate relief gang (paragraph 203).

(g) Housing.

47. The Government should assume power to enquire into the incidence and basis of the rents for workers' quarters wherever any serious grievance exists and to fix reasonable rents (paragraph 219).

48. Provision of housing on an adequate scale should be a statutory obligation of the industry [one member dissents]. But the extent to which an industry can be required to carry out the obligation will depend on its financial position (paragraph 221).

49. The workers should be encouraged to build their own houses and for this purpose loans on reasonable terms should be advanced to them (paragraph 222). Where an employer owns land, plots should be leased out on reasonable terms. The Government will have the power to revise these terms, if they are unreasonable (paragraph 223).

50. The Government should lay down minimum standards of industrial housing (paragraph 226).

(h) Medical Aid.

51. Every establishment which employs at least 500 workers should maintain at least one qualified wholetime doctor (paragraph 235).

(i) Temperance.

52. The Government should require liquor shops to be closed on pay days and holidays and forbid their location near the factories or the workers' quarters, regulate hours of sale and increase the retail selling price. Outstill system should be discontinued in all industrial centres (paragraph 249).

53. The Gambling Act should be immediately applied to prohibition areas (paragraph 250).

54. Brothels should not be permitted to exist in the neighbourhood of the workers' quarters (paragraph 251).

(j) Indebtedness.

55. Debt Conciliation Act applicable to the industrial workers should be passed (paragraph 293).

56. The employers should examine the practicability of creating a Debt Redemption Fund (paragraph 294).

57. Demand or solicitation by the money-lenders or their agents in any public place for the recovery of money should be made a criminal and cognizable offence (paragraph 296). The Government should have power to take penal action against an undesirable money-lender (paragraph 296). The amended section 60 and section 55 of the Civil Procedure Code need amendment to ensure to the workers the full benefit of their provisions (paragraphs 297 and 298).

58. Co-operative stores may be established in those places where there is a settled labour population and the workers have steady employment with regular earnings (paragraph 303).

59. Food Adulteration Act should be enforced with more vigour and difficulties connected with the prosecutions of the offenders should be removed (paragraph 305).

60. Credit societies on co-operative basis should be tried on a larger scale and in more places (paragraph 306).

(k) Workmen's Compensation.

61. An attempt should be made to acquaint the workers with their rights under the Workmen's Compensation Act (paragraphs 312 and 313).

62. All accidents should be reported to the Labour Commissioner who will make every effort to secure to every injured man the full compensation prescribed by the Act (paragraph 316).

63. All agreements relating to compensation reached by the parties should be subject to registration and review by the Compensation Commissioner who may revise the terms of those agreements, if they are in his opinion, unfair (paragraph 317).

64. Free legal service should be provided to an injured workman in deserving cases (paragraph 318).

65. Employers may be compelled to insure against their liability under the Workmen's Compensation Act, if, in the opinion of the Labour Commissioner, such insurance is necessary having regard to all the circumstances (paragraph 320).

66. Compensation for the temporary disablement should be at the rate of full wages and should accrue from the date of disablement [one member dissents] (paragraph 322).

(l) Wages.

67. The Payment of Wages Act should be extended to mines and quarries (paragraph 328).

68. All wage contracts should be reduced to writing and details of payment should be supplied to each worker (paragraph 331).

69. The provisions of the Payment of Wages Act in regard to the maintenance of a separate fines fund and deduction from wages for late attendance or absence from duty should be strictly followed (paragraph 333).

70. The Government should hold an enquiry into the grievance of the shellac workers of Kotalpokhar in the Santal Parganas in regard to payment in kind (paragraph 334).

71. Where the monthly-rated workers have been converted into daily-rated workers and *vice versa*, an enquiry is necessary to find out whether the basis of conversion was fair (paragraph 341).

72. The wage-period should be determined by the convenience of the workers (paragraph 342).

73. If any large variation in the cost of living should take place in future, the scale of minimum wages prescribed by the Committee should be adjusted to it (paragraph 351).

74. An adequate wage for the workers must be always taken into account in determining the quantum of protection for an industry (paragraph 354).

75. The scale of minimum wages shall be as follows :—

(1) For Jamshedpur Rs. 18 a month.

(2) For Collieries :—

For miners and loaders the minimum wage should be secured by fixing a tub rate which will enable a miner and loader of average efficiency working under average mining conditions, and full number of days and hours allowed by law to earn Rs. 20 and Rs. 15 per month respectively or Rs. 35 jointly between the two.

For other workers in collieries Rs. 13 a month.

(3) For limestone and Iron-Ore Quarries Rs. 13 a month or equivalent piece-work rate.

(4) For metallurgical, engineering, railway workshops (outside Jamshedpur), paper, tobacco and cement industries Rs. 15 a month.

(5) For Sugar Rs. 12 a month.

(Paragraph 368.)

76. Minimum wages for workers in mica mines should be fixed after an enquiry. Minimum wage legislation should be extended to other industries, if it has been found to work satisfactorily (paragraph 369).

77. The scale of minimum wages for an adult woman should be 25 per cent and of a child 40 per cent below that of an adult male worker (paragraph 370).

78. The Government of Bihar should make an endeavour to persuade the Governments of the other provinces particularly Bengal and the Indian States to adopt the same scale of minimum wages for the miners and loaders and other colliery workers as in Bihar (paragraph 371).

79. If the piece-rate in force is not adequate to yield minimum wages prescribed for the place and the industry, the Labour Commissioner shall revise the piece-rate in agreement with the parties concerned. In the event of his failure the Government will appoint a suitable committee to fix the piece-rate in dispute (paragraph 373).

80. Every employer should be allowed a period of three years to bring up his wages to the statutory level and it should be provided that the rise in wages in any year shall not be less than in proportion to the total rise (paragraph 374).

81. An industry may be exempted in part or in whole from its obligation to pay the minimum wages, if in the opinion of the Government such action is advisable (paragraph 375).

82. The machinery which may be required for an enquiry into the extension of minimum wage legislation in accordance with the recommendation no. 76, the revision of piece-rate in accordance with the recommendation no. 79, and the grant of exemption in accordance with the recommendation no. 1^o should be constituted on the same basis as the Trade Boards in England (paragraph 382).

(m) Coal.

83. The miners' *sirdars* should be licensed by the State (paragraph 388).

84. The system of raising contractors should be abolished as early as possible. But if it is found impracticable to do so, the statutory safeguards for contract labour should be enforced (paragraph 392).

85. Registered trade unions of the colliery workers in the area should be given the right to elect their representatives to the Jharia Mines Board of Health and the number of such representatives should be same as for representatives of property interests (paragraph 393).

86. The promotion of the Chief Medical Officer of Health should be controlled by the Local Government and no disciplinary action may be taken against him without the concurrence of the Local Government [two Members dissent] (paragraph 394).

87. The territorial jurisdiction of the Jharia Mines Board of Health should be suitably enlarged (paragraph 395).

88. An effort should be made by the collieries to pool together their resources spent on medical relief for deriving the fullest benefit from them. The medical facilities provided by the local bodies in the Jharia coalfields should be extended (paragraph 398).

89. The housing standards laid down by the Jharia Mines Board of Health need revision (paragraph 400).

90. The plan of any housing scheme must be approved by the Chief Medical Officer of Health before it is put into operation. Permission for the occupation of non-standard houses should be given only in exceptional circumstances (paragraph 400).

91. The Jharia Mines Board of Health should exercise, wherever necessary, its power to execute improvements necessary for the health of the workers at the cost of the collieries, if the latter fail to do so (paragraph 401).

92. The outstanding loans of the Jharia Water Board should be converted at a lower rate of interest (paragraph 403).

93. The benefit of the saving effected by this conversion and the improvement of finances resulting from the levy of the water-tax on the Jharia. Kirkend and Katras Bazars should be passed to the collieries in the shape of a larger free supply of water (paragraph 403).

94. In regard to the representation of labour on the Hazaribagh Mines Board of Health the same principles as have been suggested for the Jharia Mines Board of Health should be adopted (paragraph 404).

95. An agreement to regulate production, price and sale of coal, subject to necessary safeguards, should be imposed by the Government of India, if the Industry fails to do so (paragraphs 421 and 422).

96. The effect of the policy of the Railway Board on the price of coal and therefore on the wages of the workers in the Coal Industry needs examination (paragraph 423).

97. The present position of freights on coal deserves investigation (paragraph 425).

98. The Government should appoint one or more officers to check various mal-practices in the collieries in regard to payment for the coal raised (paragraph 427).

(n) Iron and steel.

99. In the recruitment of A and B class apprentices of the Tata Iron and Steel Company the claims of the people of the province should be fully considered [one member objects] (paragraph 448).

100. The Tata Iron and Steel Company should investigate the reason for the growth of the proportion of casual labour and reduce the numbers of temporary men as much as possible by increasing the standard labour force (paragraph 449).

101. A temporary worker should be treated as a permanent worker if the aggregate period of breaks in service does not exceed 75 days in two years (paragraph 451).

102. A weekly paid worker should be entitled to the departmental bonus and general production bonus unless there is sufficient reason for disqualifying him. [One member disagrees] (paragraph 452).

103. The retiring gratuity rules of the Tata Iron and Steel Company should be on the same terms and conditions as are in force on the Bengal Nagpur Railway, provided the income limit is not altered (paragraph 456).

104. The Tata Iron and Steel Company should consider the practicability of remitting fees which are charged by the Company's doctors for visiting the workers' families in their homes (paragraph 462).

105. The Government dispensaries at Sakchi and Jugsalai should be enlarged and their stocks increased (paragraph 462).

106. The Company should pay more attention to water-supply, lighting, sanitation and roads in the *bustee* areas and house building in these areas should be more rigidly controlled (paragraph 464).

107. The Company should make an investigation into the rents for the quarters occupied by the lower-paid employees (paragraph 466).

108. When the lease of land allotted to a worker for building a house is terminated he should be given a fair compensation for the loss of his investment (paragraph 467).

(o) Sugar.

109. The cultivation of cane of early and late ripening varieties should be encouraged (paragraph 481).

110. Research and assistance to improve the quality and yield per acre of cane should be financed by the Provincial cess and the grant from the Government of India from the Excise duty (paragraph 482).

111. The Industry should consider the practicability of using bagasse more profitably than as a fuel (paragraph 483).

112. Legislation should be enacted for permitting the manufacture of power alcohol from molasses and facilities should be provided for the same (paragraph 483).

113. Fresh outlet should be found for the disposal of surplus sugar (paragraph 485).

114. Those who have worked a full season in sugar factories are entitled to re-engagement in the succeeding seasons in the same factory (paragraph 486).

115. Every unskilled and semi-skilled employee who has been employed in a sugar factory for a full season should receive an off-season allowance at the rate of 10 per cent of his wages on his re-engagement in the next season. If he is not re-engaged in the next season, he should be paid at half the above rate for the preceding off-season. [two members would like the employment to extend over two seasons to qualify for the off-season allowance] (paragraph 489).

116. The off-season allowance for the skilled workers should be on the following scale :—

<i>Monthly wage-rates.</i>	<i>Scales of monthly allowance admissible.</i>
(1) Where the monthly wage-rates or 26 times the daily wage-rate does not exceed Rs. 50.	Fifty per cent of the monthly wage-rate.
(2) Where the monthly wage-rate or 26 times the daily wage-rate exceeds Rs. 50 but does not exceed Rs. 100.	Rs. 25 plus 33½ per cent of the excess of the monthly wage-rate over Rs. 50 per mensem.

*Monthly wage-rates.**Scales of monthly allowance
admissible.*

- (3) Where the monthly wage-rate Rs. 41-10-8 plus 25 per cent or 26 times the daily wage-rate exceeds Rs. 100. of the excess of the monthly wage-rate over Rs. 100 provided that no employee shall receive an allowance of more than Rs. 75 per mensem.

(Paragraph 490.)

117. The Indian Sugar Syndicate should take initiative in standardizing wage-rates in the Sugar Industry (paragraph 493).

(p) Mica.

118. The question of water-supply in mica mines calls for expert investigation without delay (paragraph 505).

119. There is an urgent need for a travelling dispensary and ambulance service to convey cases of serious injuries or illness from the mica mines to the hospital for treatment (paragraph 506).

120. Improvement in communications in the mica mining areas is urgent (paragraph 506).

121. For the enforcement of the provisions of the Payment of Wages Act in the mica mining areas an officer who is easily accessible is necessary (paragraph 509).

122. The wage-period for the mica miners should not exceed a week unless so desired by them (paragraph 509).

123. The State should initiate research into the profitable utilization of the waste mica (paragraph 516).

124. The Mica Industry should organise an Export Sales Agency (paragraph 517).

(q) Shellac.

125. Standardization of wages in the Shellac Industry is necessary (paragraph 524).

126. Effort should be made to find more uses for shellac (paragraph 526).

127. The Shellac Industry should be given assistance by the State to improve its methods of production (paragraph 532).

(r) Trade union.

128. Outsiders under present condition are indispensable for organising and conducting trade unions (paragraph 540).

129. It is not always possible or desirable for the membership of the trade union to be restricted to the workers in a given factory (paragraph 542).

130. Co-ordination of trade unions through affiliation and federation is necessary (paragraph 543).

131. Multiplicity of unions in the same industry organised on the occupational basis is undesirable (paragraph 545).

132. The works guards in any establishment should, like other workers, be free to form or join any union [two members dissent] (paragraph 546).

133. All unions which are registered and have been in existence for at least six months and command a minimum membership of 5 per cent of the total labour force in any establishment should be recognised by that establishment for purposes of negotiation [two members dissent] (paragraph 548).

134. Provisions similar to those of the National Labour Dispute Act of the United States of America should be incorporated in the Indian Trade Unions Act in order to allow trade unionism to follow its development without unjust interference by the employers (paragraph 553).

135. Every establishment should afford proper facilities for the collection of trade union subscriptions (paragraph 554).

136. In all industrial centres suitable and convenient places should be set apart by the management in consultation with the labour union for the meetings of the workers where the management is in a position to do so (paragraph 555).

137. The trade unions should try to create a political fund so as to make full use of political representation granted to them (paragraph 557).

(s) Industrial peace.

138. Cases of victimisation arising out of strike should be decided by the Labour Commissioner or any other officer authorised by him. In cases arising within three months of the termination of a strike or a lockout, an appeal should lie

to the Industrial Court whose decision should be final and binding (paragraph 564).

139. There should be no strike or lockout without notice. The minimum period for the notice should be 14 days. A copy of the notice should be sent to the Labour Commissioner. The Labour Commissioner will endeavour to secure a peaceful settlement. If the Government considers that the issue is of sufficient importance, a Board of Conciliation should be appointed without delay and the proceedings of the board should be required to be completed within 14 days from the date of the expiry of the notice. The time may be extended with the consent of both the parties. No strike or lockout shall be permitted during the pendency of the conciliation proceedings [one member is against compulsory conciliation] (paragraph 567).

140. Even while strike or lockout is in progress attempt should be made by the Labour Commissioner or any other suitable officer to get the parties together as often as possible (paragraph 568).

141. At any stage the parties may resort to voluntary arbitration the award of which is binding on both (paragraph 569).

142. Stay-in-strikes should be prohibited by law [one member dissents] (paragraph 572).

143. Peaceful picketing should be permitted and defined as in the British Act (paragraph 574).

144. The employers should not interfere with or discontinue such essential services as the supply of water or light and sewage disposal in the workers' quarters in a strike or a lockout (paragraph 575).

145. The majority holds the view that the recruitment of fresh labour in a strike is a source of much evil and therefore should be avoided as much as possible [two members would make recruitment of fresh labour in a strike unlawful, while two others would not like the existing right of the employers to be affected in any way]. An employee should not be dismissed or discharged simply because he has exercised his right to strike (paragraph 576).

146. A worker who refuses to join the strike or desires to return to work should not be subjected to any kind of molestation or undue interference (paragraph 577).

147. The property of the employers must be protected against damage or destruction. The workers should not in their own interest as much as in the interest of the employers allow any damage to be done to essential processes of the industry (paragraph 577).

148. The police and the Magistracy must maintain an attitude of strict neutrality and confine their activities to the enforcement of law and maintenance of peace. It is advisable for the police and Magistracy to keep in close and constant touch with the officials of the Labour Department (paragraph 578).

149. There shall be established in due course an Industrial Court in the province (paragraph 579).

(t) Labour Department.

150. The basis on which the cost of living index numbers are compiled in this province needs revision (paragraph 584).

151. There is need for collecting more, and regular statistics for which an adequate and trained staff is required (paragraph 585).

152. A Labour Department should be established without delay with the Commissioner of Labour at its head (paragraph 586).

153. Besides, the Labour Commissioner, a Deputy Commissioner permanently stationed at Jamshedpur with a jurisdiction extending over the Chota Nagpur Division and two assistant Commissioners one in charge of the rest of the province and the other at the headquarters to look after the administration of the Labour Department should be appointed together with an adequate staff for collecting statistics and investigation. The Government of India should be requested to contribute towards the expenses of the Labour Department (paragraph 587).

154. The Government should explore the possibility of making use of the Cane Inspectors appointed under the Sugar Factories Control Act to relieve the Inspectors of Factories from the duties of administering the Payment of Wages Act throughout the province (paragraph 590).

APPENDICES.

APPENDIX A.

**A MESSAGE FROM THE HON'BLE BABU ANUGRAH
NARAIN SINHA, THE MINISTER OF LABOUR.**

As the Minister in charge of Labour, I send a cordial welcome to this first organised attempt to concert measures for the uplift of industrial labour in the Province. Of all the agents of production, Labour is certainly the most vital, and on its efficiency, skill and contentment will depend, to a very large measure, the future prosperity of the Province. It is my earnest hope that the labours of this Committee may result in concrete proposals which, while improving the conditions of work and wages of the labouring population, will at the same time make them more potent forces for the production of wealth, which ultimately would make all classes happy and prosperous.

2. The difficulties of the problem are enormous. We need not blush when we confess that in a poor country we are one of the poorest provinces. Even our industrial labour is mostly casual labour and after short spells of some hard work in the factories returns to the villages where most of their time is not properly utilised. Our labouring population are content with a low standard of life and so long as the bare minimum of existence is assured to them the incentive to hard work is wanting. We have to bring about conditions in which our workers will be fired by ambition to rise higher in the rungs of the ladder by the acquisition of the habit of accurate, hard and persevering work which has made the more prosperous nations in the world great. Our ambition is no less and although our difficulties are great, we are determined to put in the necessarily greater effort to cover the lee-way.

3. In the present Committee which is representative of all interests we have got a wealth of talent and experience which should inspire hope in the success of its mission. The presence of the Chairman, our very revered leader, should ensure that the proposals of the Committee will be sane and effective, while the specialist will bring in all the expert knowledge that is so essential in a work like this.

Gentlemen, with the best of wishes in the world I must now leave you to your work.

APPENDIX B.

GENERAL AND SUPPLEMENTARY QUESTIONNAIRES.

FROM

MR. R. K. SARAN,
 SECRETARY, LABOUR ENQUIRY COMMITTEE,
 BIHAR,

To

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Dated Patna, the.....1938.

SIR,

THE Labour Enquiry Committee has been appointed by the Government of Bihar to survey the conditions of industrial labour in the Province and to make recommendations for improving them. In pursuance of its work, the Committee has issued a questionnaire a copy of which is herewith sent to you.

I am to request you, on behalf of the Committee, to offer us your co-operation and to assist our work by answering the questionnaire. It is not necessary for you to answer all the questions; you can choose those in which you are interested and in regard to which you have any facts or opinions which you would like to place before the Committee. It will be convenient for the purpose of reference if you kindly indicate in the margin the serial number of the question which you are answering. You can help us further by submitting a memorandum on any matter affecting labour of which you may have special knowledge.

The Committee earnestly desires that the conditions and problems of industrial labour in this Province should be fully investigated and discussed in all their aspects and from all points of view so that, while framing the recommendations, it may enjoy the confidence and the satisfaction that every relevant fact and every point of view have been given their due weight.

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You are requested to send your answers or memoranda by the 31st May 1938.

Please let me know whether you would like to tender oral evidence, if required by the Committee, to elucidate your points further.

I have the honour to be,

SIR,

Your most obedient servant,

R. K. SARAN,

Secretary, Labour Enquiry Committee, Bihar.

Questionnaire of the Labour Enquiry Committee, Bihar.

A.—*Nature and recruitment of labour.*

1. State the total number of workers employed in your factory, mine or industrial establishment and classify them according to the following heads:—

Officers.

Clerk.

Work people ... { Men.
Women.
Children.

2. Show separately (a) those who are permanently settled in your industrial centre and (b) those who are migratory.

3. What proportion of workers live in their village homes while they work in your factory or mine?

4. Mention the areas from which the workers are mainly drawn.

5. What is the annual "turn-over" in your factory, i.e., the proportion of those who leave the factory within a year to the total number of those employed in it? Can you suggest any remedies for reducing it?

6. State how many left the establishment during 1936 and 1937 due to (a) retirement, (b) dismissal, (c) sickness or accident, (d) slackness or stoppage of operations and (e) on their own account.

7. How are workers recruited: (a) by jobbers or contractors? (b) directly by the management? or (c) otherwise? If there are jobbers please mention (a) their activities, (b) nature and extent of control exercised by them over the workers and (c) salary or commission received by them.

8. Which system of recruitment do you prefer and why?

9. Do you maintain any list for employment (1) of those who have been previously employed and discharged, (2) of those who are waiting for employment and (3) of new entrants?

10. Is the employment governed by the order in the list?

11. Have any abuses or corrupt practices come to your notice in connection with recruitment? If so, what change or control do you consider necessary to check them?

12. Do you consider it desirable or feasible to establish Labour Exchanges for the purpose of recruitment? If so, to what extent should the State, the employers and the Trade Unions control such exchanges?

13. For what kinds of work are casual labourers usually employed? Give a rough estimate of the proportion of casual workers to the total number of workers. Is the proportion increasing or decreasing?

14. Are skilled labourers also employed as casual? Give the proportion of such skilled workers casually employed to those employed on permanent basis. (Any one employed for six months or less to be treated as casual.)

B.—Conditions of Employment.

15. Have you got any service rules? If so, please supply a copy. To what classes of workers do these apply?

16. Is there any provision for the training of apprentices? If so, please state the conditions of apprenticeship.

17. Is there any system of graded promotion in your factory? If so, give details. State the number of those who have been promoted during the last five years from lower to higher grades specifying in each case the nature of occupation.

18. What measures do you consider desirable and feasible for security of service?

19. Is there any system of granting leave to workers? If so, what are the kinds of leave and for what period? What is the allowance paid to the workers for each kind of leave and for what period? If there be any rules in force on the subject, please supply a copy.

20. Is there any rule for granting leave during sickness? If so, for what period and on what conditions?

21. If women are employed, do they enjoy maternity leave? If so, for what period and on what conditions?

22. Have you any scheme for paying gratuity, provident fund and old age pension? If so, state the conditions and furnish a copy of the rules, if any.

23. State the number of holidays including Sundays and festival holidays allowed in your factory or mine in a year.

24. Have you laid down any definite rules regarding conduct? If so, please attach a copy of these rules.

25. Where standing orders or rules have been framed, what measures are taken to bring these rules to the notice of the workers employed?

26. What is the procedure followed in dealing with cases of indiscipline and slackness of work or any other offence?

27. What opportunity, if any, is given to a worker to meet any charge before he is punished?

28. State the various kinds of punishments and the nature of offence for each.

29. Have you any system of fines, reduction in pay, compulsory leave, stoppage of promotion, suspension and dismissal as punishment?

30. State the number of workers punished in any of the above ways in the year ending 31st March.

31. How is unauthorised absence dealt with?

32. How do you deal with late attendance and what is the method you follow in reckoning wages for partial attendance?

33. In what manner are fines utilised? Have you a special fines fund, and if so, what use is the fund put to?

C.—Hours of work.

34. What are the hours of work?

Are you in favour of shorter hours of work generally and specially for night shifts and strenuous and hazardous jobs? Give reasons.

35. How many shifts do you work in your factory or mine? Please specify the exact kinds of work, hours of work and rest, and intervals for each shift, particularly for the clerical establishment and for each group of workers—men and women—and for the mechanical department where hours of work are different to those for process operatives. Where hours of work are different on Saturdays please give exact details.

36. If your factory is a continuous process factory what arrangements are made for granting rest days and at what

intervals are these rest days given? Have you any overlapping or multiple system of shift in your factory and how does it affect strain, overwork and rest?

37. Do you consider it practicable or desirable to change the present hours of shift according to seasons—summer, rains and winter?

38. Is there any system of working overtime? If so, what is the method you adopt in calculating overtime? Is it calculated on the basis of daily hours, weekly hours or monthly hours?

39. Specify the departments or groups of workmen who are ordinarily regularly called upon to work overtime. In each case give the rates of overtime allowances.

40. Is there any system of substituting overtime work by grant of leave instead of paying higher wages?

41. State the number of days for which the factory worked during each of the last five years; for how many days in each year was the stoppage of work on account of overhauling or breakdown? What allowance, if any, was paid to workers during such period of enforced idleness?

D.—Conditions in factories.

42. Do you provide special equipment to your workers while at work or take special measures to diminish risks to health or bodily injury?

43. What measures are adopted by you for preventing classifying and reporting accidents? Are you satisfied with them? Please state what improvements are in your opinion possible and desirable.

(Where technical or mechanical improvements are concerned, please give details.)

44. Do you think it necessary or desirable to extend the scope of the Factories Act?

45. If the answer is in the affirmative, state the nature of the evils found in the industrial establishments not governed by this Act and the provisions of this Act which you would desire to be applied to them.

46. Have you any objection to exemptions granted by the local Government to various factories in respect of the provisions of the Factories Act? Please explain your objections, if any.

47. Please draw the attention of the Committee to any provisions of and under the Factories Act which you have sufficient reasons to believe, are being evaded or violated. Suggest remedies.

48. Do you suggest any amendment of the Factories Act in force for more effective protection of workers, particularly those engaged in strenuous and hazardous jobs?

E.—Wages.

49. Please show on the forms supplied the maximum, minimum and average earnings of workers for different categories of work in your factory or mine for the months of January and July of 1929 and 1933 and for July 1937 and January 1938. Please indicate in each case whether wages are according to time rate or piece rate.

50. Has there been any change in the system of wage calculation from time rate to piece rate and *vice versa* in regard to any category of work since 1929? If so, in what categories? Please state the reasons and effects of such changes on (a) earnings and (b) efficiency of workers.

51. What are the considerations you take into account in fixing the rate of wages for ordinary and overtime work? Please give illustrations.

52. Are different rates paid for night work and work on holidays? If so, indicate the difference.

53. State the categories of work and proportion of workers whose wages are calculated on (a) daily, (b) weekly, (c) fortnightly or (d) monthly basis. Please state the extent to which it is feasible to convert the daily and weekly-rated workers to monthly-rated ones. How would such conversion affect the wages bill and the efficiency and stability of labour force?

54. What is the system of wage payment (daily, weekly, fortnightly, or monthly) adopted by your factory or mine in regard to various categories of work. Please specify the number of workers in each pay period and the number of days elapsing between the end of the wage period and the date of payment. Which system of wage payment would you prefer and for what reason?

55. In all cases where rates are fixed on time or piece basis, please specify the increases and decreases which have been affected since 1929. Please state the proportion of wage costs in your factory or mine to the total cost of production.

56. What are the deductions other than fines to which wages are subjected? Please show the causes and justification for each.

57. Is there in operation in your factory any scheme for payment of bonus or of profit-sharing or of any other additional allowance? Please give details of the scheme and state the number and proportion of workers who benefited under such scheme when payment was last made.

58. Do you consider that an automatic adjustment of wages to the cost of living indices is desirable and practicable? If so, would you apply it to all workers or to a particular grade of workers? What machinery do you suggest for determining and carrying out such automatic adjustments?

59. Are you in favour of the establishment of a minimum wage? Give reasons for your views.

60. On what principles should the minimum wage be based?

61. What machinery would you suggest for fixing and revising the minimum wage?

62. Should the level of the minimum wage differ from centre to centre and if so, why?

63. What measures would you suggest to prevent the minimum wage from becoming the maximum?

64. What would be the effect of fixing the minimum wage on (a) total employment and (b) employment in particular occupations in the industry?

65. It has been suggested that industries enjoying protection should properly bear the responsibility of paying the minimum wage. What are your views in this matter?

F.—Rationalisation.

66. Are there any schemes of rationalisation or intensification in force or in contemplation in your factory? If so, please give details.

67. What is in your opinion the effect of the scheme (a) on total employment in the concern; (b) employment in particular occupation; (c) wage rates; (d) earnings; (e) production; and (f) working conditions specially strain and fatigue.

68. What steps have been or should be taken to mitigate the effect of immediate unemployment caused by the scheme?

69. What, in your opinion, should be the proportion in which gains from rationalisation or intensification should be divided between the workers and the employers? How would you determine this proportion.

G.—Welfare work.

I.—Education.

70. Is any school provided—

- (a) for children employed;
- (b) for the children of the employees;
- (c) for the adults employed?

Please give the numbers attending in each case and any further particulars about fees or books or scholarship.

71. Is there any provision for reading rooms and libraries? Please state the average daily attendance.

II.—Health.

72. What are the medical facilities provided for workers (a) by the State, (b) by the employer and (c) by other agencies? Is there any special arrangement for treatment of women and maternity cases? Do you consider these provisions adequate and satisfactory? If not, please suggest specific improvements.

73. What are the charges, if any, for treatment and medicine in hospitals or dispensaries provided by the employer?

74. Is there any system of periodical medical examination of workers?

75. What are the chief diseases and causes of mortality of workers in your locality? Mention specially the occupational diseases.

76. Are special measures required for combating any epidemic or industrial diseases prevalent in your area?

77. Are deficiency diseases prevalent to any considerable extent in your area?

78. Are sanitary arrangements for (a) latrine, (b) urinal, (c) washing and bathing at work places and at home sufficient? Is there privacy provided?

79. Please state the arrangements made for the supply of drinking water in work places and at workers' quarters. Is cold water available during the hot season?

80. Have you made any provision for sickness relief to your workers? Please give the necessary details and state what practical difficulties have been found in carrying it out?

81. Are you in favour of insurance against sickness on a contributory basis?

82. Do you recommend legislation for compulsory maternity benefits? If so, on what lines?

III.—Housing.

83. How many houses are provided for workers (*a*) by the employer; (*b*) by public authority; (*c*) by private landlords; and (*d*) by workers themselves? Give a description of each type of house, average room space and the number of persons living in it.

84. Is there adequate housing accommodation for the total number of workers in your area? For what proportion of the workers do the employers provide houses?

85. In the case of houses provided by the employer please state the basis on which rent is determined. Have rents increased since 1929? If so, to what extent? Give reasons for the increase.

86. What financial or other facilities are provided by the employer or the public authority to a worker to build a house?

87. Do you think whether a scheme of hire purchase or co-operative housing is feasible?

IV.—Rest and recreation.

88. What are the facilities available for (*a*) outdoor sports; (*b*) indoor games; (*c*) other amusements; and (*d*) refreshments.

89. Are separate shelters provided for the use of workers—men and women—during rest intervals?

90. Are there any creches for children? What is the nature of care provided?

H.—Indebtedness.

91. To what extent do workers obtain credit from local shopkeepers? What is the difference between cash and credit prices?

92. Do you suggest establishment of co-operative stores by the employer or by the Government or by the Trade Union?

93. Do you think that reduction in the period of wage payments and prompt payments will alleviate indebtedness to some extent?

94. Are any advances made by the employer to the workers? If so, please state the terms.

95. Are you in favour of making recruiting advances recoverable from the first few wage payments only?

96. How has the recent amendment of law granting immunity of salary and wages from attachment and from imprisonment for debt affected the practice of the money-lenders and the credit position of the workers?

97. Will you suggest any amendment of the existing law with a view to affording to the workers better protection against money-lenders?

98. Where there is a large permanently settled industrial population would you suggest establishment of co-operative societies? If so, for what purposes?

I.—Workmen's compensation.

99. How many accidents took place in your factory during the last three years?

100. In how many cases was compensation awarded and in how many cases was the matter referred to the Commissioner?

101. Have you experienced any difficulty in the working and administration of the Workmen's Compensation Act? If so, what are your suggestions for removing it.

102. Do you suggest any amendment of the Act or the rules framed under it?

J.—Trade Union.

103. Have you a Trade Union among your workers? If so, when was it established?

104. Is it registered? If so, since when?

105. Is it recognised by the employer? If so, since when?

106. If there is more than one Trade Union please state which one is recognised by you and your reasons for doing so.

107. Has recognition been withdrawn in any case from a Trade Union since 1929? If so, when and why?

108. Is the Trade Union part of a bigger organisation?

109. To what organisation is it affiliated if at all?

110. Are you in favour of a single Trade Union comprising all your workers? Give reasons.

111. What is the number of members of the Trade Union and proportion of the members to the total number of workers in your factory?

112. What is the composition of the Executive Committee? What is the proportion of "outsiders" to the total number of members on the Committee?

113. What are the activities of the Trade Union? What welfare activities would you like it to undertake?

114. Have you any works committee in your factory? What is the constitution and function of the Committee?

115. Have you any standing arrangement with the Trade Union for representation of grievances and their settlement?

116. What is your attitude towards the Trade Union movement? Would the existence of an organised Trade Union help in dealing with labour in the factory and in improving the wage level?

117. Are any restrictions placed on workers joining a Trade Union and carrying on its activity and on office-bearers and active members of the Union?

K.—Industrial peace.

118. What is the number of strikes in which the workers employed by you have been involved since 1918?

119. How long did each strike last and how did it end?

120. What were the grievances of the workers put forward in case of each strike?

121. How was the strike settled?

122. What were the terms of the settlement?

123. How were workers supported during the period of strike?

124. Please give a rough estimate of loss to the workers and the employer resulting from the strike.

125. What are the facilities provided to the workers for representation and investigation of grievances?

126. Have you any officers who keep in touch with the workers? Are jobbers used for this purpose?

127. Is there any permanent joint machinery for the settlement of differences or disputes? If so, please state its character and give the record of its work. If not, describe the practical difficulties which have been experienced in dealing with the situation through an *ad hoc* authority.

128. Are you in favour of disputes not settled by the parties being referred to arbitration? If so, what should be the composition, procedure and power of the arbitral authority? What sanction would you suggest for enforcing its award.

129. Do you think that the provisions of the Trade Disputes Act are adequate? If not, please suggest improvements.

130. Are you in favour of appointment of conciliation officers?

131. What safeguards would you suggest for industry and workers respectively in the event of strike?

132. Please supply your balance sheets and profit and loss accounts from 1929 to 1937. Please also supply details about depreciation, reserves, the rate and amount of dividend paid, amount paid as bonus, if any.

133. Please give an estimate of the cost of every scheme of improvement suggested by you and indicate the manner in which the cost should be met.

134. Can you suggest any measure of financial, technical or any other form of reconstruction of industry likely to help raising the level of wages?

135. Are you satisfied with the present machinery provided by the provincial Government for the administration of the various Acts and for dealing with various matters affecting the industry, the employer and the worker. If not, what alterations and improvements do you suggest?

WAGES FORM.

Category of work.	January 1929. July 1929.					January 1933. July 1933.					January 1938. July 1937.					Ratio of column 11 to column 6.	Ratio of column 16 to column 6.	Remarks.
	No. of workers.	Wage-rate P. or T.	Monthly earnings.			No. of workers.	Wage-rate P. or T.	Monthly earnings.			No. of workers.	Wage-rate P. or T.	Monthly earnings.					
			Maximum.	Minimum.	Average.			Maximum.	Min. mm.	Average.			Maximum.	Minimum.	Average.			
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19
Men ...																		
Women ..																		
Boys ..																		
Girls ...																		

Notes—(1) All January entries should be shown together; all July entries should be similarly treated.

(2) If there were, in any of those months, special circumstances such as mechanical breakdown, or stoppage for overhauling, or strike, which will affect the comparability of monthly earnings, these and their duration should be explicitly stated in the column no. 19.

(3) Please state if there has been any change in the nature of function or process.

APPENDIX B—*contd.*

No.———.

FROM

MR. R. K. SARAN, B.Sc. (LOND.),
SECRETARY, LABOUR ENQUIRY COMMITTEE,
BIHAR,

TO

.....
.....
.....

Dated Patna, the December 1938.

SIR,

I HAVE the honour to send herewith a copy of the Supplementary Questionnaire on Sugar, and request you to submit your replies by 31st December 1938.

I have the honour to be,

SIR,

Your most obedient servant,

R. K. SARAN,

Secretary, Labour Enquiry Committee, Bihar.

Supplementary Questionnaire on Sugar.

1. How long do you work in the season?
2. Is it possible to extend the period of crushing without any loss? If so, please explain the present difficulties and their possible remedies.
3. State the number of those who are employed for the season and those who are employed throughout the year, showing separately the skilled and unskilled workers.
4. Do you make any written contract with your employees, permanent or seasonal? Please send a copy of the same.
5. Do you pay any travelling allowance to your employees at the time of their joining your factory, or on the termination of their services? If so, at what rates?
6. What is the average distance of the homes of the workers from the factory? Have they to spend anything on transport?
7. Do you pay your workers any allowance during the off-season? If so, please state the amount and the occupation of the worker to whom it is paid.
8. How far is it possible to make use of the services of Engineers and Chemists during the slack season?
9. Give details about those who have been discharged and re-engaged on lower salary or replaced by those on lower salary.
10. Compare the wages of your unskilled workers with agricultural wages in the neighbourhood.
11. How do you dispose off your molasses and bagasse?
12. Mention the markets in which you have to meet competition with producers from other provinces and give the names of the producers, if you can.

APPENDIX B—*concl'd.*

No.——

FROM

MR. R. K. SARAN, B.Sc. (LOND.),
 SECRETARY, LABOUR ENQUIRY COMMITTEE,
 BIHAR.

To

.....

Dated Patna, the.....1938.

SIR,

I HAVE the honour to send to you a copy of the supplementary questionnaire on mining labour issued by the Labour Enquiry Committee and to request you to submit your replies to the same by the 31st October, 1939.

I have the honour to be,

SIR,

Your most obedient servant,

R. K. SARAN,

Secretary, Labour Enquiry Committee, Bihar.

Supplementary questionnaire on Labour in the mines.

1. For how many days in a week does the miner work on the average?
2. How do you account for absenteeism among the miners?
3. If the workers live in their villages, state how they go to and from the mine and the time spent on the journey.
4. Has the provision of conveyance facilities by employers resulted in better attendance?
5. How many workers have been assigned small holdings by colliery owners on the condition of work in the mines? Has the practice led to any abuses? If so, please explain them.
6. What is the system of raising coal in your mine? Is it done through a raising contractor or directly by the management? If through the former, what is the rate per ton or per tub paid to him and the rate per ton or per tub paid by him to the coal-cutters?
7. What evils have been found in the system of raising coal through contractors? How would you remedy them?
8. What are the functions of Miners' Sirdars? Are you in favour of retaining them?
9. What is the time taken to conduct the miners to the pit bottom?
10. Do you pay higher rates of wages to those who are detained the longest before being taken to the pit bottom or have to walk the longest to reach the working faces?
11. Estimate, as best as you can, the actual time per relay occupied in coal-cutting by the miners.
12. Give the capacity of tubs used in your mine and the rate per tub. Has there been any change in the size of the tub and the rate per tub since 1929?
13. What action have you taken to ensure to the miners sufficient and regular supply of tubs?
14. Is there any weighing machine at the pit mouth? If not, how do you calculate the quantity of coal raised by each miner or each gang of miners?

15. Do you give any extra remuneration for over-loading or make any deduction for under-loading? Show how you measure over-loading or under-loading.

16. How many women were excluded from under-ground working at your mine and for how many were you able to find employment on the surface or elsewhere? State the different jobs on which they are employed and the rates of wages for these jobs.

17. What are the effects of the exclusion of women from under-ground work on (a) the wages of the family, (b) the care of children, and (c) the economic status of women.

18. Compare the average wages of the coal-cutter before and after the exclusion of women.

19. Are wages paid wholly in cash or partly in cash and partly in kind? Are wages paid on a rest day?

APPENDIX C.

MEMORANDUM OF INSTRUCTIONS TO THE INVESTIGATORS AND FAMILY BUDGET ENQUIRY FORM.

1. *The number of budgets.*—It was believed that a student with reasonable diligence can collect five budgets in a day on the average and the Investigator himself can collect at least three budgets a day in addition to performing the necessary supervision. On the assumption that five students were assigned to Jamshedpur, four to Jharia and two each to Jamalpur and Rohtas and on the further assumption that 10 per cent of the budgets collected, may have to be rejected as being unsatisfactory, it was estimated that in a period of 45 days each for Jamshedpur, Jamalpur and Jharia and 30 days for Rohtas, the total number of acceptable budgets collected would be roughly 1,000 each for Jamshedpur and Jharia, 450 for Jamalpur and 350 for Rohtas. It was agreed that these numbers will give fairly representative results for the areas concerned.

2. *Sampling.*—In order to make the investigation representative, it was decided to adopt the sampling method. The main factors to be taken into account in sampling are the total number of workers employed, their occupation and community. For instance, if there are a number of major factories in an area, the number of budgets to be collected from any particular factory, will be determined by the ratio of the workers employed in that factory to the workers employed in other factories. Similarly the number of budgets to be collected from different occupations in any factory, will depend upon the numerical strength of these occupations. The same also for sampling by community. Some consideration must be shown also to such characteristics as resident or non-resident labour, local or imported labour, skilled or unskilled labour, regular or casual labour.

3. *Period.*—The family budget will refer to earnings and expenditure in a calendar month. Where the earnings are paid weekly, they should be converted into monthly earnings by being multiplied by $4\frac{1}{2}$. The earnings and expenditure should refer to a most recent month, because, in that case the figures supplied are more likely to be accurate.

4. *Income.*—As regards additional earnings the money value of all services or commodities which are supplied free to the workers and the difference between the market value and the actual value of such goods and services as are

supplied to them at subsidized rates, should be included. For instance, if a miner receives free coal or if a worker in domestic service receives free food, the estimated value of free coal or free food should be included. If free houses are supplied to the workers, the price that would be charged for the same kind of house by a private landlord, is a measure of benefit that the workers receive from the employers and should be shown in additional earnings. Any benefit arising from free water supply or free education or free medical services and medical supplies or free amusement or recreation should be left out of calculation because it is almost impossible to estimate their money value.

The figure which represents income from a certain source would, of course, also measure the expenditure on that source. For instance, if two rupees a month are estimated to be the benefit of a free house supplied by the employer, the rent for that house on the expenditure side should be also shown as two rupees.

5. *Expenditure*.—As regards those forms of expenditure which do not occur regularly in a week or a month such as expenses on sickness, festivals, funerals and marriages, etc., and also expenditure on those commodities, the total utility of which is not exhausted in a week or a month such as utensils or beds, the expenditure for any month should be found out by the total expenditure on any of them on the most recent date divided by an estimate of the frequency with which these events are likely to occur or by a period for which these commodities are expected to last. It is inevitable that these figures would be largely in the nature of guess work.

Remittances to dependents should be shown in the item provided on the form if the remittances are for any purposes other than religious observances, feasts, festivals, marriages and funerals otherwise the same expenditure will be counted more than once.

6. *Savings*.—The savings are supposed to be invested if they result in any form of property or service which yields to the investor, a money income. For instance, if he buys a cow with his savings for the purpose of selling milk rather than consuming milk, the savings would be supposed to be invested in a cow.

7. *Family*.—The definition of dependents whether living with the workers or elsewhere is a matter of extreme difficulty. Some of the difficulties can be obviated if by dependents we

mean any person who is related in any degree and is maintained wholly or partially out of the common pool of incomes. It follows that a person who is not related in any way to the worker is not a dependent even if supported either wholly or partially by the latter; any expenditure on this account is in the nature of charity.

R. K. SARAN

Dated the 17th June 1938.

FAMILY BUDGET ENQUIRY FORM.

1. INDUSTRIAL CENTRE.....

(a) Name of the head of the family.....

(b) Religion and caste.....

(c) Province and district of origin.....

If the family comes from a different district or province :

(d) Cause of migration.....

.....

.....

(e) How often do the members visit home ?.....

(f) When last visited home ?.....

(g) Cause of the visit.....

.....

(h) Length of stay at home.....

2. SIZE AND COMPOSITION OF THE FAMILY.—

Description.	Numbers.				Ages of—		Number of persons (under 15) dead, with age at the time of death.	Relationship to the head of the family.
	Men.	Women.	Boys.	Girls.	Boys.	Girls.		
1	2	3	4	5	6	7	8	9
Wage-earners ...								
Dependants living with wage-earners.								
Dependants living elsewhere.								

NOTE.—Persons under 15 years should be treated as boys or girls.

3. INCOME.—

Occupation of each wage-earner.	Monthly wages.	Monthly over-time pay.	Additional earnings, if any.	Total.
1	2	3	4	5
Men ..				
Women ..				
Boys.				
Girls ..				

Note.—The description of the occupation should be as definite as possible, shewing whether the individual is a surface worker or an underground worker, whether a coal-cutter, loader, etc.

4. EXPENDITURE.—

(a) Food (Total).....

FOOD.

Articles.	Quantity.	Price.	Total expenditure.	Remarks.
1	2	3	4	5

(b) Clothing.....

(c) Rent.....

(d) Fuel and Lighting.....

(e) Household requisites like utensils, furniture, etc.....

.....

- (f) MISCELLANEOUS EXPENDITURE (Total).....
 - (i) Remittances to dependants.....
 - (ii) Travelling to and from place of employment.....
 - (iii) Medicine and medical fees.....
 - (iv) Drink and Drugs.....
 - (v) Tobacco and Pan.....
 - (vi) Religious observances, feasts and festivals.....
 - (vii) Payment to Provident Fund or Trade Union or Co-operative Society.....
 - (viii) Amusement and Recreation.....
 - (ix) Education.....
 - (x) Interest on debt.....
 - (xi) Unspecified.....
5. SAVINGS, if any.....
- (a) How are savings invested ?.....
 - (b) How is the excess of expenditure over income met ?.....
6. INDEBTEDNESS (Total).....

Cause.	Amount borrowed.	Source of credit.	Rate of interest.	Nature of security.	Term of repayment.
1	2	3	4	5	6
1. Festival ..					
2. Marriages					
3. Funerals ..					
4. Sickness ..					
5. Unemployment.					
6. Unspecified					

7. HOUSING.—

(a) Description of Dwelling.

(materials used in construction).....

.....

(b) Landlord.

(State whether Government, Municipal, employer,
private landlord or owned by self).....

.....

(c) Distance from place of work.....

(d) Number of rooms occupied by the family and approxi-
mate dimension of each room.....

.....

(e) Dimensions of Verandah, if any.....

(f) Water-supply.....

(g) Sanitation.....

(h) General condition.....

8. REMARKS BY THE INVESTIGATOR.—

.....

*Signature of the investigator.**Date*.....

APPENDIX D.
DETAILS OF VISITS AND ORAL EVIDENCE.

(1) List of the Factories and Mines visited by the Committee.

FIRST TOUR.

From 8th December to 22nd December 1938.

At Monghyr.

Monghyr Tobacco Factory.

At Jamalpur.

East Indian Railway Workshop.

At Dalmianagar.

Rohtas Industries, Ltd.

(1) Dalmia Cement Factory.

(2) Dalmia Sugar Factory.

(3) Dalmia Paper Mills (then under construction).

Dumarkhar Stone Quarries.

Boulia and Chunhatta Quarries.

At Japla.

Japla Cement Factory.

At Patna.

(1) Shree Madhava Mills, Patna City.

(2) The Bihareeji Mills, Patna City.

(3) Shamlal Iron Foundry, Patna City.

(4) Bihar Cottage Industries, Gulzarbagh.

(5) Government Printing Press, Gulzarbagh.

(6) Bihar Survey Office.

(7) South Bihar Sugar Mills, Bihta.

SECOND TOUR.

From 20th January 1939 to 8th February 1939.

NORTH BIHAR.

- Tirhut Technical Institute.
 Arthur Butler's Engineering Workshop.
 Motipur Sugar Factory.
 Jhapaha Sugar Factory.
 Sheetalpur Sugar Factory, Chapra.
 Marhowrah Sugar Factory, Chapra.
 Saran Engineering Works, Chapra.
 C. E. Morton's Sweet Factory, Chapra.
 Marhowrah Distillery, Chapra.
 Indian Sugar Works, Siwan.
 Bihar Pachrukhi Sugar Mills, Siwan.
 New Savan Sugar Factory, Siwan.
 Shree Krishna Gyanodaya Sugar Mills, Hathwa.
 Vishnu Sugar Mills, Gopalgunj (Chapra).
 Harkua Sugar Mills, Gopalgunj (Chapra).
 Sasamusa Sugar Mills, Gopalgunj (Chapra).
 Bharat Sugar Mills, Sidhwalia (Chapra).
 Parsa Sugar Works, Lauriya (Champaran).
 Sugauli Sugar Works (Champaran).
 Manjhwalia Sugar Mills (Champaran).
 Hanuman Sugar Mills (Champaran).
 Champaran Sugar Mills, Barachakia (Champaran).
 Belsund Sugar Mills, Riga (Darbhanga).
 Sugar Mills, Lohat (Darbhanga).
 Sugar Mills, Ryam (Darbhanga).
 Sugar Mills, Sakri (Darbhanga).
 Rice Mills, Jaynagar (Darbhanga).

Sewa Ram Dean Dayal Rice Mills (Darbhanga).
 Shree Rameshwar Jute Mills, Muktapur, Samastipur
 (Darbhanga).
 Samastipur Sugar Mills (Darbhanga).
 Flour Mill, Katihar (Purnea).
 Eastern Bengal Railway Running Shed, Katihar (Purnea).
 Rai Bahadur Hardutt Roy Jute Mills, Katihar (Purnea).
 New Katihar Jute Mill, Katihar.

THIRD TOUR.

From 11th February to 1st March 1939.

Dhanbad.

Jamadoba Colliery.
 Kustore Colliery.
 Katras and Lodna Collieries.
 Tisra Diamond Collieries.
 Ashakuti Group of Collieries.
 Barari Coke Plant.
 Shalimar Tar Products.
 Sijua Electric Power House.
 Chandore Collieries.

Giridih.

Serampur Colliery.
 India Mica Supply Company, Ltd.
 Railway Coke Plant, Giridih.

Bokaro.

Kargalli, Jirangdih and Joint Bokaro Collieries.

Khalari.

Associated Cement Factory, Khalari.

Gaya.

Gaya Cotton and Jute Mills.

FOURTH TOUR.

From 16th March 1939 to 17th April 1939.

Ranchi.

Palandu Tea Factory.

Sebaya Tea Factory.

Murhu Lac Factory.

Jhalda.

A. M. Arathoon Shellac Factory.

J. A. Emins Shellac Factory.

Gregory Shellac Factory.

J. S. Creet's Shellac Factory.

Small Biri and Lac Factories, Jhalda and Thulin.

Jamshedpur (including Singhbhum District).

Tata Iron and Steel Company, Ltd.

Indian Cable Company, Ltd.

Tatanagar Iron Foundry.

Indian Steel and Wire Products.

Golmuri Tinsplate Company.

Noamundi Iron Ore.

Goa Iron Ore.

Indian Copper Corporation, Moubhandar.

Copper Ore Mines, Mosabani.

Bengal Nagpur Railway Running Shed, Workshop.

East Indian Railway, Tatanagar Workshop.

Kendradih Quarry.

Dhanbad.

Kumardhubi Fireclay and Silica Works.

Kumardhubi Engineering Works.

Kumardhubi Eagle Rolling Mills.

Pakur.

Pakur Stone Quarry, Ltd.

Lac Factories at Pakur.

Bhagalpur.

Ram Bishnu Silk Factory.

Bhagalpur Central Jail.

Sheikhpura.

Stone Quarries.

Kodarma.

Kuhukua Mines.

F. F. Chrestian and Company's Mica Factory, Domchanch.

Mr. Sahana's Mica Factory.

Phaguni Mines.

Bandarchoa Mines.

Chhotu Ram and Horil Ram Mica Mines and Factories,
and other smaller mines and factories.

Samastipur.

B. and N.-W. Railway Workshop.

APPENDIX D—*contd.***(2). List of official witnesses examined by the Committee.**

- I. Mr. B. K. Gokhale, i.c.s., District Magistrate, Monghyr, on the 12th December 1938 at Monghyr.
- II. Mr. C. A. Browne, Executive Engineer, Public Works Department, Dehri, on the 19th December 1938 at Dehri.
- III. Khan Bahadur S. M. Amir, District Magistrate, Muzaffarpur, on the 23rd January 1939 at Muzaffarpur.
- IV. Dr. B. N. Sinha, M.B., D.P.H., Chief Medical Officer, Jharia Mines Board of Health, Dhanbad, at Dhanbad, on the 15th February 1939.
- V. Mr. Santram, Assistant Engineer, Jharia Water Board, Dhanbad, at Dhanbad, on the 15th February 1939.
- VI. Mr. Rameshwar Dayal, M.A., B.L., Investigator, Bihar Labour Enquiry Committee, Patna, at Patna, on the 11th May 1939.
- VII. Mr. R. Ghosh, Superintendent, Government Printing Press, Bihar, Gulzarbagh.
- VIII. Prof. S. R. Bose, M.A., B.Sc. (London), Professor of Economics, Patna College, Patna, on the 11th May 1939 at Patna.
- IX. Mr. J. F. Gantzer, Superintendent, Bihar Survey.
- X. Mr. Nagendranath Dutt, City Magistrate, Patna, on the 11th May 1939 at Patna.
- XI. Mr. Deokinandan Prasad, B.A., Investigator, Bihar Labour Enquiry Committee at Patna.
At Ranchi:
- XII. Mr. Harnandan Prasad, M.A., Deputy Magistrate, Chaibassa and Investigator, Bihar Labour Enquiry Committee, on the 21st May 1939, -

- XIII. Mr. Nageshwar Prasad, Mining Officer, Chai-
bassa, on the 21st May 1939.
- XIV. Dr. Balraj Seth, M.A., Ph.D., Professor of
Economics, Dehra Dun, and Investigator,
Bihar Labour Enquiry Committee, on the
21st May 1939.
- XV. Rai Bahadur A. G. K. Lal, Revenue Secretary
to the Government of Bihar, on the 30th
May 1939.
- XVI. Mr. W. Kirby, Chief Inspector of Mines of the
Government of India, Dhanbad (Manbhum),
on the 24th May 1939.
- XVII. Mr. R. E. Russell, C.I.E., I.C.S., Chief Secretary
to the Government of Bihar, on the 30th
May 1939.
- XVIII. Rai Bahadur P. Mullick, Civil Surgeon,
Manbhum, on the 26th May 1939.
- XIX. Mr. S. R. Zaman, I.C.S., Collector, Motihari,
on the 26th May 1939.
- XX. Mr. H. M. Rai, Chief Inspector of Factories,
Bihar and Orissa, Ranchi, on the 27th May
1939.
- XXI. Mr. B. P. Mozoomdar, Offg. Director of Public
Health, Bihar, Patna, on the 29th May 1939.
- XXII. Mr. N. Baksi, I.C.S., Registrar, Co-operative
Societies, Bihar, Ranchi.
- XXIII. Mr. E. O. Lee, I.C.S., Registrar, Trade Unions
and Commissioner of Excise, Government of
Bihar, on the 29th May 1939.
- XXIV. Rai Bahadur N. N. Roy, Additional Deputy
Commissioner, Dhanbad (district Manbhum)
Dhanbad Circuit House, Dhanbad, 20th
February 1939.
- XXV. Mr. S. N. Pandey, Deputy Magistrate, Mon-
ghyr, 12th April 1939.
Sheikhpura Dak Bungalow, Sheikhpura
(district Monghyr).

APPENDIX D—*contd.***(3) List of witnesses who tendered evidence on behalf of the employers or their associations.**

FIRST TOUR.

14th December 1938 : *Evening Sitting : Monghyr.*

I. On behalf of the Monghyr Tobacco Factory.

(1) Mr. R. Rowatt, Director.

(2) Mr. Timbs, Accountant.

(3) Mr. H. D. Cornish, Manager.

15th December 1938 : *Evening Sitting :
Jamalpur.*

II. On behalf of Jamalpur East Indian Railway Workshop.

(1) Mr. G. W. Browne, Deputy Chief Mechanical Engineer.

(2) Dr. Paul, Medical Officer.

(3) Mr. B. D. Ghose.

(4) Mr. De, Employment Officer.

16th December 1938 : *Morning Sitting :
Monghyr.*

III. On behalf of Mahaveer Oil Mills.

(1) Mr. Kishoree Lal, Manager.

(2) Mr. Jagdish Singh, Clerk.

19th December 1938 : *Dalmianagar : Morn-
ing Sitting.*

IV. Mr. Shanti Prasad Jain, Director and Managing Agents, on behalf of the Rohtas Industries, consisting of Sugar Factory, Paper Mills, and Cement Factory.

V. Mr. M. H. Oakley, Manager, Dehri Rohtas Light Railway.

21st December 1938: Japla Evening Sitting.

VI. On behalf of Sone Valley Portland Cement Co., Ltd.

(1) Mr. C. T. Harvey, Manager.

(2) Mr. Peters.

(3) Mr. Liverpool.

SECOND TOUR.

23rd January 1939: Muzaffarpur.

VII. On behalf of Tirhut Technical Institute.

Mr. S. S. Phatakwalla, Superintendent of the Institute.

VIII. On behalf of Arthur Butler's Engineering Company.

Mr. Russell, Manager.

IX. Mr. E. C. Danby, Agricultural Manager, Dholi.

24th January 1939: Chapra.

X. On behalf of Saran Engineering Works, Marhowrah.

Mr. James Gordon, Manager.

XI. On behalf of Morton's Sweet-factory, Marhowrah.

Mr. F. H. Lefson, Director.

6th February 1939: Samastipur.

XII. On behalf of Sree Rameshwar Jute Mills, Muktapur.

Mr. L. J. Dargie, Manager.

7th February 1939: Katihar.

XIII. On behalf of Rai Bahadur Hardatroy Jute Mills, Katihar.

Mr. Nawal Kishore Nayyar, Manager.

THIRD TOUR.

15th and 16th February 1939: *Dhanbad Town Hall.*

XIV. On behalf of Indian Mining Association, Dhanbad (Manbhum).

- (1) Mr. Pearce.
- (2) Mr. J. E. Phelps.
- (3) Mr. S. F. Tarlton.

23rd February 1939: *Giridih Municipal Office.*

XV. On behalf of Railway Collieries, Giridih (Hazaribagh).

- (1) Mr. W. A. Spray, Colliery Superintendent, Giridih.
- (2) Mr. W. Fairfield, Colliery Manager, Serampore.
- (3) Mr. W. T. Stanton, Colliery Manager, Karabaree.

25th February 1939: *Bokaro.*

XVI. Joint Evidence of Railway Collieries of Bengal Nagpur Railway, East Indian Railway and B. B. and C. I. Railway.

- (1) Mr. J. B. Campbell, Manager, Indian State Railways, Kargali Colliery.
- (2) Mr. Lwatts Morgan, Manager, Indian State Railways, Joint Collieries of East Indian Railway and Bengal Nagpur Railway.
- (3) Mr. L. S. Corbett, Offg. Manager, Jarandih Colliery.

28th February 1939: *Khalari: Manager's Office.*

XVII. On behalf of Associated Cement Company, Ltd., Khalari, district Ranchi.

Mr. S. Moolgaunkar, Manager.

Contractors.

- (1) Mr. C. S. Creet, Contractor, Khalari.
- (2) Mr. Narayan Das, Contractor, Khalari.
- (3) Mr. Ram Kripal, Contractor, Khalari.
- (4) Mr. Chandrapada Banerji, Contractor, Khalari.
- (5) Mr. Ramji Gupta.

1st March 1939: Gaya Circuit House :

- XVIII. Mr. K. M. Goghari, Manager, the Gaya Cotton and Jute Mills, Ltd., Gaya.

FOURTH TOUR.

21st March 1939: Jhalda.

- XIX. Employers' of the Biri Factories.

- (1) Mr. Shree Niwas Agrawalla.
- (2) Mr. Girdhar Lal Kirjriwalla.
- (3) Mr. Bhuramal Ronta.
- (4) Mr. Puranmal Agrawalla.
- (5) Mr. Puran Chand.
- (6) Mr. Moti Chand.

- XX. Employers of the Shellac Factory.

- (1) Mr. J. A. Emins.
- (2) Mr. M. C. Gregory.
- (3) Mr. J. S. Creet.
- (4) Mr. Prabhash Mukherjee.

27th, 28th and 29th March 1939: Jamshedpur : Tata Institute.

- XXI. On behalf of Tata Iron and Steel Company, Ltd., Jamshedpur.

- (1) Sir A. R. Dalal, Managing Director, Tata Sons, Ltd., Bombay,

- (2) Mr. J. J. Ghandy, General Manager,
Tata Iron and Steel Company, Ltd.,
Jamshedpur.

XXII. On behalf of Indian Cable Company, Ltd.,
Golmuri, Jamshedpur.

28th March 1939 : Tata Institute, Jamshedpur.

- (1) Mr. E. D. Johnson, Calcutta Office.
(2) Mr. D. J. MacIntosh, Calcutta Office.

31st March 1939 : Tata Institute, Jamshedpur.

XXIII. Mr. N. N. Rakshit, General Manager, Tata-
nagar Iron Foundry, Jamshedpur.

1st April 1939 : Tata Institute, Jamshedpur.

XXIV. On behalf of Indian Steel and Wire Products,
Jamshedpur.

- (1) Sardar Bahadur Indra Singh, Director.
(2) Sardar Baldeo Singh, Director.
(3) Mr. V. D. Dubey, Secretary.

3rd April 1939 : Tata Institute, Jamshedpur.

XXV. On behalf of Indian Copper Corporation, Ltd.,
Moubhandar, and Copper Mines, Musaboni
(Singhbhum).

- (1) Mr. H. R. Mackilligin, General
Manager.
(2) Mr. E. R. Dempster.
(3) Mr. H. C. Robson.

4th April 1939 : Tata Institute, Jamshedpur.

XXVI. On behalf of the Indian Iron and Steel Com-
pany's Goa Ore Mines (Singhbhum).

Mr. R. B. Penman, Mining Engineer.

4th April 1939 : Tata Institute, Jamshedpur.

XXVII. On behalf of Noamundi Iron Ore Mines.

- (1) Dr. F. G. Percival, Geologist, Noamundi.
- (2) Mr. J. J. Ghandy, General Manager, Tisco, Jamshedpur.

5th April 1939 : Tata Institute, Jamshedpur.

XXVIII. On behalf of Tinplate Company of India, Ltd., Golmuri.

- (1) Mr. H. D. Townend, Chairman.
- (2) Mr. W. D. Russell, General Manager.
- (3) Mr. T. G. Price, General Superintendent.
- (4) Mr. W. O. Henderson, Assistant to General Manager.

7th April 1939 : Dhanbad Town Hall.

XXIX. On behalf of Kumardhubi Works, Kumardhubi (Manbhum).

- (1) Mr. S. A. Roberts, Messrs. Bird and Company.
- (2) Mr. A. C. Combe, Eagle Rolling Mills, Kumardhubi Engineering Works.
- (3) Mr. W. K. Dixon, Kumardhubi Fireclay and Silica Works.
- (4) Mr. W. G. Pirrie, Kumardhubi Engineering Works.

9th April 1939 : Pakur Dak Bungalow.

- XXX.**
- (1) Mr. H. K. Mukherjee, Stone Merchant.
 - (2) Mr. Omkar Nath Agrawalla, Shellac Merchant, Pakur (Santal Parganas).
 - (3) Mr. Hubert Hughes, C.E., O.B.E., Ex-Engineer, Pakur (Santal Parganas).

10th April 1939 : Bhagalpur Circuit House.

XXXI. Mr. Chandrika Prasad, Partner, Rambansi Silk Factory, Bhagalpur.

12th April 1939 : *Sheikhpura Dak Bungalow.*

XXXII. (1) Mr. Sahdeo Singh.

(2) Mr. Thakur Singh.

Contractors, Stone Quarry, Sheikhpura
(Monghyr).

16th April 1939 : *Kodarma Dak Bungalow.*

XXXIII. On behalf of the Mica Industry.

(1) Mr. Lambert, Representative of
Messrs. F. F. Chrestien and Company,
Ltd.

(2) Mr. D. B. Sahana, Secretary, Kodarma
Mica Mining Association.

(3) Mr. U. C. Lal, Representative of
Messrs. Chothuram Horilram, Ltd.

(4) Mr. G. Samanta, Representative of
Messrs. Nund and Samanta, Ltd.

(5) Mr. N. Sarkar, Messrs. Sarkar and
Smith Co.

(6) Mr. B. Sharma, Messrs. Baijnath and
Company.

(7) Mr. S. J. Sampani, Premier Mica
Company, Ltd.

(8) Mr. B. C. Bhattacharjee, Indian Mica
Supply Company, Ltd.

16th April 1939 : *Kodarma Dak Bungalow.*

XXXIV. On behalf of Bihar and Orissa Mica Association,
Giridih (Hazaribagh).

Mr. N. C. Chowdhury, Secretary.

AT PATNA.

24th April 1939 : *Civil Secretariat, Patna.*

XXXV. Mr. J. Gordon, Resident Engineer, Patna
Electric Supply Company, Ltd., Patna.

2nd May 1939 : *Civil Secretariat, Patna.*

XXXVI. Mr. J. Cruickshank, Engineer-in-charge,
Rivers Steam Navigation Company, Ltd.,
P. O. Digha, Patna.

AT RANCHI.

23rd May 1939 : Council Chamber, Ranchi.

XXXVII. Joint evidence of Indian Mining Federation and Indian Colliery Owners' Association, represented by—

- (1) Mr. M. N. Mukherjee, M.L.A. (Bihar), Vice-Chairman, Indian Mining Federation, 17, Harish Mukherjee Road, Calcutta.
- (2) Mr. G. S. Rawal, Vice-Chairman, Indian Colliery Owners' Association, Kusunda.
- (3) Rao Bahadur D. D. Thacker, Chairman, Indian Mining Federation, Jharia.
- (4) Mr. J. Dholakia, Member, Indian Colliery Owners' Association, Kusunda.

24th May 1939 : Council Chamber, Ranchi.

XXXVIII. On behalf of Tata Collieries.

- (1) Mr. A. Farquhar, Superintendent, Coal Department, Tata Iron and Steel Company, Ltd., P. O. Jealgora (Manbhum).
- (2) Mr. J. J. Ghandy, General Manager, Tata Iron and Steel Company, Ltd., Jamshedpur.

25th May 1939 : Council Chamber, Ranchi.

XXXIX. Delegation of the Indian Sugar Mills Association, represented by—

- (1) Mr. R. L. Nopany.
- (2) Mr. Gurusharan Lal.
- (3) Mr. Qazi Abdul Hameed.

26th May 1939 : Council Chamber, Ranchi.

XL. Mr. W. T. S. Cairns, Loco Superintendent, B. & N. W. Railway, Samastipur, Darbhanga.

30th May 1939 : Council Chamber, Ranchi.

XLI. Mr. A. M. Robertson, Chief Mechanical Engineer, Bengal Nagpur Railway, Kharagpur.

XLII. Mr. C. V. H. Rao, Editor, *Indian Nation*, Patna, on the 30th May 1939.

APPENDIX D—*contd.***(4) List of witnesses who tendered evidence on behalf of the Workers AND Labour Unions.**

FIRST TOUR.

14th December 1938 : *Monghyr Town Hall : Morning Sitting.*

- (1) Mr. Surendra Nath Banerjee.
- (2) Mr. Nirapado Mukherjee, President, Tobacco Manufacturing Workers' Union, Monghyr.

Monghyr Town Hall : Evening Sitting.

- (1) Mr. Jogendra Narayan Jadav, Secretary.
- (2) Mr. Surendra Prasad, Joint Secretary.
- (3) Mr. Mahammad Wasim, Vice-President of The Tobacco Manufacturing Workers' Union, Monghyr.

15th December 1938 : *Jamalpur Town Hall.*

- (1) Mr. Nirapado Mukherjee, M.L.A., President, East Indian Railway Labour Union of the Jamalpur Railway Workshop.
- (2) Mr. Jamuna Prasad Singh, Vice-President.
- (3) Mr. K. B. Ganguli, General Secretary.
- (4) Maulavi Mohammad Ismail, Joint Secretary of the Jamalpur Railway Workers' Union, Jamalpur (Monghyr).

19th December 1938 : *Dalmianagar.*

- I. Mr. Basawan Singh, President, Rohtas Industries Mazdoor Sangha, Dehri-on-Sone (Arrah).
- II. Mr. Ram Prakash Mistri, Public Works Department Workshop.

SECOND TOUR.

24th January 1939 : *Muzaffarpur Town Hall.*

- (1) Mr. Satrugan Nath Tiwary, Secretary of the Arthur Butler's Labour Union and Traders' Workers, Muzaffarpur.

(2) Statements of the contractors of the Tirhut Technical Institute, Muzaffarpur.

(3) Statements of the contractors of the Arthur Butler's Company, Muzaffarpur.

(4) Satrugan Nath Tiwary, Secretary of the Press Workers' Union, Muzaffarpur.

28th January 1939 : Gopalganj Inspection Bungalow.

(1) Mr. Bindhyachal Prasad, Mokhtar.

(2) Mr. Sarjug Prasad, Mokhtar.

(3) Mr. Nathuni Singh.

2nd February 1939 : Riga Railway Station Waiting Room.

I. Mr. Thakur Jugal Kishore Singh, President, Sugar Industry Labour Union, Riga (Darbhanga).

II. Mr. N. C. Kumar, Head Clerk, Belsund Sugar Factory and Vice-President, Belsund Factory Labour Union, Riga (Darbhanga).

4th February 1939 : Jaynagar Dak Bungalow.

(1) Mr. Dwarka Prasad.

(2) Mr. Ram Protap Mandal.

6th February 1939 : Samastipur Inspection Bungalow.

(1) Mr. Anisur Rahman, President.

(2) Mr. Anil Banerjee, Secretary, Shree Rameshwar Jute Mills Workers' Labour Union, Muktapur, Samastipur, Darbhanga.

(3) Mr. Pandit Ramnandan Misra, President, Samastipur Railway Workshop Labour Union, Samastipur, Darbhanga.

7th February 1939 : Katihar Dak Bungalow.

Dr. K. L. Kundu, M.B., President, Katihar Labour Union, Katihar (Purnea).

11th February 1939 : Civil Secretariat, Patna.

Mr. Shyamnandan Singh, M.L.A., President, Bihta Sugar Mill Workers' Union.

THIRD TOUR.

17th February 1939 and 18th February 1939: Dhanbad Town Hall.

- (1) Mr. Mukutdhari Singh, Secretary.
- (2) Mr. Shiva Kumar Singh, Assistant Secretary, Chota Nagpur Mazdoor Sangh, Jharia (Manbhum).

18th February 1939. Dhanbad, Town Hall.

Mr. Shiva Kali Bose, General Secretary, Indian Colliery Labour Union and Tata's Colliery Labour Association, P. O. Bāga, Manbhum.

23rd February 1939: Giridih, Sub-Jail.

- (1) Dr. Satyanarayan, Ph.D., President.
- (2) Mr. Sri Sarat Chandra Patnayak, Vice-President, Coal Workers' Labour Union Giridih, Hazaribagh.

25th February 1939: Bokaro, Guest House.

- (1) Mr. Ramanugrah Prosad, Secretary.
- (2) Mr. Moti Ram, Assistant Secretary, Bokaro Colliery Labour Union, Bokaro (Hazaribagh).

1st March 1939: Gaya Circuit House.

Mr. Basawan Singh, President, Gaya Cotton and Jute Mills Labour Union, Gaya.

FOURTH TOUR.

18th April 1939: Ranchi, Circuit House.

Mr. S. K. Roy, on behalf of the Lord Bishop of Chota Nagpur.

21st April 1939: Jhalda Dak Bungalow.

- (1) Workers of the Lac and Biri Factories, Pallu, Govind Seth, Rahman Seikh, Shree Kant Gorai, Champat, Sambhunath and Subhan Nayak, Chandra, Prankisto.

(2) Mr. Kalipada Haldar, President, Jhaldā
Thana Congress Committee, Jhaldā.

(3) Dr. Prafulla Chandra Mitra, Congress
Worker and Private Practitioner,
Jhaldā, Manbhum.

23rd March 1939 : Jamshedpur, Tata Institute.

I. NEW BLOOMING MILL DEPARTMENT.

(1) P. A. T. Rajan, Ticket no. 10075, Assistant
Heater.

(2) Farozali, Ticket no. 10031.

(3) Matha Singh, Crane Driver.

(4) Sharf Din Khan, Crane Driver.

(5) I. M. Rao, Crane Driver.

(6) Abdul Akbar, Crane Driver.

II. SHEET BAR AND BILLET MILL : Batch no. 1.

(1) B. R. Bose.

(2) C. J. Naidu.

(3) Dharmu.

(4) Bandhan Singh.

(5) Chandra Dip Singh.

(6) Sowa.

III. SHEET BAR AND BILLET MILL : Batch no. 2.

(1) D. N. Sinha, Rotter Helper.

(2) Jagat Singh, Heater.

(3) Dalip Singh, Catcher.

(4) Paras Nath, Doubler.

(5) Gyan Dass, ditto.

(6) D. Daniel, T. Operator.

IV. SHEET BAR AND BILLET MILL : Batch no. 3.

(1) Puran Singh, Catcher.

(2) Gangabeer Singh, ditto.

24th March 1939: Jamshedpur: Tata Institute.

V. ELECTRIC REPAIR SHOP DEPARTMENT.

- (1) Treta Singh, Armature Winder.
- (2) Shiva Prasad Sharma, ditto.
- (3) C. C. Dutta, ditto.
- (4) D. M. Thakurta, Tester.
- (5) J. N. Biswas, Main Recorder.
- (6) Dwarka Singh, Machine Man.

VI. MACHINE SHOP: Batch no. 1.

- (1) N. S. Mukherjee, Fitter.
- (2) Asloyboy Sen, Turner.
- (3) Kali Charan, Machine Man.
- (4) Sajhu Singh, ditto.
- (5) Brij Mohan, Fitter.
- (6) N. C. Sen, Turner.
- (7) Hari Ram, ditto.

VII. MACHINE SHOP DEPARTMENT: Batch no. 2.

- (1) Santa Singh, Turner, Machine Shop.
- (2) Govind Swami, ditto.
- (3) Jiwan Singh, ditto.

VIII. LOCO AND TRAFFIC DEPARTMENT.

- (1) S. N. S. Iyer, Assistant Yard Foreman, Ticket no. 16041.
- (2) C. D. Satyapati, Number Taker, Ticket no. 16096.
- (3) B. N. Mukharjee, Number Taker, Ticket no. 161000.
- (4) Saquir Uddin, J. Clerk, Ticket no. 16103.

IX. WOMEN WORKERS: (CONTRACTORS).

- (1) Bulbul.
- (2) Pranamani.

25th March 1939 : Jamshedpur, Tata Institute.

X. BAR MILL DEPARTMENT.

- (1) R. N. Prasad, Fitter.
- (2) S. C. Sarkar, Guide Setters.
- (3) K. C. Remo, Painter.
- (4) L. S. Shukla, Bank Choker.
- (5) P. B. Bose.
- (6) K. B. Chakrawarti, Coal Unloader.

XI. MERCHANT MILLS DEPARTMENT : Batch no. 1.

- (1) S. Bhuna Rao, Billet Recorder.
- (2) Ramsukul Tiwary, Fitter.
- (3) Satyanarayan Raju, Driver.
- (4) B. S. Dalal, Assistant Searman.
- (5) Timbal Stamper, Khalasi.
- (6) R. Bahadur, Sheerman.
- (7) Rambachan, Tongaman.

XII. MERCHANT MILLS DEPARTMENT : Batch no. 2.

- (1) Sheikh Ekbal Hossain, Assistant S. Machine Scarf Khalasi.
- (2) S. E. R. Haider.
- (3) R. R. Singh.
- (4) A. Choudhury.

26th March 1939 : Jamshedpur, Tata Institute.

XIII. LOCO DRIVER DEPARTMENT (ELECTRIC).

- (1) H. R. Bose, Electric Loco Driver.
- (2) Gaya Prosad.
- (3) Dasdu.
- (4) Faru Bapte.
- (5) Ram Naresh.
- (6) Abdul Jabbar.
- (7) G. K. Patnayak, P. S. C. Cheaper.

XIV. BLAST FURNACE DEPARTMENT.

- (1) R. N. Dass, M. L. Foreman.
- (2) Narsingh, Fitter, P. C. M.
- (3) Ramadhin Singh, Gas Cleaning Plant
- (4) Dharam Singh, Fitter.
- (5) Jai Mangal Singh, Khalasi.
- (6) Shiva Ratan Singh, Cinders' Snapper.
- (7) Jagat Ram, Helper, P. C. M.
- (8) Md. Afzal, Khalasi.
- (9) S. M. Mukharjee, Khalasi.

XV. OPEN HEARTH DEPARTMENT.

- (1) Mr. Ali Sayeed, P. S. Khalasi.
- (2) Md. Khan, Furnace Khalasi.
- (3) Lochan, Furnace Khalasi, fourth hand
- (4) Kunj Behari, Furnace Khalasi, fourth hand.
- (5) Abdul Waheed, Furnace Khalasi, fourth hand.
- (6) Babu Lall Singh, Furnace Khalasi, fourth hand.
- (7) Halim, Break man.

XVI. HARIJANS.

- (1) Nayak, Secretary, Harijan Sewak Sangha.
- (2) Kartikeshwar, Jamadar.
- (3) Biseswar.
- (4) Benjamin.

XVII. DUPLEX PLANT.

- (1) Sansar Singh, Electrician.
- (2) J. C. Biswas, Meter Inspector.
- (3) R. C. Banerjee, Meter Inspector.
- (4) Dewa Singh, Meter Inspector.

- (5) Ashan Shall.
- (6) Khari Gul.
- (7) Abdul Rahman.
- (8) D. G. Chatterjee.

XVIII. PLATE MILL DEPARTMENT (SHIPPING).

- (1) M. A. Rahman.
- (2) A. C. Dutta.

*27th, 28th and 29th March 1939: Jamshedpur, Tata Institute,
Tata Workers' Union.*

- (1) Mr. M. John, General Secretary.
- (2) Mr. J. N. Mitra, Vice-President.
- (3) Mr. M. Ghosh.
- (4) Mr. T. P. Singh.
- (5) Mr. D. N. Singh.
- (6) Mr. Treta Singh.
- (7) Mr. R. P. Sinha.
- (8) Mr. Sheo Prosad Sharma.

28th March 1939: Jamshedpur, Tata Institute.

The Indian Cable Company, Ltd., Labour Union.

- (1) Mr. M. John, General Secretary.
- (2) Mr. J. N. Mitra, Vice-Chairman.
- (3) Mr. N. C. Paul, Treasurer.

31st March 1939: Jamshedpur Tata Institute.

**I. WORKERS OF TATANAGAR IRON FOUNDRY WORKS,
LIMITED.**

- (1) Bishun Pada Sinha, Ticket no. 317,
Sleeper Moulder.
- (2) Nagendra Nath Das.
- (3) Mohammad Sardar Ali, Machine Shop.
- (4) Kali Das Mukherjee, Ticket no. 337,
Sleeper Moulder.

II. LABOUR UNION OF TATANAGAR IRON FOUNDRY WORKS.

- (1) Mr. J. N. Mitra, Vice-President.
- (2) Mr. N. C. Paul, General Secretary and Cashier.

1st April 1939 : Jamshedpur, Tata Institute.

INDIAN STEEL AND WIRE PRODUCTS CO., LTD.

I. Workers :

- (1) Sarwan Singh, Galvanizing Department.
- (2) L. M. Bergon, Rod Mill, Tonga Man.
- (3) Karnal Singh, Cooling Bed Yard.
- (4) Sarfaraz Ali, Wire Drawing Department.

II: Labour Union :

- (1) Mr. A. Sen, Secretary.
- (2) Mr. Desa Singh, members of Ex. Com.
- (3) Mr. Nath Singh, member of Ex. Com.
- (4) Mr. S. V. Rao, Assistant Secretary.
- (5) Mr. J. N. Mitra, Vice-President.

3rd April 1939 : Jamshedpur Tata Institute.

INDIAN COPPER CORPORATION LTD., MOUBHANDAR.

I. Workers :

- (1) V. K. U. Manon, Bloom Scraping (Foundry).
- (2) A. P. Banerjee, Sanitary and Hospital.
- (3) Lachman Singh, Machine Shop.
- (4) K. S. Manon, Concentration Plant.

MUSABONI COPPER MINES.

II. Workers :

- (1) K. Narsingham,
- (2) Madura Mathur.

(3) Thriolokyasingh.

(4) Jodudas.

(5) Ramji.

III. Joint Evidence of the Indian Copper Corporation Works.

Labour Union, Moubhandar, and Musaboni Copper Mines, Labour Union.

Represented by :

(1) Mr. J. N. Mitra, President.

(2) Mr. Jagannath, Vice-President.

(3) Mr. M. John, Vice-President of Copper Works Union.

4th April 1939 : Jamshedpur, Tata Institute.

NOAMUNDI IRON ORE MINES.

Workers of the company :

(1) Miatra, Loco Driver.

(2) Rupa Nayak, Lines Mate.

(3) Lines Linking Jamadar, and others.

Contractors Labour :

(1) Daitri, coolie.

(2) Saitri ditto.

(3) S. P. Ganguli, Miner.

(4) Dubraj Semantā do.

(5) Sanatan Das.

5th April 1939 : Jamshedpur, Tata Institute.

Workers : Indian Tinplate Company of Golmuri :

(1) Md. Khairudin Mian, Store Department.

(2) Ramlal, Electric Department.

(3) Nehal Singh, Hot Mill.

(4) Mohammad Hadi Hasan, Machine Shop.

II. Labour Union of the Golmuri Tinsplate Company workers :

- (1) Mr. J. N. Mitra, Vice-President.
- (2) Mr. M. John, General Secretary.
- (3) Mr. N. C. Paul, Assistant Secretary and Cashier.

7th April 1939 : Dhanbad Town Hall.

Kumardhubi Engineering and other works Labour Union :

- (1) Mr. Moinuddin Ahmad, Secretary.
- (2) Mr. Dhanjay Sao, Treasurer.
- (3) Mr. Sayeedur Rahman, Assistant Secretary.
- (4) Mr. Ram Lagan Mistri, President of Kumardhubi Workers' Union :

9th April 1939 : Pakur, Dak Bungalow.

Workers of Kotalpukur Lac Factory :

- (1) Phagu, Karigar.
- (2) Madan.
- (3) Somar.

Workers of Pakur Lac Factory.

- (1) Manohar Sheikh, Karigar and others.

15th April 1939 : Kodarma Dak Bungalow.

I. Mr. Naseeruddin Ahmad, M.A., B.L., Pleader, Secretary, Hazaribagh Labour Welfare Society, Giridih (Hazaribagh).

II. On behalf of Mica Workers' Labour Union, Kodarma.

- (1) Srimati Saraswati Devi, Vice-President.
- (2) Mr. Ramanugrah Prosad, Secretary.
- (3) Mr. Bhaia Kedar Nath Sahay, Member, Executive Committee.

15th and 16th April 1939 : Kodarma Dak Bungalow.

On behalf of Bihar Mica Workers' Union, Giridih (Hazaribagh) :

- (1) Dr. Satyanarayan, Ph. D., President.

AT PATNA.

22nd April 1939 : Civil Secretariat, Patna.

- (1) Mr. Vishwānath Sahay Verma, President,
- (2) Mr. Chandradeo Narayan Singh, General Secretary, of the Patna Electric Supply Company Workers' Union.

24th April 1939 : Civil Secretariat, Patna.

- I. (1) Mr. Basawan Singh, President,
 - (2) Mr. A. Rahman Khan, Member, Executive Committee,
 - (3) Mr. Md. Hussain, Member, Executive Committee of Boulia Labour Union (Shahabad).
- II. (1) Mr. Basawān Singh, President,
 - (2) Mr. Habib Khan, Vice-President of the Japla Labour Union (Palamau).

26th April 1939 : Civil Secretariat, Patna.

- I. (1) Mr. G. P. Pagey, Head clerk, District Electrical Engineer's Office, Adra, Representative of the B. N. R. Labour Union.
- II. (a) Mr. T. Pāramananda, Secretary.
 - (b) Mr. Ahsan Ahmad, Assistant Secretary of the Patna Press Workers' Federation, Patna.

1st May 1939 : Civil Secretariat, Patna.

- (1) Mr. M. M. Ghoshal, Secretary, and
- (2) Mr. Surajdeo Prosad, Compositor and Member, Executive Committee of the Gulzarbāgh Government Press Employees Association, Gulzarbāgh, Patna.

2nd May 1939 : Civil Secretariat, Patna.

Mr. Narayanjee, President, Digha Shipworkers' Labour Union, P. O. Digha, Patna.

AT RANCHI.

22nd May 1939 : Council Chamber, Ranchi.

Mr. P. C. Bose, General Secretary, Indian Miners' Association, Jharia, district Manbhum.

23rd May 1939 : Council Chamber, Ranchi.

Mr. S. B. Sen, General Secretary, Tatas Collieries Labour Association and East Indian Coal Company Workers' Union, P. O. Jealgora.

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