

REPORT
OF
THE WAGE REVISION COMMITTEE
FOR
PORT AND DOCK WORKERS
AT MAJOR PORTS



JANUARY, 1977

GOVERNMENT OF INDIA
MINISTRY OF SHIPPING & TRANSPORT

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CHAPTER I

INTRODUCTORY

Genesis of the Wage Revision Committee

1.1 In pursuance of the recommendations made in para 25 of Chapter XXVII of the Second Five Year Plan and in para 20 of Chapter XV of the Third Five Year Plan, the Government of India in the Ministry of Labour and Employment set up, by their Resolution No. WB-21(4)/64, dated the 13th November, 1964, a Wage Board to work out a wage structure for port and dock workers at major ports (excluding Class I and Class II Officers), based on the principles of fair wages as set forth in the report of the Committee on Fair Wages and other considerations mentioned in its terms of reference. The Wage Board submitted its final report to Government on the 29th November, 1969. After considering the recommendations made in the report, including the dissenting views expressed by some members of the Wage Board on certain issues, and after discussing them in a tripartite conference, convened by Government on the 3rd February, 1970, Government accepted the unanimous and majority recommendations of the Wage Board by its Resolution No. WB-21(7)/69, dated the 28th March, 1970, subject to certain reservations.

1.2 The Wage Board, by a majority of members, had decided that the recommendations should remain in force for a period of five years with effect from the 1st October, 1969; but Government resolved that the recommendations be implemented with effect from the 1st January, 1969, and remain in operation for a period of five years. The said period of five years having expired on the 31st December, 1973, the Government of India in the Ministry of Shipping and Transport, by their Resolution No. PLO/94/74, dated the 11th December, 1974, (Appendix I), set up the Wage Revision Committee to enquire into and recommend as to what revision is necessary in the existing wage structure of the employees, other than Class I and Class II Officers, in the major ports of Bombay, Calcutta, Madras, Visakhapatnam, Cochin, Mormugao, Kandla and Paradip.

Composition of the Wage Revision Committee

1.3 The Committee was composed of the following :

- (1) Shri B. N. Lokur, Retired Judge of the Allahabad High Court, New Delhi. Chairman

- (2) Shri T. S. Sankran, Joint Secretary, now Additional Secretary, Ministry of Labour, Government of India, New Delhi. Member
- (3) Dr. B. V. Mehta, Professor and Head, Department of Economics, South Gujarat University, Surat. Member

1.4. Shri T. R. Malhotra, Regional Labour Commissioner in the organisation of the Chief Labour Commissioner, Government of India, was appointed Secretary of the Committee.

Terms of Reference of the Committee

1.5 The terms of reference of the Committee were as follows:

- “(a) The Committee will be required to enquire into and recommend as to what revision is necessary in the existing “wage structure” of the “Employees” specified in sub-para (d) below.
- (b) In making their recommendations, the Committee will have regard, among other relevant factors, to the following :—
- (i) The obligation of Port and Dock undertakings to provide adequate and efficient port and dock facilities at a reasonable cost;
 - (ii) the capacity of Port authorities and Dock Labour Boards to pay the wage bill, keeping in view the character of the Port transport industry;
 - (iii) the need for uniformity in the rates of emoluments and benefits of employees doing similar jobs at various major ports;
 - (iv) the total monetary accrual to the workers, inclusive of basic wage, allowances, payment of ex-gratia, etc;
 - (v) duties and responsibilities of various posts, including the skills and hazards involved;
 - (vi) the need for adjusting wage differentials in such a manner as to provide incentive to workers for advancing their skills;
 - (vii) the economic conditions in the country, and all other related factors;

- (viii) the requirements of social justice; and
- (ix) extending the system of payment by results; i.e. linking wages to output.

Explanation: In applying the system of payment by results, the Committee shall keep in view the need for fixing a minimum (fall-back) wage and also to safeguard against overwork and undue speed.

- (c) Keeping in view the existing level of wages and variations in dearness allowance from time to time as per the formula evolved by the Central Wage Board for Port and Dock Workers, 1969, the Committee will submit its recommendations regarding demand for relief of an interim character within three months from the date the Committee starts its work. In the event of the Committee advising any interim relief, the date from which this relief should take effect will be indicated by the Committee.
- (d) The term "wage structure" as mentioned above would include pay, special pay and allowances.

The term "Employees" mentioned in sub-para (a) above will cover the following, excluding Class I and Class II Officers :—

- (i) Persons employed by the major port trust of Bombay, Madras, Visakhapatnam, Cochin, Mormugao, Kandla and Paradip and the Commissioners for the Port of Calcutta;
- (ii) Persons employed by the Dock Labour Boards and their Administrative Bodies at Bombay, Calcutta, Madras, Visakhapatnam, Cochin, Mormugao and Kandla; and
- (iii) Persons covered under the schedules of various schemes framed under the Dock Workers (Regulation of Employment) Act, 1948.
- (e) The Committee may also look into the cases of such other categories of workers covered by the Central Wage Board for Port and Dock Workers, 1969, but not included herein, if and when referred to by the Ministry of Labour on receipt of requests on behalf of these categories. Such references to the Committee will be made by the Ministry of Labour only."

1.6 Pursuant to para 3(e) of the terms of reference, the Ministry of Labour, having regard to the demand received by it from and on behalf of some of the categories of workers covered by the Wage Board but not included within the purview of the Committee and the possibility of similar demands being received subsequently from and on behalf of other excluded categories, by their Resolution No. V-24027(5)/74-WB, dated the 17th June, 1975, (Appendix II), requested the Committee "to include, within its purview, all categories of workers who were covered by the recommendations of the Central Wage Board for Port and Dock Workers, excepting those to whom wage increases have been given or whose pay scales/wage structures have been revised under any arrangements outside the framework of the Wage Board's recommendations."

Procedure of Work

1.7 To start with, we embarked upon the task of considering whether, in terms of clause (c) of our terms of reference, we should advise any interim relief. The subject of interim relief is dealt with in detail in Chapter II.

1.8 On the question of wage revision, we decided to elicit the views of all concerned by issuing a comprehensive Questionnaire. Accordingly, a Questionnaire was prepared and finalised by the middle of March, 1975. After it was got printed, the Questionnaire, which is reproduced in Appendix III, was issued in April 1975, to as many as 384 parties, including :

- (1) Chairman of all Port Trusts;
- (2) Deputy Chairmen of all Dock Labour Boards;
- (3) Federation of Associations of Stevedores;
- (4) Associations of Stevedores;
- (5) Associations of other employers covered by the terms of reference;
- (6) Associations of shipping companies and shippers;
- (7) Food Corporation of India;
- (8) Minerals and Metals Trading Corporation of India;
- (9) Chambers of Commerce and other users of major ports;
- (10) All registered employers employing workers covered by the terms of reference;

- (11) Federations of unions of port and dock workers; and
- (12) All registered trade unions of employees covered by the terms of reference.

In addition to mailing the Questionnaire to the above parties, a public notice was also inserted in important newspapers having circulation in major port cities, inviting those interested to call for the Questionnaire and give to us the benefit of their views. A similar notice was repeated after our scope of enquiry was extended by the Resolution of the Ministry of Labour.

1.9 Although replies to the Questionnaire were requested to be furnished within a month of its receipt, the response was very slow and some replies as well as separate or supplementary representations, generally or relating to individual categories, were submitted even during and after oral discussions held with the parties. We received in all 148 replies and representations from the parties listed in Appendix IV.

1.10 Several representations were received from individual employees as well. We, however, felt that such representations should not be entertained, as individual grievances were outside the scope of our terms of reference.

1.11 Most of the parties who responded to the Questionnaire expressed a desire to be heard in person by us to elaborate their viewpoints. In order to comply with their request and also to have the opportunity of studying on the spot the conditions in major ports, we visited the eight major ports with which we are concerned and held discussions with Chairmen of Port Trusts and Dock Labour Boards and representatives of organisations of employees and of other employers. In all, we held 70 sittings at the various major ports and in New Delhi and had discussions with representatives of 113 organisations. The schedule of our visits to the various ports and a list of parties participating in oral discussions are in Appendices V and VI, respectively.

1.12 We also found it useful to solicit the views of some persons having specialised knowledge of the different aspects of the subject and held discussions with them. A list of these persons appears in Appendix VII.

1.13 We collected information about wage structures prevailing in several public sector undertakings with a view to determining whether they would provide any guidance to us in our work.

1.14 The All India Port and Dock Workers Federation, the Indian National Port and Dock Workers' Federation and the Water Transport Workers' Federation of India submitted memoranda and we had discussions with their representatives. We, however, regret that the Port, Dock and Waterfront Workers' Federation of India did not give the benefit of their views to us in spite of several requests, but they had submitted a memorandum to the Ministry of Shipping and Transport, a copy of which was made available to us by the Ministry.

Magnitude of Our Work

1.15 The Questionnaire issued by us gives a general idea of the magnitude and complexity of the task which we had to undertake and the numerous issues which we had to tackle. The problems increased when replies to the Questionnaire and representations were scrutinised and analysed and oral discussions were held with the various parties.

The number of categories of workers whose wage structure we had to enquire into runs into several hundreds. We were required to have regard to the need for uniformity in the rate of emoluments and benefits to employees doing similar jobs; however, workers doing similar jobs at the various major ports could not be easily identified as their nomenclatures are not always identical and in a large number of cases where nomenclatures are the same, their duties and responsibilities are not necessarily uniform in all the ports.

Representations were received that in the case of a large number of categories of workers, the existing pay scales were not commensurate with their duties and responsibilities; however, the duties and responsibilities of several categories of workers as given by the employers did not coincide with those given by the employees' representatives, with the result that we had to call for additional information and hold further discussions from time to time.

There were also representations that classification and categorisation made by the Jeejeebhoy Committee in 1961 were not based on any systematic and scientific evaluation of the various jobs and had, in any event, now become outdated.

The Wage Board, while prescribing primary scales of pay, also split up or extended quite a few of them and the port authorities too modified some of them, and, in consequence, the total number of scales which we had to consider were more than a hundred. A number of new posts had been created in the various

major ports since the report of the Wage Board. Special pay and special allowances are granted to incumbents of several posts but there is no uniformity in the principles adopted for the purpose.

The Resolution of the Ministry of Labour extended the scope of our enquiry to include various other categories of employees in addition to employees connected with Port Trusts and Dock Labour Boards.

Since the report of the Wage Board, working conditions at major ports have somewhat changed due to mechanisation and modernisation and due also to various types of sophisticated vessels calling at the ports.

A greater emphasis is being laid on securing social justice to workers and ensuring industrial peace and harmony.

The wage structure, to be realistic, had to be considered in relation to the new levels of living and to increase in prices which tended to erode real wages. At the same time, the capacity of major ports to meet any increase in the wage bill required serious consideration in the context of fluctuating traffic, rising operating costs, heavy debt liabilities and extensive development plans.

All these factors made our task sensitive, difficult and immensely complex.

Our Approach

1.16 In evolving the wage structure, the main object we placed before us was the need for doing justice to workers and to employers alike in the light of the factors spelt out in our terms of reference, in the light of the changed circumstances and also in the light of Directive Principles in the Constitution in relation to labour matters. The area of difference between the viewpoints of employers and workers was no doubt large; but we have, in a spirit of objectivity, attempted to evolve a rational synthesis, keeping in mind that while the demands of workers are no doubt somewhat exaggerated, the resistance of employers to any increase in wages is equally unjustified.

1.17 We sincerely hope that our recommendations will help both workers and employers to develop a larger perspective and foster a spirit of meaningful co-operation for smooth and efficient functioning of major ports resulting in increased productivity and consequent development of the national economy.

CHAPTER II

INTERIM RELIEF

2.1 On the subject of interim relief, clause (c) of our terms of reference provides as follows :

“Keeping in view the existing level of wages and variations in dearness allowance from time to time as per the formula evolved by the Central Wage Board for Port and Dock Workers, 1969, the Committee will submit its recommendations regarding demand for relief of an interim character within three months from the date the Committee starts its work. In the event of the Committee advising any interim relief, the date from which this relief should take effect will be indicated by the Committee.”

Views of Parties

2.2 In order to obtain the views of all concerned on the subject, we issued a public notice in leading daily newspapers all over the country, particularly those having circulation in the major port cities, inviting representatives of workers to present their case before us at a meeting to be held at New Delhi on the 27th December, 1974. They were also requested to submit their written representations to us at the meeting if possible, or to send the same by the 15th January, 1975. Telegraphic intimations were sent to the same effect to the four Federations of trade unions of port and dock workers. We also requested, by a separate communication, all registered trade unions of port and dock workers to submit their views on the subject.

2.3 To ascertain the views of employers on the subject, Chairman of Port Trusts and of Dock Labour Boards, Associations of Stevedores as well as other employers' organisations were invited to meet us at New Delhi on the 9th and 10th January, 1975.

2.4 The response to the public notice was poor. We received representations from 23 unions only and representatives of only three unions attended the meeting. Employers, however, were largely represented at the meeting.

2.5 The Federations of trade unions were conspicuous by their absence, but the All India Port and Dock Workers' Federation and the Indian National Port and Dock Workers' Federation had submitted representation to the Ministry of Shipping and Transport which were made available to us.

2.6. In substance, workers demanded by way of interim relief, a sum of Rs. 100/- per month for each worker with effect from the 1st January, 1974; they contended that Additional Dearness Allowance granted according to the Wage Board formula had not been adequate, particularly in the context of rapid rise in prices. They also drew our attention to increases in wages in other industries. Employers, on the other hand, urged that there was no case for grant of any interim relief as the wages recommended by the Wage Board were quite high, Additional Dearness Allowance took care of the rise in the cost of living and they could not bear the burden of any further increase in wages.

Our Recommendations

2.7 After careful consideration of all relevant matters, we made the following recommendations on the subject of Interim Relief:

“(1) Subject to (2) below, every employee, as defined in paragraph 3(d) of the terms of reference of the Committee, should be paid:

(i) Rs. 120/- for the period from the 1st January 1974 to the 5th July 1974;

(ii) Rs. 180/- for the period from the 6th July, 1974 to the 31st December, 1974.

Note: If any employee has ceased to be in employment any time during the year 1974 or has taken up employment for the first time during the year 1974, he should be paid the above amounts proportionate to the period of his employment.

(iii) With effect from the 1st January, 1975, Rs. 50/- per month till the date of the decision of the Government of India on final recommendations of this Committee.

(2) In the case of daily-paid, time-rated and piece-rated workers, the daily rate of interim relief should be:

(i) for the period from the 1st January, 1974 to the 5th July, 1974

(a) at the rate of Re. 0.77 per day of attendance; if the worker is not paid for the weekly day of rest; and

- (b) at the rate of Re. 0.67 per day of attendance if the worker is paid for the weekly day of rest;
- (ii) for the period from the 6th July, 1974 to the 31st December, 1974:
- (a) at the rate of Rs. 1.15 per day of attendance, if the worker is not paid for the weekly day of rest; and
- (b) at the rate of Re. 1.00 per day of attendance if the worker is paid for the weekly day of rest.
- (iii) from the 1st January, 1975 till the date of the decision of the Central Government on the final recommendations of this Committee:
- (a) at the rate of Rs. 1.92 per day of attendance, if the worker is not paid for the weekly day of rest; and
- (b) at the rate of Rs. 1.67 per day of attendance, if the worker is paid for the weekly day of rest.

Note : 'Day of Attendance' means the day on which the worker reports for duty,

- (3) The interim relief recommended by the Committee should be treated as Special Dearness Allowance and should be a separate item and not be treated as a part of basic wage or a part of Dearness Allowance for any purpose and should be subject to adjustment against final payments resulting from the final recommendations of this Committee.
- (4) Meanwhile, the Dearness Allowance Variation Formula evolved by the Wage Board should continue to be in force."

2.8 Our Report, which was submitted to the Ministry of Shipping and Transport on the 15th January, 1975, appears in Appendix VIII.

2.9 Subsequently, the Ministry of shipping and Transport held discussions with the representatives of the All India Port and Dock Workers' Federation, the Indian National Port and Dock Workers' Federation and the Port, Dock and Waterfront Workers' Federation of India and two agreements were reached with them, whereby our recommendations were substantially

accepted, the only departure therefrom being that Interim Relief of Rs. 50/- per month payable with effect from the 1st January, 1975, was to count for all purposes. A letter dated the 26th February, 1975, issued by the Ministry of Shipping and Transport on the subject to Chairmen of Port Trusts and Deputy Chairmen of Dock Labour Boards is reproduced in Appendix IX.

2.10 In view of the Resolution of the Ministry of Labour, dated the 17th June, 1975, including additional categories of workers within our purview, we considered the question of Interim Relief for these categories of workers also and recommended that Interim Relief as contained in our Report dated the 15th January, 1975, as finally accepted by the Government in the Ministry of Shipping and Transport and embodied in the letter dated the 26th February, 1975, should be granted to all these additional categories of workers. A copy of our Report, dated the 9th August, 1975, is in Appendix X. Our recommendations were accepted by the Government in the Ministry of Labour by its Resolution dated the 17th December, 1975, which appears in Appendix XI.

CHAPTER III

EVOLUTION OF EXISTING WAGE STRUCTURE

3.1 It is desirable to trace the evolution of wage structure of port and dock workers to serve as informational background to our Report.

History of Major Ports

3.2 The ports of Bombay, Calcutta and Madras are the oldest ports, having come into existence during the regime of the East India Company. For a long period after the advent of the British rule, administration of these ports was carried on by local governments under the superintendence and control of the Governor-General and the Secretary of State. It was in 1921, after the introduction of the Montagu-Chelmsford Reforms, that the three ports were declared as major ports and were taken over by the Central Government, although local governments continued to administer them as agents of the Central Government. After the coming into force of the Government of India Act, 1935, the three ports came under the direct control of the Central Government from the 1st April, 1937. Nevertheless, the port of Calcutta continued to be administered by Port Commissioners under the Calcutta Port Act, 1890, and the ports of Bombay and Madras by Port Trusts under the Bombay Port Trust Act, 1879, and under the Madras Port Trust Act, 1905, respectively.

3.3 Visakhapatnam port became a major port in about 1925 and was administered by different departments of the Government of India at different times. Cochin port was originally under the administration of the Government of Madras but after it was taken over by the Central Government in 1937, the Ministry of Transport was placed in charge of its administration. Kandla port, ever since its project stage, i.e. since 1955, was administered by the Central Government as a major port. Mormugao port was under W.I.P. Railway until it was taken over by the Portuguese Junta Administration in 1961; and after liberation of the Portuguese territories, it came under the administration of the Central Government.

3.4 After the Major Ports Act, 1963 was enacted and brought into force, Port Trusts were formed in 1964 for the ports of Visakhapatnam, Cochin, Mormugao and Kandla. Paradip port, which came into being in 1962, was originally under

the administrative control of the Government of Orissa; the Government of India took over its administration in June, 1965 and a Port Trust was set up for the port in 1967 under the Major Ports Act, 1963. The Bombay Port Trust Act, 1879, the Calcutta Port Act, 1890, and the Madras Port Trust Act, 1905, were repealed, except some provisions, on the application of the Major Ports Act, 1963, to these ports in 1975.

Constitution of Dock Labour Boards and their Functions

3.5 Originally, cargo-handling work was done exclusively by port administrations with the help of casual workers employed by private contractors. The Royal Commission on Labour, in its report submitted to the Government of India in 1931, pleaded for decasualisation of dock workers so that regular employment could be provided to them to the extent possible. Action on the recommendation could be taken only in 1948 after Independence, when the Dock Workers (Regulation of Employment) Act, 1948, was passed. The Act provided for registration of dock workers under schemes framed thereunder and also contemplated constitution of advisory committees to implement the schemes. Schemes were framed for Bombay port in 1951, for Calcutta port in 1952 and for Madras port in 1954. The schemes set up tripartite advisory committees which came to be called Dock Labour Boards. Similar Dock Labour Boards were constituted in Visakhapatnam and Cochin ports in 1959 under schemes prepared for those ports. In 1962, the Dock Workers (Regulation of Employment) Act, 1948, was amended and provision was made for establishing Dock Labour Boards by the Act itself instead of by schemes made under the Act. Dock Labour Boards at Mormugao and Kandla ports were formed under the Act in 1965 and 1968 respectively. There is no Dock Labour Board at Paradip.

3.6 The primary duty of Dock Labour Boards is to register or list workers and supply them to various registered or listed employers for handling cargo. The schemes formulated under the Dock Workers (Regulation of Employment) Act, 1948, *inter alia*, guaranteed wages to workers for a specified minimum number of days and provided for payment of attendance money and disappointment money to workers. Dock Labour Boards also extended to workers benefits of leave with wages, weekly-off, provident fund, gratuity and housing, medical and other welfare amenities. The funds required for meeting the expen-

diture on these items are collected through a levy imposed on employers.

Disparity in Wage Structure in Major Ports

3.7 Autonomy granted to Bombay, Calcutta and Madras port administrations, departmental administration of the ports of Visakhapatnam, Cochin and Kandla ports under different Ministries of the Government of India and the historical background of Mormugao and Paradip ports naturally led to differing wage structures which bore a local impress and were the outcome of local considerations and local settlements.

3.8 During the period between 1937 and 1946, port authorities made adjustments and revisions in pay scales from time to time on the basis of local considerations, bilateral settlements, awards of industrial tribunals and recommendations of special enquiry committees set up for individual ports.

The Central Pay Commission, 1947

3.9 The Central Pay Commission, 1947, recommended that the pay structure of Central Government employees in the lowest pay scale should be uniform throughout the country. Accordingly, the centrally administered ports of Visakhapatnam and Cochin adopted the Pay Commission scales. Bombay, Calcutta and Madras Port Trusts were advised to fall in line with the Central Government pay scales at the lowest level as recommended by the Pay Commission. The position before and with effect from the 1st January, 1947, was as follows :

Before the 1st January, 1947

Port	Basic Pay	D.A.	H.R.A.	Total
	Rs.	Rs.	Rs.	Rs.
Bombay	30-1-35	22-00	6-00	58-00
Calcutta	26- $\frac{1}{2}$ -30	24-00	2-00	52-00
Madras	14- $\frac{1}{2}$ -20	6-50	N.A.	20-50
Visakhapatnam	12- $\frac{1}{2}$ -17	14-00	1-50 to 2-50	27-50 to 28-50
Cochin	12- $\frac{1}{2}$ -17	16-00 3-00*	—	31-00

*Interim relief (treated as Pay)

Source : Wage Board Report, para 4.1.6.

With effect from the 1st January, 1947

Port	Basic Pay	D.A.	H.R.A.	C.A.	Total
	Rs.	Rs.	Rs.	Rs.	Rs.
Bombay	30-1-35	25·00	10·00	5·00	70·00
Calcutta	30- $\frac{1}{2}$ -35	25·00	10·00	5·00	70·00
Madras	30- $\frac{1}{2}$ -35	25·00	7·00	3·00	65·00
Visakhapatnam	30- $\frac{1}{2}$ -35	14·00 plus GSC*	5·00	—	49·00 plus GSC*
Cochin	30- $\frac{1}{2}$ -35	25·00	—	—	55·00

*Grain Shop Concession

Source : Wage Board Report, para 4.1.7.

3.10 Uniformity of pay scales of higher categories of port employees could not be secured as, under a Government directive, port authorities were allowed to evolve a wage structure of their own above the minimum level having due regard to local conditions.

Minimum Wages Act, 1948

3.11 After enforcement of the Minimum Wages Act, 1948, in relation to Bombay, Calcutta and Madras ports, several notifications were issued during the period 1951 to 1954 fixing minimum rates of wages for some categories of employees. However, these notifications had no significant effect on the prevailing wages as the prescribed statutory minimum rates of wages were more or less equal to wages already prevailing.

Chaudhuri Committee

3.12 In view of pressing demands of labour for improvement of their conditions of service, the Government of India took up the question of reviewing and rationalising the wage structure obtaining in major ports for the first time in November, 1956, and appointed Shri P. C. Chaudhuri, I.C.S., as Officer on Special Duty, to enquire into, *inter alia*, the disparities and anomalies in pay scales and allowances of Class III and Class IV employees of major ports. The scope of his enquiry

in the matter of pay structure was, however, somewhat restricted as he was called upon to make recommendations in the light of pay scales of Central Government employees of comparable status as recommended by the Central Pay Commission, 1947. He found the task of rationalisation difficult and observed :

“It is hardly necessary to elaborate that to bring a substantial establishment *en bloc* to a rationalised system of pay and allowances, and particularly so, where earlier methods of remuneration had evolved out of historical reasons or local considerations or had been adopted in *ad hoc* manner over a period of several decades, is a matter of exceptional difficulty. This is accentuated in cadres where the question of classification or gradation may depend on various degrees of skill and a variety of other factors.” (Chapter II, para 72)

3.13 Shri Chaudhuri recommended that the basic minimum scale for Class IV employees should be revised to Rs. 30-1-35 and the minimum scale for Class III staff employed in clerical duties, for whom matriculation or equivalent qualification was prescribed as the minimum, should be Rs. 60-3-81-4-125,5-130. As regards his approach for rationalisation of pay scales of other categories, he thought :

“An ideal method is to organise and conduct job evaluation of each post after completing the job description in sufficient detail, noting the peculiarities of particular posts as imposed by local conditions and standardising all the nomenclature. Such a detailed approach covering more than fifty thousand posts and different kinds of pay scales can best be undertaken, in each locality, by the authority concerned, taking due note of data, both as regards the scale and the nature of functions. What can satisfactorily be done in a Central enquiry is to examine and propose appropriate pay scales for certain ‘test’ jobs, in each department, which may be capable of a fair comparison with similar jobs in other Ports and Departments; it will not then be difficult for the Port authorities to fix, on the basis of certain principles, the pay scales for other posts in relation to the pay scales prescribed for the ‘test’ jobs giving due weight to local peculiarities.” (Chapter III, para 8)

Accordingly, Shri Chaudhuri selected a few categories in each department and proceeded to fix pay scales for these categories only, leaving it to port administrations to fix scales for other categories having due regard to intra-departmental and inter-departmental relativities and differentials.

3.14 Thus, Shri Chaudhuri prescribed uniform scale at all major ports for the lowest levels of Class III and Class IV employees and for certain selected categories only, and port administrations were required to evolve pay scales for other categories, which resulted in disparities and anomalies in the various ports in respect of these categories.

Classification and Categorisation Committee

3.15 While accepting the recommendations of Shri P. C. Chaudhuri, the Government of India announced their decision to set up another committee to undertake the work of classification and categorisation of Class III and Class IV posts in major ports. Pursuant to this decision, a committee was appointed in August, 1958, to examine the duties and responsibilities of the various Class III and Class IV posts in major ports, and to fit them into one or the other of eighteen specified scales of pay, 'in the light of the scales of pay of posts with comparable duties and responsibilities in other departments of Government.' Though the committee was permitted some latitude to break up or elongate the scales, it was tied down to these specific scales; nevertheless, the committee could not help devising a few additional scales.

3.16 This committee, popularly known as the Classification and Categorisation Committee, is an important landmark in the evolution of pay scales as it was a tripartite committee composed of independent members, representatives of port authorities and representatives of labour, and was presided over by an independent chairman, Shri F. Jeejeebhoy, and most of the decisions of the committee, which were taken after deliberations for nearly three years, were unanimous.

3.17 The committee, however, did not lay down uniform scales of pay for all ports in respect of posts bearing the same designation. The committee stated :

"In our deliberations we have always had in our mind the desirability of giving equal pay for equal duties and responsibilities in all the Ports, and our decisions are based on that principle. If therefore a category in a particular Port has been given a different scale to a category bearing the same designation in another Port, the difference in emoluments will be

found to be due to differences between the two in matters of duties, responsibilities, and other relevant factors." (Para 16)

3.18 What the committee did was to prepare a schedule for each port setting out 'the existing designations of the categories, and the existing scale of pay of each post in the several departments of the Ports, together with the scale as fixed by the Committee for the same category and also any re-designation of the category which the Committee has considered fit.' (Para 20)

3.19 In some cases, the scale of pay recommended by the committee was lower than the prevailing scale of pay. The prevailing higher scale of pay was, however, given protection, and this was the intention of Government also. Thus, two scales of pay—popularly known as "Pre-CCC Scales" and "CCC Scales"—came into existence.

3.20 The lowest scale for Class IV employees prescribed by the committee was Rs. 30-1-35; the scale of Clerk was fixed at Rs. 60-4-120-EB-5-150; the highest scale for Class III employees was Rs. 400-20-500 in Bombay port but Rs. 350-15-380-20-500 in other ports. On an examination of the duties and responsibilities, scales of many categories were upgraded.

3.21 A number of posts in different ports carried a special pay or allowance and the committee ordained that such payments were not to be affected by the new scales of pay fixed by the committee.

3.22 One of the function of the committee was also to evolve standardised nomenclature. The committee changed designations in some cases only and observed :

"It was however apparent to us that the objective of standardised nomenclature for all the Ports was difficult to achieve. The historical background of the Ports differ; their natural and other environments have been different; and each has progressed in its own way. The work called for much more time and attention than we were able to spare in view of the urgency of the larger issues." (Para 48)

3.23 The pay scales recommended by the committee came into force with effect from the 1st October, 1957.

Second Pay Commission

3.24 The Second Pay Commission set up by the Government of India submitted its report in December, 1957. It became

necessary to examine the pay scales recommended by the Classification and Categorisation Committee in the light of the pay scales recommended by the Second Pay Commission. It was decided that the pay scales recommended by the Classification and Categorisation Committee should be suitably revised so as to correspond to the pay scales recommended by the Second Pay Commission. The pay scales so revised, popularly called "S.P.C. scales", came into force with effect from the 1st July, 1959. Under this revision of scales, the lowest Class IV worker became entitled to a scale of Rs. 70-1-80-EB-1-85 while a Clerk was given the scale of Rs. 110-4-150-EB-4-170-5-180-EB-5-200. The maximum scale of a Class III employee came to be Rs. 475-20-575.

Central Wage Board for Port and Dock Workers

3.25 The next stage for revision of the wage structure of port and dock workers was the appointment of a Wage Board in November, 1964. This Wage Board also was composed of independent members, members representing employers and members representing workers, and was presided over by an independent chairman, Shri L. P. Dave.

3.26 The principal function of the Wage Board was 'to work out a wage structure based on the principles of fair wages as set forth in the Report of the Committee on Fair Wages', taking into account the character of the port undertakings and their obligations to provide adequate port facilities necessary in a developing economy, the need for uniformity in the rates of emoluments and benefits to the employees doing similar jobs at various major ports, the requirements of social justice, the need for adjusting wage differentials in such a manner as to provide incentives to workers for advancing their skill and the effect of the wage structure so evolved on the cost of port services. It was also required to specify categories of workers to whom its recommendations would apply.

3.27 It is significant that the Wage Board was, unlike Shri P. C. Chaudhuri and the Classification and Categorisation Committee, given considerable freedom to evolve the wage structure and for the first time, the wage structure of port employees was delinked from the pattern of pay scales of Central Government employees. The Board observed :

"After considerable discussions and thorough examination of the possible repercussions of making a departure from the existing pattern of Government wage structure, the

Board unanimously decided to devise a wage structure which would be suitable in the circumstances of the port and dock industry and which may not necessarily be on the pattern of the pay structure applicable to the Central Government employees." (Para 7.1.17)

3.28 It may be mentioned that, notwithstanding the demands of the Labour members on the Board, the Board did not go into the nature of duties of each post before fixing pay scales. The Board felt that this was not practicable and observed :

"In view of the large number of categories, it would have taken a very long time to go into the duties, responsibilities, etc. of each post." (Para 7.2.8)

3.29 It was decided, however, that if the labour representatives on the Board contended that injustice had been done in respect of a particular category or categories of employees by CC Committee, or that there was an anomaly in the CC Committee's recommendations, such cases should be brought before the Board for consideration." (Para 7.2.9). Lists of such cases appear to have been submitted from time to time at a very late stage and the Board stated :

"For want of time, therefore, the Board could not go into the merits of these cases." (Para 7.2.9)

3.30 The Board took the scales prescribed by the Classification and Categorisation Committee as a guide and new pay scales were evolved on the basis of the SPC equivalents thereof.

3.31 The approach of the Board in determining the minimum wage was spelt out in the following words :

"We wanted to determine a minimum wage which could be considered suitable in the circumstances of the port and dock industry in the sense that while the workers get an increase in their wages, it should not impose a heavy burden upon the industry." (Para 7.1.35)

3.32 After considering the question from various angles, the Board estimated, on the average prices of 1968, that the amount of Rs. 220 per month would be required for a working class family of three consumption units when food requirements of an industrial worker with moderate activity were taken into account for working out the estimates. However, taking into consideration the cost of fringe benefits admissible in the port and dock industry, prevailing rates of wages, trends of rise in the wages of industrial workers in the adjoining areas, extent of erosion in the minimum wage which could be restored, national income and the importance

of port and dock workers, (Para 7.1.44), the Board decided upon a minimum wage of Rs. 202 per month for the ports of Bombay, Calcutta and Madras and upon lesser figures in respect of other ports—Rs. 190 for Mormugao port, Rs. 187 for Visakhapatnam and Cochin ports and Rs. 172 for Kandla and Paradip ports. Observing that 'Its distribution into various components is not so important as the total pay packet' (Para 7.1.69), the total minimum wage at the various ports was divided by the Board in the following manner :

Ports	Basic Pay	D.A. at C.P.I. No. 215	C.A.	H.R.A.	Total
	Rs.	Rs.	Rs.	Rs.	Rs.
Bombay, Calcutta, Madras	100	72	10	20	202
Mormugao	100	72	8	10	190
Visakhapatnam, Cochin	100	72	5	10	187
Kandla, Paradip	100	72	..	..	172

(Para 7.1.70)

3.33. There were then twelve scales of pay for Class IV employees of Port Trusts and the Board reduced these scales to four.

3.34. As regards Class III employees of Port Trusts, the Board prescribed five scales of pay for the various clerical employees who were placed in five groups. There was a large number of scales in existence in respect of non-clerical Class III employees. The Board felt that 'unless a detailed study was made about the nature of work done by each category of these employees, it would not be possible to reduce the number of scales' (Para 7.2.32). The Board further said :

..... We first wanted to reduce the number of scales, but it appeared that it might lead to anomalies and disputes. Moreover, it was also brought to the notice of the Board that the existing differentials between the pay scales of semi-skilled, skilled, highly skilled and supervisory employees were of great significance and that even if they were not of a substantial nature, the workers would like their continuation. In view of the possible repercussions, therefore, the attempt to reduce the number of existing scales for the non-clerical employees of the port authorities did not appear to be feasible." (Para 7.2.34)

Accordingly, the Board formulated new scales to correspond to the then existing 40 main scales and their truncations for non-clerical employees. The Board also separately considered the

cases of some categories, like stenographers, personal assistants, telephone operators and nursing staff and laid down scales for these categories.

3.35 It was the Wage Board which for the first time went into the question of the wage structure of employees of Dock Labour Boards and their Administrative Bodies, in a detailed and systematic manner. The Board found that there were three categories of such employees. Employees of the first category were those whose designations and pay scales were broadly identical with those of port employees; the second category was of employees whose designations were the same as of port employees but their pay scales were different; and the third category was of employees whose designations as well as pay scales were different from those of port employees. The Board decided that the new pay scales of employees of Dock Labour Boards and their Administrative Bodies should be the same as recommended for similar categories of port employees. The Board evolved new pay scales for those categories of employees in respect of whom there was no corresponding category of port employees.

3.36 The Board also prescribed pay scales for registered and listed dock workers. Besides, the Board prescribed pay scales for other categories of dock workers including workers employed by other agencies.

3.37 It may be mentioned that the recommendations of the Wage Board were not all unanimous, some of them being majority recommendations.

3.38 The recommendations of the Wage Board were discussed by Government in a tripartite conference on the 3rd February, 1970, and Government decided that the unanimous and majority recommendations be accepted, subject to some reservations. Two of these reservations deserve special mention. The first was :

“The question of fitment of the dock workers at the Calcutta Port in the wage structure recommended by the Wage Board will be examined separately with a view to ascertaining whether any adjustments need to be made in their case and orders in this regard will be issued soon.”

The second was :

“Any existing anomalies regarding the pay scales of employees of various ports and also such other anomalies/difficulties that may arise in the course of implementation of the new wage structure evolved by the Wage Board will, in the first instance, be discussed informally between

the parties and settled at the port level. The Government will consider the question of setting up suitable bipartite or tripartite machinery for dealing with any issues that remain unresolved.”

Some of the recommendations of the Wage Board were considered falling outside the scope of its terms of reference and they were to be examined separately by Government and orders issued by the appropriate authorities.

3.39 As regards the first reservation, the matter was considered in a tripartite meeting and it was found that ‘whereas certain categories of workers could be fitted in the Wage Board scales without difficulty, adjustments would be necessary in the case of others.’ It was decided that the fitment of certain specified categories of dock workers at Calcutta port should be carried out on the principles which were set out in the Memorandum of the Government of India in the Ministry of Labour, Employment and Rehabilitation, No. 82/2/70-P&D, dated the 20th April, 1970.

3.40 As regards the second reservation, efforts made to settle the problems at port level having failed on several issues, a two-man committee was constituted in 1973 for looking into the anomalies raised by labour at different ports which remained unresolved. The committee received from three Federations and the unions at various ports as many as 659 categories of workers in respect of whom anomalies were claimed to exist. The committee came to the conclusion that there was need for review of only eight categories in Bombay port, three categories in Calcutta port and one category in Madras port. The committee recommended revised pay scales or special allowances for these categories but Government did not accept some of them.

Allowances

3.41 Since long, there had been in vogue a practice in various ports of granting some sort of allowances to workers to set off the rise in the cost of living. The allowances which came to be crystallised in course of time were Dearness Allowance and House Rent Allowance. These allowances were related to basic pay and varied from port to port.

3.42 The Central Pay Commission, 1947, introduced one more element, called Compensatory Allowance, based on costliness of cities, for which purpose the cities were classified into A, B and C Classes on the basis of population. The same formula was adopted for major ports, and accordingly, workers at the lowest level in Bombay and Calcutta ports were allowed Compensatory

Allowance of Rs. 5/- per month while those in Madras port were allowed Rs. 3/- per month. Workers in other major ports were not given any Compensatory Allowance.

3.43 These allowances as well as basic pay came to be increased from time to time, Dearness Allowance being linked to variations in the cost of living. On the 1st September, 1968, the position of basic pay and allowances for the lowest paid category of port employees at the minimum of the scale was as follows :

Port	Basic Pay	D.A.	H.R.A.	C.A.
	Rs.	Rs.	Rs.	Rs.
Bombay	70	71	15	7.50
Calcutta	70	71	15	7.50
Madras	70	71	15	7.50
Visakhapatnam	70	71	7.50	—
Cochin	70	71	7.50	—
Mormugao	70	71	7.50	7.50
Kandla	70	71	—	—
Paradip	70	71	—	—

3.44 The Wage Board recommended (fixed) Dearness Allowance at Index Number 215 of the All India Consumer Price Index Numbers for Industrial Workers (1949=100) at the following rates :

Basic pay range	Amount of D. A. per Mensem
Rs.	Rs.
Upto Rs. 139	72
140 to 179	99
180 to 239	123
240 to 429	147
430 to 479	161
480 to 529	165
530 to 572	Amount by which actual basic pay plus D. A. falls short of Rs. 694.
573 and above	121

3.45 The Board also recommended Additional Dearness Allowance payable in the event of rise of the Index Number above 215

(1949=100). The rates of Additional Dearness Allowance recommended were as follows :

Basic pay range	Rs.	Addl. D. A. per point per mensem
100 to 109		0.72 per cent of pay.
110 to 119		0.70 per cent of pay subject to a minimum of 78.48 paise.
120 to 159		0.60 per cent of pay subject to a minimum of 83.30 paise.
160 to 249		0.50 per cent of pay subject to a minimum of 95.40 paise.
250 to 349		0.40 per cent of pay subject to a minimum of Rs. 1,245.
350 to 499		0.30 per cent of pay subject to a minimum of Rs. 1,396.
500 and above		Rs. 1.50.

3.46 The Board further provided for reduction of Additional Dearness Allowance in the event of the Index Number falling below 215 (1949=100) and assumed that there was no likelihood of the figure going below 175 (1949=100).

3.47 The Board recommended that the rates of Additional Dearness Allowance should be revised every six months, on the 1st April and the 1st October, on the basis of the average of the Index Numbers (1949=100) for the preceding six months, i.e., July to December and January to June, respectively.

3.48 As regards Compensatory Allowance, the Board proposed 10 per cent of the basic pay for Bombay, Calcutta and Madras ports, 8 per cent of basic pay for Mormugao port and 5 per cent of basic pay for Visakhapatnam and Cochin ports; no Compensatory Allowance was recommended for Kandla and Paradip ports. Different rates for different ports were sought to be justified with the following observations :

“The compensatory allowance is intended to meet the high cost of living in specially costly places, some of the port cities fall in this category. Even amongst them some are more costly and some are less costly. A distinction can, therefore, be made in the grant of CA between the ports.”
(Para 7.3.39)

3.49 As regards House Rent Allowance, the recommendation of the Board was that workers in Bombay, Calcutta and Madras ports should be granted 16 per cent of basic pay, subject to a minimum of Rs. 20 per month, while those in Visakhapatnam, Cochin and Mormugao ports should get 8 per cent of basic pay

subject to a minimum of Rs. 10 per month; no House Rent Allowance was recommended for Kandla and Paradip ports. The differentiation between the various ports in the matter of House Rent Allowance was made with the following observations :

“The system of granting house rent allowance is in force at present, particularly for the Government employees, on account of the prevalence of specially high rents in certain cities of India. It is a sort of differential allowance intended to make good, to some extent, the high cost of residential accommodation in the cities and specified places.”
(Para 7.3.45)

3.50 The Board thus took the view that the cost of living and the cost of residential accommodation in the major port cities were not uniform.

3.51 Besides the three standard allowances, certain other additions to emoluments were also prevailing, e.g., special pay and special allowances, ex gratia in lieu of bonus, not to speak of night shift weightage and overtime payments. The fringe benefits were housing, medical and children's education facilities, leave facilities, leave travel concession, retirement benefits, facilities of subsidised canteens, workers' clubs, co-operative credit societies, etc.

Some Subsequent Developments

3.52 After the decision of Government on the recommendations of the Wage Board, certain developments having impact on the wage structure have taken place in individual ports which deserve mention.

Piece-Rate Review Committees

3.53 Following upon demands from workers to revise piece-rate schemes in the light of the Wage Board recommendations, Piece-rate Review Committees were set up under the chairmanship of Shri Sriramamurty for ports of Bombay, Madras and Cochin to review piece-rate schemes. Recommendations of these committees and existing piece-rate schemes in ports are briefly discussed in Chapter IX.

Revised Definition of Pay for Retirement Benefits

3.54 The Wage Board had, in para 8.17, recommended by majority that 'the definition of pay should be the same for all retirement benefits as it is applicable at present to Contributory Provident Fund of the major port authorities for Class III and

Class IV employees.' The Board further proposed in para 8.18, again by majority, that as it was quite likely that, after the above change in the definition of pay for pension, a large number of employees might like to opt for pension, they should be allowed to exercise a fresh option. This recommendation of the Board was not accepted by Government in the first instance; later, however, on reconsideration, the Government in the Ministry of Labour by their letter No. V-24028/2/73-WB, dated the 12th June, 1973, accepted the recommendation provided that 'pay' for purposes of pension and pensionary benefits would include Dearness Allowance as admissible from time to time, piece-rate earnings where applicable and City Compensatory Allowance but that House Rent Allowance in any form and overtime payments would not be included.

House Rent Allowance at Kandla and Cochin Ports

3.55 While providing for House Rent Allowance in ports, the Wage Board, in para 7.3.45, had unanimously proposed that no House Rent Allowance should be paid at Kandla and Paradip ports; the rate of House Rent Allowance for Visakhapatnam, Cochin and Mormugao ports was recommended at 8 per cent of basic pay subject to a minimum of Rs. 10/- per month. Kandla port has, however, since introduced House Rent Allowance at the rate of 8 per cent of basic pay subject to a minimum of Rs. 10/- per month to all its employees with effect from January, 1973. Cochin port has enhanced the rate of House Rent Allowance from 8 per cent to 10 per cent of basic pay subject to a minimum of Rs. 15/- per month with effect from August, 1972.

Payment of Equation Allowance at Bombay, Calcutta and Madras Ports

3.56 As a result of Venkatadri Award, the earnings of stevedore workers employed under Madras Dock Labour Board increased. This gave rise to a demand from shore workers employed by Madras Port Trust for an Equation Allowance or reduction of datums. The Port Trust conceded the demand, allowing 50 paise per day to be paid to all piece-rate cargo-handling shore workers belonging to 'A' and 'B' category mazdoors and maistries. Subsequently, similar demands were raised by cargo-handling shore workers at Bombay and Calcutta ports for maintaining their parity with workers at Madras port. The demand was conceded and payment of Equation Allowance was authorised at the rate of 50 paise per day to the following categories of workers with effect from the 1st January, 1969:

Bombay Port

- (1) 'B' Category Mazdoors
- (2) 'A' Category Mazdoors
- (3) Baroots
- (4) Morpias
- (5) Cart & Wagon Unloaders
- (6) Special Morpias

Calcutta Port

- (1) 'B' Category Mazdoors
- (2) 'A' Category Mazdoors
- (3) Trimming Workers

Pay Committees for Officers

3.57 The Government of India in the Ministry of Shipping and Transport appointed in March, 1971, the Major Ports (Class I and Class II, Non-Marine Services) Pay Committee, under the chairmanship of Shri K. T. Desai, retired Chief Justice, Gujarat High Court, to go into the question of scales of pay and allowances of Class I and Class II Officers of services other than marine services of Port Trusts and Class I and Class II Officers of Dock Labour Boards. The committee submitted its report in December, 1972, recommending suitable pay scales and allowances for the non-marine officers employed by Port Trusts and Dock Labour Boards.

CHAPTER IV

MAJOR PORTS—SOME BASIC FACTS

Functions of Major Ports

4.1 The main function of major ports is cargo-handling : loading aboard the vessels of cargo intended for export and unloading from the vessels of cargo brought for import. Major ports, however, have to undertake several ancillary functions : dredging, maintenance of navigational channels, pilotage, berthing, buoying, towage, bunkering, dry docking including chipping and painting, maintenance of lighthouses and so on. The multifarious activities of a major port make the port a huge and complex organisation, not comparable with any other industry.

Administration of Major Ports

4.2 The operations at a major port administered, controlled and managed by a Port Trust and, except at Paradip port, by a Dock Labour Board and its Administrative Bodies. Port Trusts are constituted and their powers and functions defined by the Major Port Trusts Act, 1963, while Dock Labour Boards are set up and their activities regulated by the Dock Workers (Regulation of Employment) Act, 1948. Several other employers also participate in the activities of major ports, such as stevedores, Food Corporation of India, Minerals and Metals Trading Corporation, clearing and forwarding agents, owners of launches and barges and employers of chipping and painting workers, and so on.

Employment in Ports

4.3 Numerous activities of Port Trusts and Dock Labour Boards necessarily require employment of a large army of workmen with diverse duties and responsibilities. Table 1 sets out the number of Class III and Class IV employees and shore workers under the Port Trusts as on the 30th September, 1975.

TABLE 1

Employment in Port Trusts as on 30-9-1975.

Port Trust	Class III	Class IV	Shore Workers	Total
Bombay	11649	12533	5912	30094
Calcutta	15520	15557	6614	37691
Madras	6313	3790	2137	12240
Visakhapatnam	4376	4430	1654	10460
Cochin	2307	2687	925	5919
Mormugao	1390	917	355	2662
Kandla	1538	1482	773	3793
Paradip	1233	826	—	2059
Total	44326	42222	18370	104918

Source : Ministry of Shipping and Transport Report, 1975-76.

4.4 The employment position with regard to the staff and registered and listed workers under Dock Labour Boards as on the 1st October, 1975, is set out in Table 2.

TABLE 2

Staff and Registered and Listed Workers under Dock Labour Boards as on 1-10-1975

Dock Labour Board	Staff	Registered Workers	Listed Workers	Total
Bombay	507	7910	1090	9507
Calcutta	1387	12983	—	14370
Madras	480	1918	1869	4267
Visakhapatnam	311	1250	1940	3501
Cochin	159	1388	—	1547
Mormugao	130	2701	—	2831
Kandla	4509	651	1411	2107
Total	3019	28801	6310	38130

Source : Ministry of Shipping and Transport Report, 1975-76.

*Information regarding Administrative Staff relates to the 1st January, 1975, and is gathered from replies to the Questionnaire.

Traffic Handled at Major Ports

4.5 Table 3 gives the traffic handled by major ports from 1969-70 to 1975-76.

TABLE 3
Traffic Handled During 1969-70 to 1975-76

(In lakh tonnes)

Port	1969-70	1970-71	1971-72	1972-73	1973-74	1974-75	1975-76
<i>Bombay</i>							
(a) Imports	114.34	108.58	124.26	123.19	142.46	138.61	126.54
(b) Exports	36.01	35.46	37.07	32.21	42.17	38.66	41.37
(c) Total	150.35	144.04	161.33	155.40	184.63	177.27	167.91
<i>Calcutta</i>							
(a) Imports@	33.99	32.47	47.50	41.48	38.90	50.86	44.79
(b) Exports @	34.87	27.67	26.09	25.32	24.35	24.50	32.20
(c) Total	68.86	60.14	73.59	66.80	63.25	75.36	76.99
<i>Madras</i>							
(a) Imports \$	37.28	37.37	41.34	40.69	46.88	47.61	54.08
(b) Exports	29.04	31.88	26.87	27.47	30.62	31.55	27.96
(c) Total	66.32	69.25	68.21	68.16	77.50	79.16	82.04
<i>Visakhapatnam</i>							
(a) Imports \$	23.35	23.25	28.12	24.29	30.02	28.82	34.49
(b) Exports*	59.77	64.08	58.46	50.17	49.59	42.72	56.72
(c) Total	83.12	87.33	86.58	74.46	79.61	71.54	91.21
<i>Cochin*</i>							
(a) Imports \$	33.68	34.37	35.16	31.15	28.75	35.90	33.21
(b) Exports \$	14.26	13.92	11.78	10.87	8.45	12.23	9.37
(c) Total	47.94	48.39	46.94	42.02	37.20	48.13	42.58
<i>Mormugao</i>							
(a) Imports	2.41	3.53	4.35	4.86	6.29	7.24	6.75
(b) Exports	87.88	106.52	112.65	123.60	137.06	134.08	120.93
(c) Total	90.29	110.05	117.00	128.46	143.35	141.32	127.68
<i>Kandla</i>							
(a) Imports	18.04	14.74	17.98	20.85	29.03	32.40	29.24
(b) Exports	3.06	1.38	2.34	3.42	2.19	3.04	2.79
(c) Total	21.10	16.12	20.32	24.27	31.22	35.44	32.03
<i>Paradip</i>							
(a) Imports	0.17	0.01	0.01	0.01	0.01	0.61	1.89
(b) Exports	17.31	21.56	19.05	20.22	22.87	25.45	31.27
(c) Total	17.48	21.57	19.06	20.23	22.88	26.06	33.16
ALL PORTS							
(a) Imports	263.26	254.42	298.72	286.52	322.34	342.05	330.99
(b) Exports	282.20	302.47	294.31	293.28	317.30	312.23	322.61
(c) Total	545.46	556.89	593.03	579.80	639.64	654.28	653.60

\$—Includes Transshipment Cargo

@—Excludes I.V.W. Traffic.

* —Excludes Bunker traffic.

Source : Annual Administration Reports of Port Trusts.

4.6 It would be relevant to record the traffic position of some important commodities. Table 4 gives this information for the years 1969-70 to 1975-76.

TABLE 4
Traffic of Important Commodities during 1969-70 to 1975-76.

(In million tonnes)

Port	Year	Petroleum Products	Fertilisers including raw materials	Food-grains	Iron Ore
(1)	(2)	(3)	(4)	(5)	(6)
<i>Bombay</i>					
	1969-70	8.53	0.51	1.25	0.01
	1970-71	8.28	0.31	0.95	—
	1971-72	9.62	1.03	0.49	—
	1972-73	9.21	0.86	0.29	—
	1973-74	11.15	0.94	1.57	—
	1974-75	10.29	1.06	1.88	—
	1975-76	8.79	1.08	2.15	—
<i>Calcutta</i>					
	1969-70	1.49	0.20	0.80	0.38
	1970-71	1.45	0.11	0.85	0.43
	1971-72	1.86	0.17	1.11	0.24
	1972-73	2.04	0.38	0.16	—
	1973-74	1.97	0.40	0.51	0.18
	1974-75	2.28	0.49	1.12	0.11
	1975-76	2.89	0.40	1.09	0.12
<i>Madras</i>					
	1969-70	2.24	0.83	0.95	2.08
	1970-71	2.66	0.45	0.63	2.17
	1971-72	2.79	0.44	0.56	2.07
	1972-73	2.90	0.58	0.14	2.09
	1973-74	3.46	0.49	0.47	2.31
	1974-75	3.23	0.72	0.51	2.23
	1975-76	3.35	0.34	1.20	2.01
<i>Visakhapatnam</i>					
	1969-70	1.95	0.55	0.23	4.40
	1970-71	1.67	0.62	0.22	4.94
	1971-72	1.97	0.72	0.26	4.70
	1972-73	1.76	0.62	0.09	4.07
	1973-74	2.02	0.73	0.41	4.19
	1974-75	1.72	0.75	0.47	3.60
	1975-76	1.42	0.69	0.71	4.77

TABLE 4 (Contd.)

(1)	(2)	(3)	(4)	(5)	(6)
<i>Cochin</i>					
	1969-70	3.56	0.18	0.22	—
	1970-71	3.57	0.26	0.18	—
	1971-72	3.39	0.23	0.14	—
	1972-73	2.96	0.18	0.13	—
	1973-74	2.50	0.21	0.15	—
	1974-75	3.53	0.29	0.21	—
	1975-76	2.87	0.26	0.36	—
<i>Mormuqao</i>					
	1969-70	0.15	0.05	0.03	8.08
	1970-71	0.24	0.09	0.02	9.90
	1971-72	0.32	0.07	0.03	10.55
	1972-73	0.38	0.05	0.05	11.84
	1973-74	0.55	0.03	0.05	13.11
	1974-75	0.60	0.06	0.04	12.16
	1975-76	0.55	0.06	0.07	11.55
<i>Kandla</i>					
	1969-70	0.98	0.38	0.53	—
	1970-71	0.93	0.20	0.33	—
	1971-72	1.28	0.46	0.05	—
	1972-73	1.35	0.63	0.04	—
	1973-74	1.60	0.52	0.71	—
	1974-75	1.75	0.71	0.69	—
	1975-76	1.44	0.52	0.93	—
<i>Paradip</i>					
	1969-70	—	—	—	1.68
	1970-71	—	—	—	2.13
	1971-72	—	—	—	1.80
	1972-73	—	—	—	1.87
	1973-74	—	—	—	2.03
	1974-75	—	—	—	2.20
	1975-76	—	—	0.16	2.74
TOTAL					
	1969-70	18.90	2.20	4.01	16.63
	1970-71	18.40	2.44	3.18	19.57
	1971-72	23.03	3.12	2.64	17.56
	1972-73	20.60	3.30	0.90	19.87
	1973-74	23.25	3.32	3.87	21.82
	1974-75	23.40	4.08	4.92	20.30
	1975-76	21.31	3.35	6.67	21.19

Source : Ministry of Shipping and Transport.

Development Works

4.7 Major ports play a prominent role in the country's foreign trade; on their operational efficiency depends our international trade communication. The various Five Year Plans have therefore provided for heavy investments for development of major ports. Development programmes included not only renovation of old facilities but also modernisation and mechanisation for augmenting port capacity as well as for quickening the pace of cargo-handling. The maritime world has witnessed sweeping changes in design and construction of ships and handling techniques. The preference for building larger and larger vessels and facilities for transportation of bulk cargo which is influenced by the twin advantages of securing economy in transport cost and reduction in overhead charges brought in its wake the problem of inadequate draught at our ports. In the light of these developments it was realised that our major ports should embark on providing deep draughted waterways and berths to remain in the mainstream of world trade. The concept of containerisation and palletisation also called for special attention of major ports.

4.8 In the context of these circumstances, several development works have been recently undertaken in major ports and it would be useful to recall some of the more important ones.

4.9 The port-wise position of these development works is set out in the following paragraphs.

Bombay Port

4.10 Bombay port launched upon a Dock Expansion Scheme to provide for additional berths. New berths at the extended eastern arm of the Indira Dock and the new Ferry Terminal Jetty have been commissioned.

A Master Plan for the overall development of Bombay port taking into account probable traffic pattern for the next 50 years has been prepared and action is being taken to implement the Master Plan in phases. As a part of the Master Plan, a proposal to construct a satellite port at Nhava Sheva with four berths to relieve pressure of traffic at Bombay port has been made by the Port Trust. Action to acquire requisite land has been initiated and work of marine borings has been completed.

In order to provide adequate depths in the channel for oil tankers and other deep draughted vessels, the main harbour channel has been deepened to 33 ft. below chart datum and is to be maintained at 32 ft. below chart datum.

Construction of a groupage shed for providing facilities to container traffic at Indra Dock has been completed; a fortnightly liner container service is visiting the port; it uses its own handling equipment.

Major items of work for providing ancillary facilities for ship repairs in Merewether Dry Dock had Hughes Dry Dock have been completed. Detailed Project reports for construction of a bridge between Butcher Island and Pir Pau and laying of new pipelines thereon in replacement of the existing submarine pipelines and for construction of the fourth oil berth at Butcher Island have been prepared and are under consideration.

Calcutta Port

4.11 Due to natural handicaps of Calcutta port, a satellite port at Haldia was conceived. The project envisaged construction in an enclosed duck of a coal berth, an ore berth, a fertiliser berth, a general cargo-cum-container berth, a berth for handling heavy lifts and a finger jetty for handling salt. An oil jetty outside the dock system in the river to cater to the requirements of oil tankers bringing crude oil for the Haldia and Barauni Refineries has been constructed. All civil works of lock entrance, civil construction for the ore, coal and fertiliser berths and finger jetty and general cargo and container berths have been completed. The entire dock system is expected to be completed and brought into operation by the end of February 1977. Intensive dredging in the channel between Haldia and the Sandheads to enable deep draughted vessels to come to Haldia has been undertaken.

Corrective works in the Bhagirathi and Hooghly rivers suitably phased over a period of years are being executed by Calcutta Port Trust so that full benefits of the Farakka Barrage Project are derived by the port from the Hooghly river system.

Madras Port

4.12 Madras port undertook the construction of an Outer Harbour consisting of an oil berth and an ore berth. The Outer Harbour has been deepened to 46 ft. draught and there is a proposal for further deepening it to 49 ft. The oil berth is providing facilities for oil tankers of 87,500 DWT (46 ft. draught) except during north-east monsoons, when these tankers have to be deadfreighted to 38 ft. draught. The ore berth with a mechanical ore handling plant is designed to load at the rate of

8000 tonnes per hour. This berth is designed to handle 1,00,000 DWT combination carriers and 1,50,000 DWT conventional ore carriers. The oil berth was commissioned in September 1972; the ore berth is expected to be commissioned in the middle of 1977.

The Port Trust proposed, with a view to providing tranquility conditions in the Outer Harbour during the north-east monsoon period also, construction of an outer arm so that large tankers could be handled with full draught throughout the year. The proposal has been sanctioned by Government and the Port Trust is taking action to start construction.

Visakhapatnam Port

4.13 The outstanding development at Visakhapatnam port is the completion of the Outer Harbour project in December 1976. The Outer Harbour is designed to be capable of handling ore carriers of upto 1,00,000 DWT initially and upto 2,00,000 DWT ultimately. It is provided with a mechanical ore loading plant with a rated capacity of 8000 tonnes per hour which can be stepped up to 16000 tonnes per hour ultimately. It has the world's second longest and Asia's longest conveyor system.

Cochin Port

4.14 A new Open Berth (Quay Berth) in the Ernakulam Channel for handling bulk commodities and extension thereof have been completed. Construction of a super tanker oil terminal at a site in Bolghatty Channel has been proposed. A Committee of Ministers has been constituted to have a look into the matter.

Mormugao Port

4.15 Work on the Mormugao Port Development project is in progress. The project envisages the provision of an iron ore berth with modern ore loading facilities, a mineral-oil berth and improvements to the existing facilities. The ore berth with ore handling facilities would be capable of handling 10-12 million tonnes of iron ore per annum at the rated capacity of 8000 tonnes per hour. The port would be able to handle ore carriers upto 60,000 DWT at the initial stage and ore carriers of 1,00,000 DWT ultimately. The construction of ore berth is in full progress and the new ore handling facility is expected to be commissioned in 1977. The oil berth has been commissioned in December, 1976. The work of dredging and reclamation which will enable the port to provide the requisite

depths for handling 60,000 DWT vessels is the most critical item of the project and is expected to be completed by the end of 1977.

Kandla Port

4.16 A fifth berth has been constructed and put into commission in June, 1973. A diaphragm wall has been constructed in front of the fifth berth to facilitate dredging. Modifications have been made in the oil jetty at Old Kandla and the modified oil jetty including gangway and mooring Dolphin No. 1 was commissioned in May, 1975 with the help of a temporary mooring buoy in place of the second Dolphin which also has since been completed. The Food Corporation of India is providing mechanical handling facilities for bulk fertiliser at the fifth berth. To step up the loading of salt for export, a techno-economic report has been submitted by the consultants. A proposal to replace the existing RCC floating dry dock by a steel floating dock is under active consideration. The work relating to provision of infra-structural facilities for the Off-shore Oil Terminal being set up by the Ministry of Petroleum has been entrusted to Kandla Port Trust.

Paradip Port

4.17 Paradip port has a designed draught of 39 ft. and after capital dredging this draught was declared in March, 1974. The port had been developed to handle two million tonnes of iron ore per annum but with addition of equipment, the handling capacity of the plant has increased to about three million tonnes per annum. Modification and improvement works to step up the ore handling capacity to four million tonnes are in progress.

A general cargo berth has also been completed and commissioned. A proposal for construction of a second general cargo berth is under consideration of Government.

CHAPTER V

WAGE STRUCTURE—BASIC CONSIDERATIONS

A. GENERAL

5.1 Formulation of a wage structure is a delicate, sensitive and involved task. The general principles and practices for wage fixation are well-known. Nevertheless, when a wage fixing machinery attempts to devise a wage structure for any particular industry, it is faced with numerous problems in applying those principles in the context of the special features of that industry. Wage fixation for port industry is no exception : may, the problems arising in fixing wages for employees in ports are more complicated; for, a major port is not one industry but a conglomeration of several industries. Besides, major ports, being gateways to our foreign trade, play a key role in the development of our national economy.

5.2 It is, therefore, relevant and important to bear in mind the basic principles for evolving a wage structure.

Policy Statements

5.3 The first significant policy statement after Independence was spelt out in the Industrial Truce Resolution in 1947, which, *inter alia*, stated :

“The system of remuneration to capital as well as labour must be so devised that, while in the interests of the consumers and the primary producers excessive profits should be prevented by suitable measures of taxation and otherwise, both will share the product of their common effort after making provision for payment of fair wages to labour, a fair return on capital employed in the industry and reasonable reserves for the maintenance and expansion of the undertaking.”

5.4 Having committed itself to ‘payment of fair wages to labour’, Government thought it necessary to appoint a tripartite committee, known as the Committee on Fair Wages, ‘to determine the principles on which fair wages should be based and to suggest the lines on which those principles should be applied’. The then Prime Minister, late Pandit Jawaharlal Nehru, assured Parliament in April, 1950, that ‘Government are committed to the principles of fair wages as recommended by the Tripartite Committee’.

5.5 While fair wage is a solemn assurance to workers, the Constitution of India, adopted in November, 1949, has held out a living wage as the ultimate objective. The Directive Principle of State Policy set out in Article 43 of our Constitution reads :

“The State shall endeavour to secure, by suitable legislation or economic organisation or in any other way, to all workers, agricultural, industrial or otherwise, work, a living wage, conditions of work ensuring a decent standard of life and full enjoyment of leisure and social and cultural opportunities and, in particular, the State shall endeavour to promote cottage industries on an individual or co-operative basis in rural areas.”

Article 37 envisages that this and other Directive Principles of State Policy are ‘fundamental in the governance of the country and it shall be the duty of the State to apply these principles in making laws.’

5.6 The First Five Year Plan, after describing the worker as ‘the principal instrument in the fulfilment of the targets of the Plan in the achievement of economic progress, generally’ observed :

“Adequate provision has to be made for the basic needs of the workers in respect of food, clothing and shelter so as to enable them to remain in a state of health and efficiency. Besides the satisfaction of these basic needs, they should have their due share in social and economic progress in the shape of improved health services, wider provision of social security, better educational opportunities and increased recreational and cultural facilities. The workers must, of course, as members of the community have the full benefit of the social services and facilities available to any other section.” (Page 570).

Noticing that the organised section of labour had, during the Second World War and the post-War period, been able to obtain substantial increases in wages, the Plan, however, recommended that ‘with a view to checking the inflationary pressure, wages would have to be subjected to some control by Government during the period of the implementation of the Plan.’ While recommending that an increase in wages should be avoided, the Plan permitted wage increases to remove anomalies or where the existing rates were abnormally low and also to restore the pre-War real wage, as a first step towards the living wage, through increased productivity resulting from rationalisation and to renewal of modernisation of plant. (Page 583)

With a view to evolving norms and standards to guide wage boards or tribunals in settling questions relating to wages, the Plan suggested the following course of action :

- (a) All wage adjustments should conform to the broad principles of social policy and disparities of income have to be reduced to the utmost extent. The worker must obtain his due share in the national income.
- (b) The claims of labour should be dealt with liberally in proportion to the distance which the wages of different categories of workers have to cover before attaining the living wage standard.
- (c) The process of standardisation of wages should be accelerated and extended to as large a field as possible. There should be a progressive narrowing down of disparities in the rates of remuneration of different classes of workers in the same unit, of workers engaged in similar occupations in different units of the same industry, of comparable occupations in different industries and in wages in the same industry at different centres." (Page 584)

5.7 The Second Five Year Plan had this to say, *inter alia*, on the subject of wages :

- "21. A wage policy which aims at a structure with rising real wages requires to be evolved. Workers' right to a fair wage has been recognised but in practice it has been found difficult to quantify it....
- 22. Improvement in wages can result mainly from increased productivity Another step in this direction would be the introduction of payment by results in areas where at present this principle does not apply. This approach should be followed, subject to adequate safeguards for workers, the main guarantees being a minimum (fall back) wage and protection against fatigue and undue speed up. Earnings beyond the minimum wage should be necessarily related to results....
....." (Pages 578-579)

5.8 The Third Five Year Plan observed :

"Apart from the minimum wage, care should be taken in fixing fair wages for different classes of workers, that adequate incentives are provided for acquisition and development of skills and for improvements in output and quality. There are, however, wide disparities between

the wages of the working class, on the one hand, and the salaries at the higher management levels, on the other." (Page 256)

The Plan further said :

"Neither the exercise of their organised strength in industrial conflicts, nor laws and intervention of the State can help the workers much in realising their aspirations. Their gains can arise only out of the strength and dynamism of the economy, the only enduring basis of which is a rising level of productivity." (Page 261)

5.9 The Fourth Five Year Plan took note of the appointment of the National Commission on Labour and of the report submitted by the Commission which was then under consideration of Government and therefore perhaps did not deal with the subject. The Fifth Five Year Plan is also silent on the subject.

Principles and Practices

5.10 While we ought necessarily to seek guidance from these high policy statements in the matter of fixation of wages, we should, in determining the wage structure, follow the general principles and practices which have been authoritatively laid down in the reports of the various committees and commissions, decisions of the Supreme Court of India and awards of industrial tribunal. It is needless to examine them in detail and it is sufficient to record that some of the important principles and practices which emerge from them are the following :

- (i) The worker is entitled to what is called the 'minimum wage', irrespective of the capacity of the industry to pay; if an industry is unable to pay its workmen at least a minimum wage, it has no right to exist.
- (ii) The worker has also a right to 'fair wage', the lower limit of fair wage being the minimum wage and the upper limit being set by the capacity of the industry to pay.
- (iii) The actual wage would be between these two limits, depending upon various factors including productivity of labour, cost of living, skills required, conditions of work like occupational hazards, disagreeableness of the task, fatigue involved, prevailing rates of wages, etc.

- (iv) There should be progressive movement towards the 'living wage'.
- (v) Wages should be fixed on a industry-cum-region basis, *i.e.*, they should be comparable to wages in similar industries in the region.
- (vi) In a Welfare State, the wage earner is entitled to social justice.
- (vii) General economic conditions of our country and the level of national income and its distribution should be a guide in fixing wages.
- (viii) Cost of living is an important consideration in fixing wages. Instead of periodical revision of wages to neutralise fluctuating prices, dearness allowance should be provided as a separate item of wages, varying with the rise and fall in prices by linking it with the cost of living index.
- (ix) There should be equal wages for equal work.

Wage Standards

5.11 The concepts of minimum wage, fair wage and living wage are now well-settled and do not need discussion at length. It is, however, necessary to mention that these concepts are not static and immutable; they change from time to time and from country to country. It is aptly said by the Supreme Court of India : 'Luxuries of yesterday may be the comforts of today and necessities of tomorrow.' [M/s. Killick Nixon Ltd. vs. Killick and Allied Companies Employees' Union (A.I.R. 1975 S.C. 1778 at 1780)].

In *Express Newspapers (Private) Ltd. vs. Union of India* [(1959) SCR12], the Supreme Court of India observed :

"With the growth and development of national economy, living standards would improve and so would our notions about the respective categories of wages expand and be more progressive." (Page 86)

In *Standard Vacuum Refining Co. of India vs. Its Workmen* [(1961) 3 SCR 536], the Supreme Court of India remarked :

"What is a subsistence wage in one country may appear to be much below the subsistence level in another; the same is true about a fair wage and a living wage; what is a fair wage in one country may be treated as a living

wage in another, whereas what may be regarded as a living wage in one country may be no more than a fair wage in another." (Page 544)

5.12 In determining fair wage, we should not, therefore, look to wages prevailing in other countries and should confine ourselves to Indian conditions.

Public Sector vs. Private Sector

5.13 It was repeatedly emphasised by major port administrations before us that, unlike private enterprises and other public undertakings, major ports are non-profit making service organisations and that any increase in wages will increase the cost of services which will render them uneconomic to the users of the ports. We find ourselves unable to agree with this general proposition. As we have discussed in Chapter VI, the proposed increase in wages would not impose any unbearable burden on ports or users thereof; besides, the legitimate needs of workers are entitled to high priority.

In the First Five Year Plan, the Planning Commission observed :

"The aim should be to have a co-operative and contented labour force. The ways by which this can be achieved while maintaining peace in the undertakings and increasing production are : (a) wages in public undertakings should not be less favourable than those prevailing in the neighbouring private enterprises. In so far as working conditions and welfare amenities are concerned, undertakings in the public sector should set the pace and serve as models." (Page 580)

In the Second Five Year Plan, the Planning Commission emphasised its earlier view in these words :

"Any attempt, therefore, on the part of the public employer to avoid the responsibility of an employer on the ground that he is not working for profit has to be discouraged....." (Page 577)

"In the last analysis employees in the public sector should on the whole be at least on par with their counterparts in private employment and should feel a legitimate pride in what they produce and in their position as employees in the public sector." (Pages 577-578)

In our opinion, the character and activities of the employer have no relevance in the fixation of wages. Whoever may be

the employer and whatever his activities, he must pay a reasonable wage to his employees.

Need to ensure Industrial Peace and Harmony

5.14. A fundamental object of the wage fixing machinery is to strive to promote the welfare of workers by securing, as effectively as possible, social and economic justice. Betterment of the service conditions of industrial labour not only provides for them the ordinary amenities of life consistent with the advancing national standards but also, in that process, promotes industrial peace which would accelerate productivity resulting in prosperity.

Our Approach

5.15. It is indisputable that our present economy is not in a position to provide a living wage to workers; only a fair wage is in the practical realm. What would be fair wage has to be determined on a consideration of the totality of circumstances. While we are not in favour of a sharp upward movement of wages which would contribute to inflationary forces and render the increase in wages ineffective and illusory, we believe that we should evolve, consistently with the capacity of major ports to pay and the legitimate aspirations of workers, a fair wage which would be 'a step towards the progressive realisation of a living wage.'

B. NEED-BASED MINIMUM WAGE

5.16. The Indian Labour Conference, a tripartite body, in its Fifteenth Session held in December, 1957, elaborated the concept of minimum wage which is popularly known as the 'need-based minimum wage', different from the exposition of the concept of minimum wage by the Committee on Fair Wages, which considered that 'a minimum wage must provide not merely for the bare sustenance of life but for the preservation of the efficiency of the worker. For this purpose, the minimum wage must also provide for some measure of education, medical requirements, and amenities.' (Page 9).

The relevant portion of the Resolution adopted by the Indian Labour Conference reads :

- "(2) With regard to the minimum wage fixation it was agreed that the minimum wage was 'need-based' and should ensure the minimum human needs of the industrial worker, irrespective of any other consideration. To calculate the minimum wage, the Committee accepted

the following norms and recommended that they should guide all wage-fixing authorities, including minimum wage committees, wage boards, adjudicators, etc.

- (i) In calculating the minimum wage the standard working class family should be taken to consist of three consumption units for one earner; the earnings of women, children and adolescents should be disregarded.
 - (ii) Minimum food requirements should be calculated on the basis of a net intake of 2700 calories, as recommended by Dr. Aykroyd for an average Indian adult of moderate activity.
 - (iii) Clothing requirements should be estimated on the basis of per capita consumption of 18 yards per annum which would give for the average worker's family of four, a total of 72 yards.
 - (iv) In respect of housing, the norm should be the minimum rent charged by Government in any area for houses provided under the Subsidised Industrial Housing Scheme for low income groups.
 - (v) Fuel, lighting and other 'miscellaneous' items of expenditure should constitute 20 per cent of the total minimum wage.
- (3) While agreeing to these guidelines for fixation of the minimum wage for industrial workers throughout the country, the Committee recognised the existence of instances where difficulties might be experienced in implementing these recommendations. Wherever the minimum wage fixed went below the recommendations, it would be incumbent on the authorities concerned to justify the circumstances which prevented them from adherence to the norms laid down."

The norms adopted by the Indian Labour Conference from the sheet-anchor of the minimum demands of the workers.

5.17 The Indian Labour Conference set out the norms for determining the minimum need-based wage; but the difficulties in quantifying these norms in monetary terms are by now well-recognised. The National Commission on Labour observed :

"The difficulty about the need-based minimum wage is not so much in regard to the nutritional requirements as it is in regard to its content and monetary quantification."
(Para 16.24)

5.18 Several authorities have attempted to translate the minimum need-based age envisaged by the Indian Labour Conference in money value at different times.

5.19 The Second Pay Commission estimated, on the basis of representations made by major organisations of Central Government employees, the need-based wage, as varying between Rs. 110 and Rs. 137 towards the end of 1957. The Commission, however, adopted a diet schedule lower in calorific content than the one prescribed by the Indian Labour Conference and came to the conclusion that, with reference to the Index Number 115 of the All India Consumer Price Index Number for Industrial Workers (1949=100), the need-based minimum wage would be Rs. 80/- only.

5.20 The National Commission on Labour had an exercise undertaken for evaluating the cost of need-based minimum wage. The results were that the need-based minimum wage varied from about Rs. 155 per month to about Rs. 225 per month at the 1967 price level in different centres. The Commission, however, expressed no opinion on the acceptability or otherwise of the conclusions drawn. (Para 16.23)

5.21 In paragraph 15 of Chapter 6 of its report, the Third Pay Commission referred to the estimates of a need-based minimum wage as prepared by the various Federations of employees, related to different price levels; when adjusted to 12-monthly average prices for the period ending the 31st October, 1972, these estimates ranged between Rs. 220 and Rs. 288 per month. The Commission's own estimate prepared in its Secretariat, strictly in keeping with the 15th Indian Labour Conference formula, came to Rs. 314 approximately for the same period. The Commission, however, concluded that the need-based minimum remuneration would be Rs. 196 on norms adopted by it which are somewhat different from the norms of the Indian Labour Conference. The figure of Rs. 196 was related to the average All India Average Consumer Price Index Numbers for Industrial Workers for the 12 months period ending with the 31st October, 1972, i.e., 242.50 or 243 (1949=100) or 199.50 or 200 (1960=100).

In recommending finally that the minimum remuneration should be Rs. 185 per month for the lowest paid employee, the Commission took note of the fact that a Central Government employee at the threshold of his career would be of 20 years of age, if not younger, and at that stage he would not normally be

expected to be responsible for the maintenance of three adult consumption units—nay, he might not even be married. In support of this proposition, the Commission relied upon the following observations of the Supreme Court of India in *All India Reserve Bank Employees Association vs. Reserve Bank of India* [(1966) 1 SCR 25] :

“In our country it would not be wrong to assume that on an average three consumption units, must be provided by the end of five years’ service. The consumption units in the first five-years should be graduated. As things stand today, it is reasonable to think that three consumption units must be provided by the end of five-years’ service, if not earlier.” (Page 60)

5.22 We are generally in agreement with the following observations of the National Commission of Labour :

“The need-based minimum which is in the range of the lower level of the fair wage attracts, in its determination, the employer’s capacity to pay. It is the level of wages towards the attainment of which every industry should strive and to which every worker in organised industry has a claim. The onus of proving that the industry does not have the capacity to pay that wage should lie on the employer. We recognise that the need-based minimum wage and the wages at the higher levels of fair wage, may and can be introduced by convenient and just phasing, keeping in mind the extent of the capacity of the employer to pay the same.” (Para 16.31)

Nevertheless, the wage structure evolved by us does not fall very much short of the need-based minimum wage of the concept of the Indian Labour Conference; however, having regard to the capacity of major ports to pay, we are unable to persuade ourselves to fix for employees in major ports a need-based minimum wage at the levels demanded by workers’ representatives.

C. INDUSTRY-CUM-REGION PRINCIPLE

5.23 The industry-cum-region principle was evolved by the Committee on Fair Wages, which unfolded it in the following words :

“We are of the view that in determining the capacity of an industry to pay it would be wrong to take the capacity of a particular unit or the capacity of all industries in the

country. The relevant criterion should be the capacity of a particular industry in a specified region and, as far as possible, the same wages should be prescribed for all units of that industry in that region. It will obviously not be possible for the wage-fixing board to measure the capacity of each of the units of an industry in a region and the only practicable method is to take a fair cross-section of that industry." (Para 23).

The Supreme Court of India approved the principle in *Express Newspapers (Private) Ltd. vs. the Union of India* (1959 SCR 12) and in later cases elaborated it.

5.24 In *Greaves Cotton and Co. Ltd. vs. their Workmen* [(1964) 5 SCR 362], the Supreme Court observed :

".....in applying the industry-cum-region formula for fixing wage scales the Tribunal should lay stress on the industry part of the formula if there are a large number of concerns in the same region carrying on the same industry; in such a case in order that production cost may not be unequal and there may be equal competition, wages should generally be fixed on the basis of the comparable industries, namely, industries of the same kind. But where the number of industries of the same kind in a particular region is small, it is the region part of the industry-cum-region formula which assumes importance." (Pages 368-369)

5.25 In *Williamson (India) Private Ltd. vs. its Workmen* [(1962) (1) LLJ 302] the Supreme Court further observed :

"This Court has repeatedly held that in considering the question about comparable concerns, tribunals should bear in mind all the relevant facts in relation to the problem. The extent of the business carried by the concerns, the capital invested by them, the profits made by them, the nature of the business carried on by them, their standing, the strength of their labour force, the presence or absence and the extent of reserves, the dividends declared by them and the prospects about the future of their business—these and all other relevant facts have to be borne in mind." (Page 305)

5.26 We do not find it possible to invoke the industry-cum-region principle in evolving a wage structure for the major port industry for more reasons than one. Near uniformity of scales of pay for comparable posts exists at present in all major ports.

We are not in favour of disturbing this position. Furthermore, there will be discontent and unrest in a port where wages are lower than in other ports, for, although major ports are eight different units unconnected with each other in organisation and management, all of them together form, in a broad sense, one unified national enterprise. Then again, the major port industry with its multifarious functions is unique in nature and cannot bear comparison with any one industry or a group of industries in the regions of the ports concerned. Hence we propose to formulate a uniform wage structure for all the eight major ports.

5.27 We are conscious of the strong feeling expressed by the Supreme Court against formulation of a wage structure on an all-India basis. The Supreme Court observed in *Workmen of Shri Bajrang Jute Mills Ltd. vs. Employers* [(1969) 2 SCR 593] as follows :

“Conditions, such as easy access to raw materials, transport, nearness of market for disposal of the manufactured products, availability of labour, the type of market whether within or outside the country for which the manufactured articles are intended and diverse other factors must vary from region to region. Likewise, economic conditions affecting the consumer prices must and do differ, as is well-known, from region to region. It would therefore be too artificial and unrealistic an approach to be oblivious of these differences and to attempt to group together all establishments and factories and devise common wage scales applicable to all of them disregarding the peculiar features of the industry in a particular region. Favourable conditions prevailing in one region would place industrial concerns there in a position better than those in other regions where such conditions do not occur. Similarly, in regions where consumer prices are lower, labour would be better off than in the rest of the regions where the living index is higher; yet, the wage scales would be the same in all the regions. Uniformity of wage scales, irrespective of differences in conditions would place both the employees and the employers in regions where much favourable conditions prevail in an unfairly advantageous position over the employees and employers in the other regions. Instead of attaining harmony there would as a result arise inevitably a feeling of discrimination” (Pages 607-68). “Such a disharmony must inevitably occur because of the attempt of the Board to uniformise wage

scales for the entire industry." (Page 609).....
 "In a vast country like ours, where conditions differ often radically from region to region and even the index of living differs within a fairly wide range, such a target cannot always be just or equitable." (Page 610)

5.28 Our feeling is that for the reasons stated in para 5.26 above, there is sufficient justification to depart from these weighty pronouncements of the highest court of the land in constructing the wage structure for the major port industry. In fact, our terms of reference require us to have regard to 'the need for uniformity in the rates of emoluments and benefits of employees doing similar jobs at various major ports.'

D. CAPACITY TO PAY

5.29 In any attempt at wage fixation, capacity of the employer to pay is a major consideration. It is well said by the Committee on Fair Wages that upper limit of the fair wage is set by the capacity of the industry to pay. Generally speaking, an industry cannot be called upon to pay a wage bill which it cannot meet from its own resources. In determining the capacity to pay, not only the present financial position of the industry but also its future prospects are to be taken into account, for, a wage structure endures for several years. Our terms of reference also require us to have regard to 'the capacity of the Port authorities and Dock Labour Boards to pay the wage bill, keeping in view the character of the Port transport industry.' It is no doubt true that if these authorities do not have the capacity to pay in the event of an upward revision of wages, they can raise additional finances by corresponding increase in the rates and levies; but we are also required by our terms of reference to bear in mind 'the obligation of the Port and Dock undertakings to provide adequate and efficient port and dock facilities at a reasonable cost.'

5.30 The port and dock authorities stressed before us with one voice their incapacity to pay higher wages than at present without resorting to increase in rates and levies. They pointed out that the trade would not be able to bear the burden of any further increase in port rates and levies. They also pleaded that the rise in the cost of services would result in diversion of traffic to neighbouring minor and intermediate ports. They further brought to our notice their heavy indebtedness and also contended that fluctuations in traffic adversely affected their financial position.

5.31 Representatives of workers, on the other hand, emphasised that the port rates are, notwithstanding the increase in July, 1975, considerably low and the beneficiaries of these low rates are the prosperous shipping companies and the stevedores who have been making exorbitant profits at the cost of low paid labour. According to them, there is still a good margin for increasing rates, which are said to be very much lower than in other countries. Apart from that, they contended that even with the existing rates and levies, the authorities could easily afford to pay higher wages by better management of their affairs.

5.32 We are not really concerned with port charges in other countries. Not only do we not have authentic information in the matter, but it is also obvious to us that port rates and levies ought to be prescribed to suit Indian conditions and requirements. We have no adequate material to come to a positive conclusion that the present level of rates and levies are to the advantage of the shipping companies or that the stevedores make huge profits. We do feel that if any rise in rates or levies cannot be avoided due to escalation in wages as a result of our recommendations, the impact thereof on port users would not be significant.

5.33 We would not also subscribe to the view that any upward revision in wages would result in diversion of traffic to nearby minor or intermediate ports. If there has been any diversion of traffic, that cannot be attributed only to wage rise. The facilities available in major ports are far superior to those in other ports and shipping interests would think twice before denying to themselves those facilities and turning to other ports to take advantage of their lower rates or wages. There are also other considerations like proximity to ports, easy access, transport facilities, etc.

5.34 We are not convinced that fluctuation in traffic is a serious factor. We have, in Chapter IV dealt with the traffic position in the recent years and the figures speak for themselves. As for the future, while we take notice of the possibility of substantial reduction in the imports of foodgrains and petroleum products, we feel that there is no justification for port administrations to be pessimistic about the volume of traffic in the years to come. The expensive and large scale development works planned or undertaken in the various major ports must be presumed to be in the expectation of an increasing trend in traffic.

5.35 In the next Chapter, we have made a detailed review of the finances of major ports and in doing so, we have taken into consideration the heavy indebtedness of the ports. The finances

of major ports have indeed considerably improved after the revision of rates and charges in July, 1975. We are satisfied that the wage structure which we are recommending would not be beyond the means of major ports.

E. PRODUCTIVITY

5.36 In principle, wage rise above the minimum ought to be related to rise in productivity. However, as pointed out by the National Commission on Labour, the application of this principle presents difficulties, as contribution to productivity levels and changes therein are not easy to measure. Even the concept of productivity and its content are viewed differently by the concerned interests and there is no agreement regarding the method of measurement of productivity in any industry, particularly in a service type industry like the port industry.

5.37 In the evidence before us, representatives of workers insisted that though the volume of traffic handled over the last several years at major ports has increased substantially, the labour force has remained more or less the same. This, according to them, is clear proof of increased productivity of labour. It was also pointed out, that, as compared to the norms of cargohandling work fixed by the Labour Appellate Tribunal in Bombay in 1956 and subsequently by mutual agreements in other ports, workers are now handling 200 to 400 per cent of datums fixed. With faster movement of cargo, other sections of port workers are naturally constrained to keep pace and improve their productivity correspondingly. The result of all-round increase in productivity, according to them, is that labour cost per tonne has gone down but the gains of increase in productivity are not shared by workers.

5.38 Port administrations, however, presented a picture in contrast. Increase in traffic, they said, is due to increase in import of petroleum products, foodgrains and bulk fertilisers while there has been a decline in general cargo traffic. It was contended that reduction in the cost per tonne, if at all, was due to mechanisation and modernisation and not due to increased productivity of labour. Productivity in a port has to be measured, according to them, in relation to both time and cost. In other words, productivity may be defined as maximum tonnage handled per shift at minimum cost. It was urged that productivity is not commensurate with the steep increase in the earnings of piece-rated workers with the result that the cost per tonne of cargo handled has gone up. This situation is attributed to low datums. With

low datums and mechanical aids, it is not surprising, they asserted, that piece-rated workers reach great heights above the datum line. It was also complained that, after reaching a particular stage above the datum which assures to them a certain level of earnings, some workers, not interested in earning more, show reluctance to continue to work thereafter for the remaining period of the shift.

5.39. A conference on increase in productivity in major ports was held at New Delhi on the 6th August, 1975, which was inaugurated by the Prime Minister and presided over by Minister of Shipping and Transport and attended, *inter alia*, by Chairmen of all Port Trusts and Dock Labour Boards, representatives of port and dock workers, shipowners, port users and stevedores. The Prime Minister made an impassioned appeal that productivity in the ports should be increased and united efforts should be made by managements, trade unions and also by Government, to remove shortcomings in this direction and achieve concrete results quickly. The conference identified the areas in which further action was indicated for optimum utilisation of the existing facilities and it was decided that a task force should be set up at each port to implement the decisions of the conference. There is near unanimity of opinion that there has since been a marked improvement in productivity. The Annual Report of the Ministry of Shipping and Transport for the year 1975-76 records :

“For the purposes of comparison of the productivity, the output during July-December, 1975 can be compared only with the corresponding period of 1974, because this includes the rainy season. A statement showing the average productivity figures achieved by different Port Trusts and Dock Labour Boards during July-December, 1975 in comparison with the figures for the previous two half years is at Appendix VII. This shows that productivity during July-December, 1975 was by and large much better, except in a few cases, as compared to the corresponding period in 1974. This is inspite of the fact that rainfall in most of the places has been heavier in 1975 than in 1974. There was marked improvement in the rates of handling of foodgrains and fertilisers at most of the ports. The port and dock authorities are continuing their efforts to increase the productivity further in co-operation with all interests concerned.” (Page 54)

5.40 We are satisfied that there has been considerable improvement in productivity, at least after the Proclamation of Emergency, if not even earlier, and we have strong hopes that the

momentum gathered will not be relaxed. Our recommendations for the revision of pay scales, particularly at the lower levels, are influenced by the experience of productivity during the last year and our optimism for the years to come.

F. NATIONAL INCOME

5.41 In addition to the economic conditions of an industry, national economy is also a matter to be kept in view while evolving a wage structure. Ever since Independence, our country is trying hard to attain reasonable growth of national economy. The pre-Independence under-development has yielded place to rapid development in the post-Independence days.

5.42 The industrial worker, like any other citizen, is entitled to claim a share in the progressive growth of the national economy, particularly as he also has a hand in shaping the economic destiny of the country. National income thus becomes a relevant factor in fixation of wages.

5.43 To what extent wages of industrial workers can be linked up with *per capita* national income is rather difficult to determine. As the Wage Board pointed out, *per capita* national income does not reveal the correct position about the earnings of industrial workers in urban areas, because, in its estimate, the income of non-industrial sector in which there is unemployment or under-employment, is also included. According to the Wage Board, for this reason, *per capita* national income is not usually considered a reliable index for fixing wages of the organised workers. (Para 7.1.56)

5.44 The National Commission on Labour, while considering this question, referred to the twin contentions that (i) wages at any given time in any sector should not be out of gear with average earnings as reflected by *per capita* income and (ii) wage changes over time should not be out of tune with changes in *per capita* income. According to the Commission :

“The first contention fails to recognise that in any economy sectoral productivities are bound to differ due to differences in skills, technology and capital and hence wage differentials are not only inevitable but based on sound grounds. It is of course necessary that the extremes which reflect imperfections of the market and inadequacies of measurement should be avoided. The second contention would be valid if wages in each sector were related to marginal productivity and the latter changed at the same rate throughout the economy. In so far as this is not so, wage changes cannot rightly be related to changes in *per capita* income.” [Para 15.22(a)]

The Commission also rejected the contention that wages of industrial workers should not be much more than wages in agriculture by saying that 'a certain amount of disparity between industrial wages and wages in agriculture or cottage industries is necessary and must continue for the general health of the economy.' [Para 15.22(b)]

5.45 Despite the limited purpose which it serves, it is customary in any wage fixation attempt to take note of the national income for comparison purposes.

5.46 The following figures, extracted from 'Economic Survey (1975-76)' published by the Government of India, show the advance made in the last fifteen years in the national income :

Year	Net National Product (Rs. crores)		Per Capita Net National Product (Rs.)	
	At Current prices	At 1960-61 prices	At Current prices	At 1960-61 prices
(1)	(2)	(3)	(4)	(5)
1960-61	13263	13263	305.6	305.6
1964-65	20001	15885	422.0	335.1
1968-69	28729	16991	554.6	328.0
1973-74	49148	20034	851.8	347.2
(Provisional) 1974-75	60120	20075	1022.4	341.4
(Quick estimate)				

It would be observed that although the *per capita* net national product at current prices has increased more than three-fold, it has improved by less than 14 per cent at 1960-61 prices. We ought to take note of this fact in formulating our wage structure.

5.47 At the time of consideration by the Wage Board, the *per capita* national income for 1967-68 at current prices was stated to be Rs. 542.30. On this basis, the Board calculated average income of a working class family consisting of three adult consumption units, including the wage earner (four persons), at Rs. 181 per month.

5.48 The *per capita* national income at current prices for the year 1973-74 (Provisional) was Rs. 851.80. The corresponding figure for 1974-75, (only quick estimates of which are available), was Rs. 1022.40. Taking the average of these two figures

for consideration of the wage structure to be effective from the 1st January, 1974, the *per capita* income at current prices works out to Rs. 937.10. Calculating the total income for a family of four persons at this rate and dividing it by 12, the monthly average comes to Rs. 312.37. If the male worker is to be deemed the sole wage earner for the family, his total wages should not fall below Rs. 312.37 to sustain his family at the national income level. It is relevant to point out that the Wage Board observed, 'The wages of industrial workers are usually higher than the *per capita* national income, at least in the important sectors of the economy.' (Para 7.1.56)

G. SOCIAL JUSTICE

5.49 The principle of social justice is important in fixing wages, for, that is the ideal which we have resolved to achieve when we framed our Constitution. Article 38 of the Constitution provides:

"The State shall strive to promote the welfare of the people by securing and protecting as effectually as it may a social order in which justice, social, economic, political, shall inform all the institutions of the national life."

A worker is an entity in the society and is entitled to a fair deal. Social and economic upliftment is a legitimate aspiration of the present day worker. Observed the National Commission on Labour:

"The industrial worker of today has acquired a dignity not known to his predecessor. He is no longer the unskilled coolie of the days gone by, engaged in an unending struggle to eke out his existence, neglected by society except for his labour, and with very limited aspirations. He has now a personality of his own." (Para 4.12)

Then again:

"Workers, on their part, are shedding their old complexes. Whatever the reasons, there has developed a greater sense of equality among workers *inter se* and also as between the supervisory group on the one hand and workers on the other. In fact, workers in some industrial townships are getting conscious of the distinction shown between workers and other staff in the matter of company transport or medical and recreational facilities. As more and more workers send their children to school and college, instances where the children of factory workers come out

as engineers, doctors, accountants and teachers are on the increase. All these have contributed to a kind of social amalgam." (Para 4.24)

5.50 What is true of the manual worker is equally true of the non-manual worker. Neither of them has reached a standard of life to his satisfaction and both aspire to improve their lot and stand fair comparison with the social high-ups. In our opinion, this is a welcome trend which we ought to recognise. Our concept of social justice is that though certain levels have to be maintained between the highest and the lowest, the objective should be not to pull down the high-ups but to push up the lowly.

H. REAL WAGES

5.51 Fair wage determined by a wage fixing machinery at a given point of time does not necessarily continue to be fair wage with the passage of time. Fluctuations in consumer prices have an impact on fair wage, which tends to be higher than fair wage if prices fall and suffers erosion if prices rise. A worker can justifiably claim protection of what is known as the real wage, i.e., he should be able to purchase at any given point of time the same amount of goods and services of basic necessity as he could at the time fair wage was fixed. The concept of protecting the real wage has given rise to the device of dearness allowance. Instead of increasing wages from time to time as in other countries, dearness allowance is paid in addition to wages to neutralise rise or fall in prices; the quantum of dearness allowance increases as prices go up or decreases as prices go down. The dearness allowance formula is conceived to meet both situations. If at any stage, it is realised that return to original price levels is a vain hope and prices could not be expected to fall below a particular level, a part of dearness allowance is merged into basic wages which stand increased to that extent. At times, instead of merging a part of dearness allowance into basic wages, a fixed dearness allowance is recommended with a provision for varying dearness allowance above a particular mark. The Wage Board provided for a (fixed) Dearness Allowance at Index Number 215 of the 1949 series and also laid down a formula for Additional Dearness Allowance to meet rise or fall above or below that Index Number.

5.52 There is a body of opinion against grant of dearness allowance to meet the rise in cost of living. It is said that dearness allowance promotes inflation instead of checking it. The National Commission on Labour observed that a direct linkage between the rise in the Index Number and dearness allowance may create

problems for price stabilisation. (Para 16.39) The Third Pay Commission, in its interim report, said :

“We need hardly emphasize that it would be an exercise in futility to keep on increasing the emoluments of Central Government employees, if these increases are largely wiped out soon afterwards by increases in prices of goods and services. There is, therefore, paramount need to maintain price stability.” (Para 29).

The Object and Reasons to the Additional Emoluments (Compulsory Deposit) Bill, 1974, stated :

“Controlling inflation is to-day the single most important task facing the country. Periodical revision of wages, adjustments in the rates of dearness allowance which have been adopted as remedies for moderating the impact of rising prices have been proving ineffective. In view of the mounting pressure of inflationary forces, payments of additional wages or dearness allowance will give an upward trend to prices and will inevitably aggravate the situation and also neutralise the effect of any increase in wages or dearness allowance. In the circumstances, urgent steps aimed at breaking this vicious circle of money incomes chasing prices becomes unavoidable.”

5.53 While we have no doubt that grant of dearness allowance and consequential increase in purchasing power contributes to inflation to a certain extent, we feel that workers are entitled to relief if the cost of living increases with the consumer prices soaring higher and higher. It is too late in the day to dispense with dearness allowance on the ground that thereby inflation might be checked. Dearness allowance, changing with market behaviour, has become an established element of wages since long. The Committee on Fair Wages observed :

“The method of compensating workers for increase in the cost of living by the grant of what is known as dearness or dear food allowance is peculiar to India. In foreign countries the usual practice is to adjust wages themselves in accordance with the changes in the cost of living. Until the of living comes down to the level of 160 to 175 as indicated above, it is clearly necessary for this country to continue to pay dearness allowance to neutralise, wholly or at least substantially, the increase in the cost of living. The necessity for the continuance of such an allowance has been admitted on all hands.” (Para 42)

The National Commission on Labour expressed itself in favour of wage adjustment in the following words :

“In order to protect the real wages from erosion, the level of money wages has to be adjusted to price changes. The present practice in this regard has been to pay dearness or dear food allowance over and above the basic pay to take account of an increase in prices. It is possible that this practice of adjustment of wage levels may conceivably lead to inflation. It is also possible that in an inflationary situation the mere maintenance of the real wage itself may entail monetary outlays on a scale which reduces the surpluses available for further investment. Keeping living costs under check should therefore form an integral part of wage policy. At the same time, social considerations do cast an obligation to mitigate through some adjustment mechanism the hardship caused by price increases at least in respect of the vulnerable sections of labour.” (Para 15.34)

All the Central Pay Commissions have also accepted the principle of grant of dearness allowance. The Wage Board too has recognised the need for granting dearness allowance to port and dock workers.

5.54 A question arises regarding the extent to which dearness allowance should neutralise the cost of living and also whether neutralisation should be uniform at all levels of wages. The Committee on Fair Wages had this to say on the question :

“The Committee finally came to the conclusion that for the lowest categories of employees the target should obviously be compensation to the extent of 100 per cent of the increase in the cost of living. For categories above the lowest we agree that the same consideration will not apply. A flat rate equal to the rate allowed to the least skilled worker is not likely to satisfy higher categories as has in fact been pointed out to us by one of our colleagues who is an employer. The Central Pay Commission rejected a flat rate and recommended a graduated scale of dearness allowance depending on the salary earned. It would be difficult to fix any other basis for industry also. We therefore, recommend that a lower rate of compensation should apply to the higher categories but that the amount of compensation must be based on salary scales or slabs.” (Para 45)

The views of the National Commission on Labour are as follows :

“Some of us took the view that for reasons set out by the Dearness Allowance Commission in its report, its recommendation that neutralisation at the rate of 90 per cent should be allowed to those at the minimum should be accepted by us, while others thought that the allowance for imponderables should be less. After full discussion a consensus was reached that neutralisation at the rate of 95 per cent should be afforded to minimum wage earners in respect of any future rise in the cost of living. We accordingly recommend that 95 per cent neutralisation should be granted against rise in cost of living to those drawing minimum wage in non-scheduled employments.” (Para 16.47)

Further on :

“According to our view, the only purpose of dearness allowance is to enable a worker in the event of a rise in the cost of living to purchase the same amount of goods of basic necessity as before. This purpose would be served by an equal amount of dearness allowance to all employees irrespective of differences in their emoluments.” (Para 16.49)

In *M/s Killick Nixon Ltd. vs. Killick and Allied Companies Employees' Union* (AIR 1975 SC 1778), the Supreme Court indicated that ‘if it was well settled that complete neutralisation of rise of cost of living cannot be allowed except to the lowest category of employees.’ In the *Workmen of Hindustan Motors vs. Employer* [1962(2)LLJ 352], the Supreme Court said that dearness allowance should ordinarily be on a sliding scale and provide for an increase or rise in the cost of living and decrease or fall in the cost of living.

5.55 : The extent of neutralisation laid down by industrial tribunals and wage boards varies from place to place and industry to industry. The Wage Board recommended 90 per cent neutralisation at the lowest level and gradual reduction of percentage of neutralisation at higher levels.

The Third Pay Commission, guided by the observations of the National Commission on Labour, provided for 95 per cent neutralisation at the lowest level but Government favoured 100 per cent neutralisation upto pay level of Rs. 300. Subsequent orders of Government issued in 1974 had the effect of bringing down the percentage of neutralisation to 87.5 at pay levels upto Rs. 300.

5.56 In justification of giving less than 100 per cent neutralisation, it is argued that even the poorest individual should make some sacrifice for development of the country and also that 100 per cent neutralisation is likely to give fillip to inflationary tendencies. But this relationship between compensatory dearness allowance paid to workers and the spiral of prices is, in the view of the National Commission on Labour, often exaggerated. The Commission observed :

“Firstly, the increased purchasing power in the hands of the workers on account of compensatory payments for rise in cost of living forms a small part of the overall increase in purchasing power. Secondly, the elasticity of compensatory payments to changes in cost of living is generally less than unity so that the feed-back must taper off. Money wage stability, though important for price stability, is seldom a necessary, much less a sufficient condition for it. On the other hand, holding of the price line, particularly of the cost of living, is an adequate condition for preventing increases in money wage payments that are not related to increases in productivity. This alone can prevent a fall in real wages.” (Para 15.35)

5.57 In our opinion, when the general cost of living goes up, every employee has to make some sacrifice and such sacrifice should be comparatively higher at higher levels of earnings. But we ought to make an exception in the case of the lowest wage earner, who, at his level of wages, should not be called upon to make such sacrifice and neutralisation in his case should be 100 per cent.

5.58 The Committee, headed by ex-Chief Justice Shri K. T. Desai, to evolve a wage structure for Class I and Class II Officers in major ports favoured a uniform rate of variable dearness allowance at Rs. 2/- per point of rise or fall in Index Number of the 1949 series. We do not subscribe to a flat rate of dearness allowance at all wage level and the principle of a sliding scale appears to us to be reasonable.

5.59 The Wage Board worked out a scheme of dearness allowance at Index Number 215 of the 1949 series. The Board recommended (fixed) Dearness Allowance of varying amounts for different pay levels and also Additional Dearness Allowance for rise of Index Number above 215. Since then, the Index Number steadily increased and reached 321 in January, 1974, and 396 in December, 1974. In 1975, it was 372 in December as compared to 399 in June. The Index Number for January, 1976, was 362 and the latest available Index Number at the time of writing this Report is 372 for November, 1976.

5.60 Judging the movement of Index Number from 1968 up-to-date, we entertain the feeling that there is no likelihood of the Index Number returning to anywhere near the 1968 level. We may, having due regard to the movement of Index Number, make a reasonable guess of the Index Number below which there would be no fall. Having done this exercise, we should merge into basic pay, dearness allowance admissible under the Wage Board formula at that Index Number and provide for variable dearness allowance for its rise. We do not favour the Wage Board scheme of (fixed) Dearness Allowance and Additional Dearness Allowance. We are aware that merger of such dearness allowance with basic pay increases the financial burden of major ports in the form of other benefits determined on the basis of basic pay. But that is inevitable whenever any portion of dearness allowance is merged into basic pay, and port administrations should not grudge it.

I. FRINGE BENEFITS

5.61 In addition to basic wage, Dearness Allowance, House Rent Allowance and City Compensatory Allowance, several other benefits are provided to employees of major ports. They are : free medical aid, children's education allowance, reimbursement of tuition fees of children of employees, scholarships, recreational facilities, leave travel concession for employees and their families, subsidised canteen facilities, rent-free accommodation for some employees, free uniforms or uniform allowances, washing allowance, provident fund or pension, gratuity and ex gratia. There are, no doubt, some conditions of eligibility to the various kinds of benefits.

5.62 In constructing a wage structure, it would be just and equitable to take into consideration the value of such of the above benefits which relate to welfare measures and which are usually called 'fringe benefits'. The Committee on Fair Wages accepted this principle in the following words :

"We feel that before a wage-fixing machinery decides to make any allowance for benefits statutory or otherwise, granted to workers, it must examine the nature and extent of those benefits. Where a benefit goes directly to reduce the expenses of a worker on items of expenditure which are taken into account for the calculation of the fair wage, it must necessarily be taken into account in fixing the actual fair wage....." (Para 28).

5.63 We regard free medical aid, children's education allowance, reimbursement of tuition fees of children, subsidised canteen facilities, free uniforms or uniform allowance, washing allowance, leave travel concession and like benefits as falling within the definition of fringe benefits, as they directly go to reduce the expenses of a worker on items which have to be taken into account in determining fair wage.

5.64 It is indeed difficult to ascertain money value of the fringe benefits at the various major ports, particularly as the nature and scale of these benefits differ from port to port. Bombay Port Trust has given us details of the annual *per capita* expenditure on children's education allowance and tuition fees, medical aid, uniforms and leave travel facilities for the years 1968-69, 1972-73 and 1973-74. The Port Trust claims to have spent Rs. 493 per worker on these items for the year 1973-74, i.e., at the rate of Rs. 41 per month.

5.65 We did not call for information from other ports regarding expenditure incurred by them on the fringe benefits extended by them as we do not propose to take into consideration the monetary value of these benefits in devising the wage structure. We believe that these fringe benefits help considerably in bridging the gap between fair wage and living wage and also that in a Welfare State, every employer ought to deem it his duty and responsibility to provide these benefits in addition to fair wage. It may incidentally be mentioned that the Wage Board also did not take the fringe benefits into account in evolving the wage structure.

J. DUTIES AND RESPONSIBILITIES OF EMPLOYEES

5.66 Our terms of reference call upon us to have regard, in making recommendations, to duties and responsibilities of various posts, including the skills and hazards involved. The number of categories of workers in major ports is so large and the duties and responsibilities of the various categories are so different that a detailed examination of every category of workers in each port would require years of labour. Furthermore, we are not well-equipped to make a job analysis. However, we have gathered a general idea of the duties and responsibilities of each category of workers from the replies to the Questionnaire issued by us. We also have visited all major ports and made personal observations on the actual working of some representative categories.

5.67 The Classification and Categorisation Committee made a thorough study of the duties and responsibilities of the various categories of workers then existing and prescribed scales of pay keeping them in mind. Certain objections were taken by labour

members on the Wage Board to the dispensation of the Categorisation and Classification Committee but the Wage Board could not consider those objections for want of time. The port authorities resolved some of the disputes at their level and the two-man committee appointed later also considered and made recommendations on certain alleged anomalies. In a number of cases, industrial disputes were raised and adjudicated upon.

5.68 A large number of representations have been received by us contending that pay scales fixed by the Wage Board did not do justice to the duties and responsibilities of certain named categories and also that anomalies were created in pay scales by the Wage Board in regard to certain other categories. These representations have been considered by us in Chapter X. Presumably the pay scales laid down for those categories of workers in respect of whom no representations have been made are commensurate with their duties and responsibilities.

K. PAYMENT OF EX GRATIA

5.69 We are expected by our terms of reference to take into account payment of ex gratia in determining the total monetary accrual to the workers. The method and quantum of payment of ex gratia to port and dock workers in lieu of bonus has varied from time to time. Payment of ex gratia is in effect in lieu of bonus, the Payment of Bonus Act, 1965, not having been made applicable to port and dock workers. Now-a-days the rate of payment of ex gratia is regulated by Government orders.

5.70 Since the quantum of ex gratia depends upon Government orders, we cannot foresee the amount of ex gratia which would be admissible to port and dock workers for the years to follow. We cannot even rule out the possibility of Government deciding not to admit any ex gratia payment at all. In the circumstances, it has not been possible for us to take into account ex gratia payment in formulating our wage structure.

L. UNIFORMITY IN EMOLUMENTS AND BENEFITS

5.71 Our terms of reference require us to have regard to the need for uniformity in the rates of emoluments and benefits of employees doing similar jobs at the various major ports. The position taken by port administrations is that pay scales in their respective ports are by and large in keeping with the job content of the various categories of workers. The Federations and unions, on the other hand, do not wholly agree with this claim and have alleged that a number of anomalies exist.

5.72 It is no doubt true that certain categories in some ports have pay scales different from those of categories having the same nomenclature in other ports. It is equally true that certain categories of workers doing similar jobs have different designations in some ports and their pay scales are not the same. Nonetheless, on the basis of representations received by us and on a close examination made by us independently after discussions with the concerned interests, we have tried to ensure that the rates of emoluments of employees doing similar jobs are more or less uniform. We wish, however, to add that we find ourselves unable to even out the emoluments of workers governed by piece-rate and incentive schemes in the various ports, as these schemes differ from port to port and a scientific and systematic study is required to ensure that these workers secure the same emoluments for similar jobs in all the ports. We are recommending in Chapter IX that a fresh look be taken at the piece-rate and incentive schemes at the various ports.

5.73 As regards benefits, we observe that the more important benefits are by and large uniform in all the ports but there are no doubt variations in the nature and extent of some of the benefits. While we are not in favour of reducing the larger benefits enjoyed by workers in some ports, we hesitate to recommend that such larger benefits should, to achieve uniformity, be extended to workers in other ports also for the reason, *inter alia*, that a few of them, e.g. medical and housing facilities, cannot be ensured in the immediate future. In any event, as we have already said, we are not taking into account the benefits for the purpose of evolving the wage structure.

M. HOUSE RENT ALLOWANCE AND CITY COMPENSATORY ALLOWANCE

5.74 At present, on the basis of recommendations of the Wage Board and the subsequent modifications, the following rates of House Rent Allowance and City Compensatory Allowance are admissible to port and dock employees :

	<i>House Rent Allowance</i>
Bombay, Calcutta and Madras	16% of basic pay, subject to a minimum of Rs. 20 p. m.
Cochin	10% of basic pay, subject to a minimum of Rs. 15 p. m.
Visakhapatnam, Mormugao and Kandla	8% of basic pay, subject to a minimum of Rs. 10 p. m.
Paradip	Nil.

City Compensatory Allowance

Bombay, Calcutta and Madras	. 10% of basic pay
Mormugao . . . . .	. 8% of basic pay
Visakhapatnam and Cochin	. 5% of basic pay
Kandla and Paradip . . . . .	. Nil.

5.75 The All India Port and Dock Workers' Federation submitted that the cost of living and the difficulties regarding accommodation are more or less identical in all major ports and that there is no justification for differential treatment of employees in the various ports in the matter of House Rent Allowance and City Compensatory Allowance. Urging that these two elements should be equal in all ports, the Federation, as a corollary, proposed that both these elements should be merged into basic pay. The argument advanced by the Federation was that the elements of House Rent Allowance and City Compensatory Allowance are separately provided for Central Government employees as they are liable for transfer from one station to another and need to be compensated for higher cost of living and higher rents on transfer from a small town to a big city; it was pressed on us that such a situation did not arise in the case of major port employees in view of uniformity in the cost of living and accommodation difficulties in all major ports and therefore there was no need to provide House Rent Allowance and City Compensatory Allowance as distinct and separate elements in the emoluments. It was pointed out to us that denial of House Rent Allowance and City Compensatory Allowance at Paradip had resulted in Paradip port administration introducing the grant of a Special Allowance to supplement the emoluments of its employees.

5.76 The Indian National Port and Dock Workers' Federation contended that in view of all-round steep increase in house rents, the rate of House Rent Allowance should in all major ports be raised to 25 per cent of basic pay, with a minimum of Rs. 50 per month. The Water Transport Workers' Federation of India proposed 20 per cent of basic pay as House Rent Allowance and included upto Rs. 100 on this account in computing the minimum emoluments of workers on the basis of the need-based minimum wage.

5.77 Though, in their replies to the Questionnaire, Port Trusts and Dock Labour Boards advocated *status quo* in the matter of House Rent Allowance and City Compensatory Allowance, their representatives more or less conceded in personal discussions that housing is scarce, rents have gone up and all major port cities are by and large equally placed in this respect. It is not

disputed that while in the old port cities, houses may be available at exorbitant rents, in the newly developed ports, extremely limited number of houses have been built and a majority of workers have to stay away in villages around and travel long distances at considerable transport cost to reach the place of duty, or build their own huts on whatever land may be available and suffer many privations due to lack of amenities; many workers are constrained to share accommodation and live in dormitories, away from their families, subjecting them to extra expenditure in maintaining two establishments.

5.78 The Third Pay Commission observed that in certain 'C' class and 'B-2' class cities, such as Visakhapatnam, Madurai, Coimbatore, Jamshedpur and in the unclassified city of Digboi, expenditure on house rent is considerably more than in many 'A' and 'B-1' class cities. The Commission also found that the population criterion for classification of cities and towns for fixing house rent allowance was not a reliable one; nevertheless, the Commission retained the population criterion as it did not see any way out of the difficulty and recommended that better criteria should be evolved for paying house rent allowance.

5.79 In view of overwhelming evidence regarding high rents, and scarcity of houses and consequential hardships, we feel that all major ports deserve to be treated alike in the matter of house rent allowance.

5.80 The practice of granting City Compensatory Allowance to port and dock employees is linked with a similar practice in regard to Central Government employees. There may be some justification in continuing this allowance as a separate element in the case of Central Government employees who are spread all over the country, as the cost of living including transport charges, varies from city to city. There is, however, no such compulsive reason for port and dock workers as the evidence before us suggests that all major port cities are more or less equally costly, either on account of excessive population or for reasons of under-development of transport, medical, educational and other amenities which have not been able to keep pace with the development projects.

5.81 In this connection, we have compared the prices prevailing in major port cities or their neighbourhoods of certain standard items of consumption collected by the Labour Bureau, Simla, in December, 1973, and January, 1974 (Appendix XII). These items go into the consumer basket for determining the cost of living at those centres. It will be observed that if certain items are cheaper in one port, they are costlier in others.

During our visits to major ports, we collected the prices of certain standard items of consumption on the spot with the assistance of the port authorities. These prices relate to different dates between October, 1975 and May, 1976. We have set out in Appendix XIII the information so gathered by us.

5.82 On the basis of the data given in Appendix XII and the information gathered by us as reproduced in Appendix XIII as well as the oral evidence placed before us both by representatives of labour and employers, we are satisfied that the cost of living in the ports of Visakhapatnam, Cochin, Mormugao, Kandla and Paradip is not any the less than that in the ports of Bombay, Calcutta and Madras.

5.83 We, therefore, take the view that employees in all major ports are eligible to a uniform rate of City Compensatory Allowance.

5.84 If all major ports have to be on the same level in regard to House Rent Allowance and City Compensatory Allowance, as we think they should be, we are not in favour of treating them as separate and distinct elements and prefer to merge them into basic pay. Both the allowances are in a sense components of fair wage and distribution of the various components of fair wage is unnecessary. As argued by labour representatives, keeping these allowances separate from basic pay, depresses the money value of other consequential benefits. We have therefore decided that House Rent Allowance and City Compensatory Allowance should be merged into basic pay.

5.85 We are aware that merger of House Rent Allowance and City Compensatory Allowance into basic pay has the effect of an increase in expenditure on certain items; House Rent Allowance is not at present taken into account for purposes of retirement benefits, dearness allowance and ex gratia and also overtime payment in certain cases, while City Compensatory Allowance is taken into consideration for all purposes except for house rent allowance and dearness allowance. Our proposal to aggregate basic pay, House Rent Allowance and City Compensatory Allowance does involve departure from existing practices in the matter of incidentals. But port administrations should not grudge the consequential increase in expenditure which would not be substantial. In fact, we have taken this into consideration in evolving our wage structure. Had we not merged House Rent Allowance and City Compensatory Allowance into basic pay, we would have fixed basic pay separately at somewhat higher level than the national basic pay included in the basic pay recommended by us. It is the total pay packet that matters.

N. RATIONALISATION OF PAY SCALES

5.86 The total number of pay scales at present in vogue at the major ports is more than a hundred; many of them are truncations of primary scales. We have considered the question whether there is any need at all to have such a large number of scales and whether there is any scope for reducing the number.

5.87 The Wage Board also applied its mind to reduction in the number of the then existing pay scales. It brought down pay scales of Class IV employees from 12 to 4 and of Class III ministerial employees from 6 to 5. But it could not reduce the number of pay scales in respect of Class III non-clerical employees. The Board observed :

“As mentioned earlier, we first wanted to reduce the number of scales, but it appeared that it might lead to anomalies and disputes. Moreover, it was also brought to the notice of the Board that the existing differentials between the pay scales of semi-skilled, skilled, highly skilled and supervisory employees were of great significance and that even if they were not of a substantial nature, the workers would like their continuation. In view of the possible repercussions, therefore, the attempt to reduce the number of existing scales for the non-clerical employees of the port authorities did not appear to be feasible.” (Para 7.2.34)

Accordingly, the Board adopted corresponding scales in respect of not only the prevailing forty primary scales but also provided new scales for the various truncations of the primary scales. As the Board found it necessary to devise separate scales for some particular categories, like telephone operators, nurses, cargo-handling shore workers and various categories of employees of Dock Labour Boards, Food Corporation of India, licensed measurers and other private employers, pay scales prescribed by the Board along with their truncations made the number more than a hundred.

5.88 In our Questionnaire, we called for views on the subject of reduction of multiplicity of scales. We also touched on the subject in oral discussions. Though all Port Trusts and Dock Labour Boards were, in principle, in favour of reduction in the number of pay scales, some of them considered such reduction not feasible in view of difficulties encountered by the Wage Board, while others emphatically advocated reduction in the number of pay scales, particularly where there are marginal differences and the qualifications and nature of work of the categories concerned are more or less the same. It was pressed

upon us by some port authorities that rationalisation and reduction in the multiplicity of scales, though a desirable objective, would not be possible unless the different jobs in the port industry are scientifically evaluated.

5.89 The Madras and Visakhapatnam port administrations came out with schemes which not only reduced the existing number of pay scales but also reduced considerably the number of categories of workers. According to them, the emphasis should be on the reduction of the number of categories to achieve better deployment and interchangeability and the consequential reduction in the number of pay scales should be regarded as incidental. They pointed out, for example, that it was needless to have four categories of messenger, peon, naik and daftry and they all could be combined with a single designation of Attender so that workers listed in these four categories could be utilised for the various items of work done by them separately. They explained that the present duties of the four categories, though of similar nature, are different in detail and a worker of one category resists of called upon to perform the duties of another category.

5.90 While the managements have by and large adopted a cautious attitude on the subject, representatives of workers have expressed great keenness for reducing the number of scales. Various suggestions have been made by them. One Federation originally suggested eight scales only and came up with a revised proposal to bring down the existing scales to fourteen. Another Federation favoured eighteen scales, while the third proposed a drastic reduction in the number of scales to ten only.

5.91 We have given utmost consideration to the problem. We found that the present trend in other industries appears to be for reducing the number of scales. We felt that it would be desirable to reduce the number of scales in the major port industry as well, if it could be done without creating any complications.

5.92 Accordingly, we made twenty-two tentative groups of the existing pay scales and invited comments of all Port Trusts and Dock Labour Boards as well as of the three Federations thereon. We particularly requested them to examine whether the grouping done by us would give rise to any hierarchical anomalies such as the supervisor and the supervised or senior and junior operatives falling in the same group, except where merger of the two categories is considered desirable for better deployment.

Various suggestions and comments were made on our tentative grouping by port authorities as well as the Federations, and personal discussions were also held with representatives of Port Trusts and Dock Labour Boards. After taking them into consideration, we have been able to compress the existing pay scales into twenty-four groups which are set out in Chapter VII. Since the final grouping made by us meet almost all objections to our tentative grouping, we hope that it will not give rise to any anomalies or complications.

5.93 Reduction in the number of scales not only simplifies the wage structure and reduces paper work, but also facilitates better deployment of various like categories of employees and more efficient use of manpower.

O. Wage Differentials

5.94 We are called upon by our terms of reference to consider the need for adjusting wage differentials in such a manner as to provide incentive to workers for advancing their skills. What differentials in wages are sufficient to ensure this purpose is difficult to define and decide precisely as there are no objective standards to measure them. However, the present trend of thought is that the difference between the lowest and the highest paid worker in any industry should not be too glaring or, in other words, it should be just adequate to provide incentives for advancing skills.

5.95 The Committee on Fair Wages considered that in the fixation of wage differentials, the following factors should be taken into account :

- (i) the degree of skill,
- (ii) the strain of work,
- (iii) the experience involved,
- (iv) the training required,
- (v) the responsibility undertaken,
- (vi) the mental and physical requirements,
- (vii) the disagreeableness of the task,
- (viii) the hazard attendant on the work, and
- (ix) the fatigue involved.

The Committee, however, could not advise as to what weight should be attached to each factor, that being a matter to be gradually evolved on the basis of experience. (Para 36)

5.96 The Classification and Categorisation Committee fixed the pay scale of the lowest unskilled worker at Rs. 30-1-35 and the highest scale given to the supervisory personnel like the office superintendent and comparable technical categories was Rs. 350-15-380-20-500, which works to the ratio differential at the minimum of the lowest and the highest scales at 1:11.67. These differentials were considerably reduced by the Wage Board which recommended the lowest pay scale at Rs. 100-2-130 and the highest pay scale at Rs. 525-25-650; the ratio differential at the start of the lowest and the highest pay scales comes to 1 : 5:25 and at the end of the two scales to 1 : 5. The total emoluments including basic pay, Dearness Allowance, Additional Dearness Allowance, House Rent Allowance and City Compensatory Allowance as on the 1st January, 1974, in Bombay, Calcutta and Madras at the minimum of the lowest scale works out to be Rs. 240; the corresponding total emoluments at the start of the highest scale on that day would be Rs. 906. There would thus be a ratio differential of 1 : 3.78. The ratio in respect of the total emoluments at the end of the lowest and the highest pay scales as on the 1st January, 1974, would be 1 : 3.64.

5.97 In the evidence before us, one of the Federations proposed starting salary of Rs. 500 in the lowest scale and Rs. 1500 in the highest, the ratio differential being 1:3. Another Federation proposed the differential of 1:2.9. The third Federation thought of wage differential of 1:2.1 between the highest and the lowest pay scales.

5.98 We are in agreement with the general thinking on the subject of wage differentials that the disparity should not be unduly large. In the pay scales recommended by us, we have proposed a differential ratio of 1:2.77 at the start of the lowest and the highest scales. This differential ratio works at the end of the two pay scales to 1.2.89. These differentials, we believe, provide not only adequate incentives for advancement of skills but also serve the ends of social justice.

P. Selection of Consumer Price Index Series and Number

5.99 It is an established practice to relate the wage structure to a Consumer Price Index Number in a selected series. The Wage Board adopted the 1949 series of the All India Consumer Price Index Numbers for Industrial Workers. We, however, are in favour of adopting 1960 series, which is the

latest available series. The Third Pay Commission and the recent wage settlements in major industries also have adopted the 1960 series. There is, further, overwhelming evidence before us, both written and oral, that in evolving our wage structure, the 1960 series should replace the 1949 series. In fact, we would have liked to go a step further in linking up the wage structure to the 1971 series but it is still in the process of finalisation and has not been available to us at the time of writing this Report. Incidentally, the linking factor between the 1960 and the 1949 series is 1:1.2154.

5.100 The next question that arises is which particular Index Number or average of Index Numbers over a period should be adopted to serve as the base. We have to evolve a wage structure which would come into force with effect from the 1st January, 1974. If we adopt the approach of the Third Pay Commission which took into account the average of the preceding twelve months of 1973, the resulting Index Number in the 1960 series would be 236; if, on the other hand, we adopt the approach of the Wage Board, which favoured the average of six months, namely, January to June, 1973, the Index Number effective from the 1st January, 1974, would be 220. Another approach would be to take the average of six months immediately preceding the 1st January, 1974 i.e., the average of July-December, 1973, in which case the Index Number in the 1960 series would work out to 252 approximately. It appears to us to be a more rational approach to take into account the average of the three months of August to October, 1973. The reasons are, firstly, as stated in Chapter VII, we have decided to recommend quarterly revision of dearness allowance and, secondly, a gap of two months will enable the employers and the workers to know precisely the published figure of the Index Number on the basis of which dearness allowance would be payable with effect from the start of the next quarter.

5.101 In fixing the base Index Number to relate to the wage structure, we have also to consider the likely movement of the Index Number in future, for any significant drop in the selected figure would create complications.

5.102 After careful consideration of all relevant factors, we have decided to devise a wage structure related to Index Number 250 of the 1960 series, which is the average for the three months of August to October, 1973. We are of the view that the Index Number would not fall below 250.

Q. Wages in Other Industries

5.103 Comparisons, it is said, are odious. Comparison of wages in the port industry with those in other industries is, in addition, not fair. Port industry, as we have already observed, is unique and no one industry or group of industries can stand comparison with it. The wage structure for port and dock workers has to be devised with reference to the nature and conditions of work in the port industry. Even so, wages in the port industry cannot be considered in vacuum. We have, therefore, collected information about minimum wages for the lowest category of employees in a cross section of public sector undertakings as on the 1st January, 1974, and as on the 1st January, 1975. The information is charted in Appendix XIV.

5.104 A grievance was ventilated before the Wage Board by labour members that pay scales of Central Government employees are somehow sought to be grafted on port workers; representatives of labour had urged that the case of port employees should be decided on the basis that, unlike Central Government employees, they are workers in an industry. A similar view has been forcefully urged before us. The Wage Board unanimously decided 'to devise a wage structure which would be suitable in the circumstances of the port and dock industry and which may not necessarily be on the pattern of the pay structure applicable to the Central Government employees.' (Para 7.1.17) We propose to adopt the same attitude and feel that there is no compelling reason to establish a parity between the wage structure of port and dock workers and that of Central Government employees.

CHAPTER VI

PORT FINANCES

Need for Examination of Port Finances

6.1 While recommending any revision in the existing wage structure, our terms of reference require us to consider, among other things, the capacity of port authorities and Dock Labour Boards to pay the wage bill, keeping in view the character of the port transport industry and the obligation of port and dock undertakings to provide adequate and efficient port and dock facilities at a reasonable cost. A detailed consideration of these issues would require examination not only of the present financial position of major ports but also of their past performance and future prospects.

Period prior to the Fourth Five Year Plan

6.2 At the dawn of Independence, we had only five major ports, viz., Bombay, Calcutta, Madras, Visakhapatnam and Cochin, and these were all in a poor state owing to extensive use and inadequate maintenance during the war years. Therefore, the first task which faced the planners of the country was to get these ports back into working condition in as short a time as possible with the minimum investment. During the First, Second and Third Five Year Plans, Rs. 26.32 crores, Rs. 45.50 crores and Rs. 92.95 crores respectively were spent on development of major ports, including Mormugao, Kandla and Paradip.

6.3 The Wage Board and the Commission on Major Ports have already examined the finances of major ports during the earlier period and it will be sufficient to refer to the analysis made by them. Both the bodies, it may be mentioned, had to contend with a wide and divergent variety of accounting practices and procedures adopted at different ports, which fact made the task of comparing financial results of one port with those of others quite difficult.

Assessment by the Wage Board

6.4 In assessing the financial position of major ports, the Wage Board approached the question from three angles. It examined the surpluses and deficits of major ports during the

period 1958-59 to 1967-68, changes in the capital structure of major ports for the years 1955-56, 1963-64 and 1967-68 and the sources of port finances during the first three Five Year Plans.

6.5 The Wage Board felt that heavy surpluses or deficits are not to be expected in the financial working of the ports as 'The general principle on the basis of which the major ports are run is that they are self sufficient non-profit-making bodies, normally meeting their expenditure except for heavy capital outlay, from their own resources.' (Para 5.20) The tabulated data of surpluses and deficits of the various major ports for the period of ten years from 1958-59 to 1967-68 (Para 5.20) showed that of the 64 entries in the table, only nine were negative. Bombay port had surplus in all the ten years. Calcutta port had surplus till 1964-65, but in the next three years it incurred deficit. Madras port had deficit for three years (1958-59, 1963-64 and 1967-68), while Visakhapatnam port had only one year of deficit in 1962-63. Cochin port had deficit in 1962-63 and 1965-66 only. Both Kandla and Mormugao ports showed surplus for all the years for which data were available.

6.6 On an examination of the changes in the structure of capital assets of major ports for the years 1955-56, 1963-64 and 1967-68, the Wage Board found that in most of the ports, the proportion of debts to capital assets was increasing. Calcutta and Kandla ports had, at the end of 1967-68, a debt burden exceeding 75% of their assets. Such a high ratio of debts to capital assets for a new port like Kandla was understandable; but the Wage Board was disturbed to find such a high ratio in the case of an old port like Calcutta. In the case of Bombay port, the percentage of debts to capital assets declined from 51.30 in 1955-56 to 31.02 in 1962-64 and further to 24.10 in 1967-68. The Wage Board concluded: 'While no port is in the unhappy position of having an excess of debts over assets, the picture of prosperity, as revealed by surplus of assets over debts, is bright in the case of some ports, while it is not so in respect of others.' (Para 5.21)

6.7 Noting that prior to the Five Year Plans, investments in major ports, especially in Calcutta and Bombay ports, were financed through market borrowings and internal resources, the Board observed that large investments in major ports during the Five Year Plans necessitated a shift in the sources of finance. Under the first three Five Year Plans, out of a total estimated investment of about Rs. 111 crores in the ports of Bombay, Calcutta and Madras, nearly Rs. 58 crores, i.e., about 50 per

cent, were found through loans from Governments and international agencies, with market borrowings making an altogether negligible contribution.

6.8 After examining the finances of individual ports, the Wage Board concluded:

“.....of the eight major ports some are already in sound financial position. Financial difficulties of some other ports are only temporary and till such time as various measures already taken by these ports to remedy the defects are completed and begin to yield results. Kandla and Paradip Ports have their peculiar problems which are unavoidable in the case of new ports.” (Para 5.174)

Assessment by the Commission on Major Ports

6.9 The study of port finances by the Commission on Major Ports was more comprehensive in its nature. The Commission constituted a Study Group on port finances which, among other things, analysed the financial position of major ports upto 1968-69. The Study Group examined the financial operations of major ports, sources and uses of funds and the changing pattern of capital structure of major ports.

6.10 The Commission collected financial results of the working of major ports from 1950-51 to 1968-69. The results showed that Calcutta port had a deficit in 1950-51, 1951-52, 1953-54, 1954-55 and 1965-66 to 1968-69. Bombay, Madras and Cochin ports had surplus throughout the nineteen years while Visakhapatnam port was in deficit in 1950-51 only. Kandla port was in deficit in 1964-65. Mormugao port was surplus ever since the port was taken over by Government of India in 1961-62. Paradip port, however, was in deficit since 1966-67 during which year it was developed as a major port.

6.11 As the accounting systems of the various major ports varied, the Study Group could not examine the Revenue and Expenditure Accounts in great detail. However, the statistics of gross revenue and working expenses (excluding depreciation) were regarded largely free from the inconsistencies prevailing in the accounts. On an analysis of the percentage ratios of expenditure to gross revenues for the years 1950-51, 1955-56 and from 1960-61 to 1968-69, the Commission found a wide variation in the ratios as between the different ports and also in the same port for different years.

6.12 The Commission pointed out that a large number of factors affect this ratio, some of which could be peculiar to some ports. 'Calcutta Port, for instance, has special features in its working, namely, the dredging of the river and the performance of certain services which are not undertaken at the other ports. Mormugao Port depends mainly on the traffic of a single commodity, namely, exports of ores for the handling of which the port has had so far little need to make any large scale investment on facilities. The bulk of its traffic is dealt with in stream and the balance by the mechanical handling equipment owned and operated by a private concern.' (Para 7.10) In view of the special characteristics of some ports, it is difficult to draw any conclusion about the relative efficiency of the ports from the analysis of this ratio.

6.13 The capital base in the five ports of Bombay, Calcutta, Madras, Visakhapatnam and Cochin together increased from Rs. 107.51 crores in 1951 to Rs. 365.84 crores in 1968-69. (Including the ports of Mormugao, Kandla and Paradip, the capital base for all the eight ports was Rs. 428.34 crores in 1968-69.) During this period, the structure of the capital base of major ports underwent some significant changes. Table 1 give some idea of the extent of these changes.

TABLE 1
Composition of Capital Base of Major Ports

(Rs. in crores)

As on	Govt. Loans	World Bank and other foreign loans.	Debentures	Self-financing & Misc. Sources	Total Capital Base	Percentage of Col. (2) to Col. (6)
1	2	3	4	5	6	7
31-3-1951	8.59	—	37.58	61.34	107.51	8.0
31-3-1956	24.08	—	34.83	82.33	141.24	17.0
31-3-1961*	47.92	6.82	31.92	128.21	214.87	22.3
31-3-1966	69.50	21.23	31.68	183.32	305.73	22.7
31-3-1967	74.29	36.72	33.91	198.20	343.12	21.7
31-3-1968	109.10	36.59	34.83	216.37	396.89	27.5
31-3-1969	123.18	36.10	35.58	233.48	428.34	28.8

*Mormugao figures as on 31.3.1962.

Source : Report of the Commission on Major Ports (Page 255).

6.14 It could be seen from Table 1 that Government loans constituted about 8 per cent of the total capital base of major ports in 1951. In 1969, this share rose to almost 29 per cent. On the other hand, self-financing and miscellaneous sources which contributed 57 per cent of the total capital base in 1951 declined to less than 55 per cent in 1969. The importance of debentures as a source of finance declined drastically over the period. With increasing pace of development from Plan to Plan, it is but natural that the surplus generated by major ports could not be enough to meet the large investment programme undertaken by them. This trend of increasing reliance on Government loans continued during the period of the Fourth Five Year Plan.

6.15 The Study Group also attempted to measure the productivity of capital of major ports. Using the percentage ratio of net revenue (i.e., gross revenue minus working expenses minus depreciation) to total investment for the year 1967-68, it found that this ratio varied from 0.9 in Paradip port to 9.9 in Cochin port.

6.16 The Commission noted the wide gaps between the cost of providing certain services by major ports and the revenue derived from them and the consequent low levels of returns. Considering the ever increasing burden of loans and resource requirements for replacement of the assets of ports in the context of inflationary situation, it suggested several measures to improve their financial performance.

Summing up

6.17 The foregoing review of port finances since the inception of planning reveals two important trends in the financial performance of major ports. Firstly, reliance on external funds, particularly Government loans, has been increasing in the capital structure of the ports and the relative share of internal funds declined. Secondly, most of the ports had low levels of return which left very little surplus to finance increasing investments required for development programmes, particularly after the Second Five Year Plan. Nevertheless, upto 1968-69 the net worth position of all ports together in relation to borrowed funds was not unsatisfactory.

Period from 1969-70 to 1974-75

(a) Revenue, Expenditure and Surplus

6.18 The financial analysis of major ports during this period is based on the annual accounts of major ports.

6.19 The total operating income of all the eight major ports together increased from Rs. 68.27 crores in 1969-70 to Rs. 107.02 crores in 1974-75. As against this, the operating expenditure during the same period increased from Rs. 64.32 crores to Rs. 110.50 crores in 1974-75.

Consequently, the year 1974-75 ended with a deficit of Rs. 3.48 crores as against the operating surplus of Rs. 3.95 crores in 1969-70. Table 2 (on page 81) gives a consolidated picture of operating income, operating expenditure and operating surplus/deficit during the years 1969-70 to 1974-75. It also includes finance and miscellaneous income and expenditure and the surplus/deficit after accounting therefor.

6.20 It would be seen that the operating surplus continuously increased upto 1971-72. In 1972-73, the surplus was insignificant and thereafter there has been deficit for the next two years. The net surplus after taking into account income and expenditure relating to finance and miscellaneous items was reduced and the deficit was accentuated. This is because expenditure on account of these items was substantially larger than income thereon in many ports. Amount-wise, the net surplus of Rs. 15.61 crores accumulated in the first three years of the period was completely wiped out by the deficit of the last three years. Heavy deficit incurred by Calcutta port was the major contributory factor.

6.21 This overall picture, however, conceals a wide variation in the financial performance of individual ports. On the one hand, Bombay and Mormugao ports showed net surplus for all the years; on the other, Calcutta port incurred heavy deficit throughout the period; Paradip port experienced deficit for all the years except in 1969-70; Kandla Port had deficit in 1970-71 and 1974-75; Madras port experienced deficit in 1973-74 and 1974-75; and Visakhapatnam port had deficit only in 1974-75. While Cochin port was in deficit for all the years except 1969-70 and 1970-71. Appendix XV gives a detailed picture for each individual port.

TABLE 2

Total Income, Expenditure and Surplus/Deficit of Eight Major Ports

(Rs. in lakhs)

Year	Operating Income	Operating Expenditure	Operating Surplus(+)/ Deficit(-)	Finance & Misc.		Net Surplus (+)/Deficit (-)
				(+) Income	(-) Expenditure	
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1969-70	6826.97	6432.06	+394.91	1146.97	1331.47	+1210.4
1970-71	7439.20	6965.15	+474.05	975.68	1023.52	+426.21
1971-72	8744.69	7664.84	+1079.85	1320.15	1475.42	+924.58
1972-73	8215.06	8210.12	+4.94	1332.34	1482.26	-144.98
1973-74	8811.42	9244.09	-432.67	1285.01	2040.23	-1188.89
1974-75	10701.60	11049.62	-348.02	1959.37	1916.13	-304.78

(b) *Break-up of Revenue and Expenditure*

6.22 Consequent upon the adoption of the functional classification of accounts introduced in all major ports from 1969-70, revenue and expenditure of all ports were grouped under a few major heads, namely, (i) Cargo-handling and Storage, (ii) Port and Dock facilities (including pilotage), (iii) Railway workings, (iv) Estates and (v) Non-operating (i.e. Finance and Miscellaneous). Expenditure incurred on management and general administration was shown separately. Appendix XVI gives relative share of revenue from each of these heads in the total revenue for each of major ports. For a quick reference, Table 3 gives a summarised version :

TABLE 3

Range of Variations in percentage of Revenue from Major Heads to Total Revenue during the period 1969-70 to 1975-76

Port	Cargo-handling and storage charges	Port and Dock charges (including pilotage fees)	Railway Earnings	Estate Rentals	Non-operating Income
Bombay . . .	52 to 65	7 to 17	4 to 6	10 to 12	12 to 17
Calcutta . . .	46 to 56	10 to 16	7 to 10	7 to 10	17 to 24
Madras . . .	71 to 81	7 to 15	7 to 10	1	3 to 6
Visakhapatnam . . .	66 to 79	4 to 18	9 to 13	2 to 6	0.2 to 8
Cochin . . .	62 to 75	10 to 24	0.4 to 1	7 to 10	6 to 11
Mormugao . . .	62 to 72	15 to 25	3 to 10	1 to 4	3 to 11
Kandla . . .	54 to 66	9 to 26	—	5 to 15	12 to 23
Paradip* . . .	71 to 75	3 to 11	1 to 3	1 to 2	13 to 24

*For the period 1971-72 to 1975-76.

6.23 It may be seen from Table 3 that the largest revenue is derived from Cargo-handling and storage charges, followed generally by Port and Dock charges (including pilotage fees). Further, the relative shares of revenues from different port services considerably varied from port to port; even for a given port, there were variations from year to year. While the percentage share of Cargo-handling and Storage charges in the total revenue of Madras port ranged from 71 to 81 during the period, in the case of Calcutta port, the range was from 46 to 56

Similarly, Port and Dock charges (including pilotage fees) accounted for 15% to 25% of the total revenue of Mormugao port as against only 3% to 11% in the case of Paradip port. To some extent, these variations could be explained in terms of differences in rates and also in the types of traffic handled.

6.24 It would be instructive to examine the relationship between revenue and expenditure for each of the services provided by the ports. Table 4 (on page 84-85) gives details of expenditure incurred by major ports on different port services as percentage of income from those services.

6.25 It may be seen that in all major ports, for the years 1969-70 to 1974-75, expenditure incurred on providing port and dock services was far in excess of revenue derived from them. Cargo handling and Storage charges have been the most paying services in all ports. Except in Visakhapatnam port and for a few years in Madras port, railways have remained a losing proposition in all major ports. As regards Estates, the position is somewhat mixed; Bombay, Calcutta, Visakhapatnam and Cochin ports earned revenue in excess of expenditure throughout the period, though there has been some deterioration in the situation during 1974-75.

6.26 In a memorandum submitted by the All India Port and Dock Workers' Federation, it was contended that deficits incurred by the various ports on certain services rendered to ships, most of which are foreign-owned, amount to a totally unjustified subsidy to them. It was urged that 'the claim of the workers employed in the Indian Port Transport Industry for fair wages, should not be jeopardised because of the persistent pursuit of an illogical policy.'. While considering the paying capacity of the port industry, this fact, it was said, should be taken into consideration. The situation has, however changed since July, 1975, when there was a substantial upward revision in the port rates and charges. The figures for 1975-76 in Table 4 and our perusal of the budget estimates for 1976-77 show that even after this revision, certain services at some ports would still be unremunerative.

(c) *Rates of Return*

6.27 We may now examine the productivity of investment in major ports during the period 1969-70 to 1974-75. We have used two ratios, viz., (i) net surplus as percentage of capital employed and (ii) operating surplus as percentage of capital

TABLE 4

Expenditure of Major Ports on each Service as Percentage of Income from that Service.

Service	1969-70	1970-71	1971-72	1972-73	1973-74	1974-75	1975-76
<i>1. Cargo-handling & Storage.</i>							
Bombay	56	59	49	55	53	58	63
Calcutta	66	63	47	56	72	71	55
Madras	49	39	40	45	47	48	42
Visakhapatnam	33	33	38	38	41	50	43
Cochin	32	36	38	45	48	38	31
Mormugao	18	14	13	12	11	11	10
Kandla	34	37	33	31	32	26	22
Paradip	N.A.	N.A.	44	66	45	24	18
<i>2. Port & Dock facilities (including Pilotage)</i>							
Bombay	258	229	206	197	157	152	97
Calcutta	226	277	247	328	326	378	176
Madras	164	154	163	149	217	224	80
Visakhapatnam	420	446	272	197	203	249	109
Cochin	207	225	203	221	308	322	99
Mormugao	204	123	160	169	181	116	88
Kandla	234	334	316	338	244	488	92
Pradip	N.A.	N.A.	3123	3512	3750	983	317

3. Railway Workings

Bombay	139	146	145	143	147	169	169
Calcutta	111	130	129	122	149	190	134
Madras	77	83	97	103	106	114	86
Visakhapatnam	59	46	41	54	55	74	84
Cochin	341	158	141	144	148	122	132
Mormugao	101	111	107	101	122	105	174
Kandla	—	—	—	—	—	—	—
Paradip	—	—	—	—	—	—	57

4. Rentable Land and Buildings

Bombay	42	45	42	43	43	50	43
Calcutta	17	16	17	19	16	45	39
Madras	157	192	174	183	186	224	194
Visakhapatnam	49	73	108	97	46	90	72
Cochin	58	70	64	61	52	61	35
Mormugao	124	85	180	163	186	187	197
Kandla	99	73	86	101	115	149	126
Paradip	N.A.	N.A.	825	909	700	504	555

employed. Tables 5 and 6 give these ratios for each individual major port as well as for all major ports together.

TABLE 5

*Percentage of Net Surplus to Capital Employed**

Port	1969-70	1970-71	1971-72	1972-73	1973-74	1974-75
Bombay	2.22	3.97	6.42	5.79	3.11	6.42
Calcutta	-4.58	-5.73	-0.31	-4.79	-8.43	-3.56
Madras	2.89	5.72	3.79	1.63	-0.05	-0.03
Visakhapatnam	10.64	8.96	6.79	2.71	1.97	-0.59
Cochin	2.77	2.92	-0.24	-2.93	-6.64	-3.97
Mormugao	4.70	7.48	3.81	3.23	2.68	3.21
Kandla	0.33	-0.79	0.19	0.60	0.05	-2.66
Paradip	N.A.	-0.11	-5.51	-8.76	-10.02	-3.17
All Ports	0.65	1.21	2.29	-0.32	-2.43	-0.54

*Capital Employed=(Capital assets at original cost—Depreciation) + (Current asset—Current liabilities).

TABLE 6

*Percentage of Operating Surplus to Capital Employed**

Ports	1969-70	1970-71	1971-72	1972-73	1973-74	1974-75
Bombay	2.95	1.57	6.08	3.68	5.55	3.55
Calcutta	-5.26	-5.51	-0.93	-5.23	-8.29	-5.84
Madras	4.78	7.43	6.38	4.37	3.20	2.90
Visakhapatnam	13.27	11.49	7.41	4.40	3.48	0.76
Cochin	5.01	3.54	3.33	0.37	-1.79	2.00
Mormugao	3.58	7.69	3.96	3.53	3.28	3.85
Kandla	0.30	-0.94	0.42	0.54	0.35	-2.62
Paradip	N.A.	0.80	-5.90	-8.27	-8.65	-1.81
All Ports	1.21	1.34	2.68	0.01	-0.88	-0.62

*Capital Employed=(Capital assets at original cost—Depreciation)+(Current assets—Current liabilities).

6.28 It would be seen that both the ratios reveal a story of unmixed gloom so far as the productivity of investment in the major port industry as a whole is concerned. Both the ratios show a little improvement in the first three years but during the last two years, they are negative.

6.29 Visakhapatnam port which earned the highest net surplus of 10.64 per cent on Capital employed in 1969-70, continuously lost ground over the period and ended with a negative return of 0.59 per cent in 1974-75. The ratio for Bombay port fluctuated between 2.22 per cent to 6.42 per cent while that for Mormugao port between 2.68 per cent to 7.48 per cent. The ratio for Calcutta port, which was in red, throughout the period ranged from (-)0.31 per cent in 1971-72 to (-)8.43 per cent in 1973-74. Paradip port did not fare better than Calcutta port.

Other operational indicators given in Appendix XVII reveal more or less the same state of affairs.

6.30 In their reply to our Questionnaire, port administrations have argued that major ports are service utilities and non-profit-making organisations and that they are expected to provide services at reasonable cost. However, the following observations by the Commission on Major Ports are relevant in this context :

“The Commission, after careful consideration, has reached the conclusion that the ports should necessarily aim at raising sufficient surpluses to finance a part of their development programmes while keeping in view the public interest. In the absence of a clear enunciation of the financial objective, the port managements have not been ‘forward looking’ and had not provided facilities in anticipation of the traffic developing at their ports. In their anxiety to keep the level of port charges low, the emphasis on creating adequate facilities to expedite the turn-round of vessels, the improved loading and unloading of cargo and other shore facilities were not given adequate attention. It is for this reason that we emphasize the need for a conscious effort at creating surplus through a properly devised rating policy, financing development to a measure from internal resources, and the creation of a cushion in port capacity to take care of peak requirements. All these would not be possible unless the ports aim at providing not merely for the ordinary revenue obligations emphasized in the older Port Acts but even more towards the need for finding resources for development

without detriment to public interest. It is necessary to lay down on ports the obligation to "earn a proper return which will cover depreciation, current costs of replacement of assets, payment of interest and contingencies." (Para 8.3).

6.31 The Commission recommended for major ports a rate of return of not less than 12 per cent on the capital employed with the following break-up;

"6 per cent towards interest charges; 3 per cent towards replacement, rehabilitation and modernization of the capital assets;

and

3 per cent towards reserves for development, repayment of loans and contingencies." (Para 8.9)

For relatively newer ports like Kandla and Paradip, the Commission suggested a phased programme to achieve this target.

6.32 Failure to give effect to these financial objectives has resulted in the financial plight of major ports over the years.

(d) *Capital Structure and Sources and Uses of Funds*

6.33 The total gross assets of major ports increased from Rs. 501.64 crores in 1969-70 to Rs. 896.66 crores in 1974-75, a rise of more than 75 per cent over the period. There was hardly any perceptible change in the gross asset structure of the ports. The share of gross capital assets (gross fixed assets) in the total assets virtually remained the same at about 71 per cent during the period. The shares of current assets and investments declined from 16.7 per cent and 10.8 per cent to 14.3 per cent and 8.8 per cent respectively during the same period. Table 7 gives a consolidated balance sheet of the major ports for the period 1969-70 to 1974-75.

6.34 It will be seen from Table 7 that whilst the assets side did not undergo any perceptible structural changes during the period, the capital and liabilities side reveals some important changes. The trend of increasing reliance on external funds and declining importance of internal funds observed in the review of port finances made earlier has been further accentuated during this period. Reserves and surplus which constituted 31.5 per cent of the capital structure in 1969-70 continuously declined to 23.6 per cent in 1974-75. On the other hand, the share of capital

TABLE 7

Combined Balance Sheet of Major Ports

(Rs. in crores)

Sl. No.	Liabilities	1969-70	1970-71	1971-72	1972-73	1973-74	1974-75
1.	<i>Reserves & Surplus (Total)</i>	157.89	171.41	184.22	194.83	201.31	211.33
	(a) Capital Reserve	112.60	121.45	130.82	138.65	146.76	156.08
	(b) Revenue Reserve	42.83	47.75	51.43	54.47	53.09	54.04
	(c) Reserve for repayment of loans from Government (Bombay port only)	2.30	2.05	1.80	1.55	1.30	1.05
	(d) Other Reserve i.e. Liability Reserve (Calcutta port only)£	0.16	0.16	0.17	0.16	0.16	0.16
2.	Depreciation of Capital Assets	75.04	80.81	87.60	94.50	103.74	111.95
3.	Capital Debts	209.37	228.50	264.94	312.03	360.33	436.51
4.	Pension & Provident Fund	20.23	23.93	28.05	32.56	39.14	44.92
5.	Current Liabilities	39.11	40.90	48.74	56.97	74.81	90.95
6.	<i>Others</i>						
	Bombay Port Trust Centenary Commemoration Fund	—	—	—	—	1.00	1.00
	TOTAL	501.64	545.55	613.55	690.89	780.33	896.66

£ : Liability Reserve on account of Indian Seamen's Home Building Fund.

NOTE :—The figures under "1969-70" include 1970-71 figures of Paradip port since comparable accounts for 1969-70 are not available.

TABLE 7—(contd.)

Combined Balance Sheet of Major Ports

(Rs. in Crores)

Sl. No.	A s s e t s	1969-70	1970-71	1971-72	1972-73	1973-74	1974-75
1.	Capital Assets at Original Cost	355.42	386.67	433.40	487.90	557.24	640.57
2.	Investment	54.04	56.67	61.18	66.38	72.18	79.13
3.	<i>Current Assets (Total)</i>	83.83	87.77	106.57	113.34	110.79	128.03
	(a) Stores & Material	9.17	9.48	9.65	11.51	13.34	16.80
	(b) Sundry Debtors	12.45	16.01	24.29	23.40	20.96	28.45
	(c) Advances and Deposits	11.21	13.31	16.78	22.09	26.35	32.70
	(d) Bank & Cash	51.00	48.97	55.85	56.34	50.14	50.08
4.	<i>Others (Total)</i>	8.35	14.44	12.40	23.27	40.12	48.93
	(a) Deficit	8.35	14.44	12.27	22.92	39.63	48.37
	(b) Deferred Revenue Expenditure (Paradip Port)	—	—	0.13	0.35	0.49	0.56
	TOTAL	501.64	545.55	613.55	690.89	780.33	896.66

NOTE :—The figures under “1969-70” include 1970-71 figures of Paradip port since comparable accounts for 1969-70 are not available.

debts increased from 41.7 per cent in 1969-70 to 48.7 per cent in 1974-75. Of the outstanding capital debts amounting to Rs. 436.51 crores at the end of the year 1974-75, the loans from Government were about Rs. 370 crores or about 85 per cent of the total capital debts. Source-wise break-up of capital debts for each individual port is given in Appendix XVIII.

6.35 The analysis of sources and uses of funds during the period brings this trend in a sharper focus than indicated by the analysis of the balance sheet structure. Table 8 gives a summary of sources and uses of funds during 1969-70 to 1974-75.

TABLE 8

Sources and Uses of Funds : 1969-70 to 1974-75

Sources	(Rs. in crores)	Uses	(Rs. in crores)
1. Reserves & Surplus .	53.44 (13.5)	Capital Assets at original Costs	285.15 (72.2)
2. Depreciation . . .	36.91 (9.3)	Investment . . .	25.09 (6.4)
3. Capital Debts . . .	227.14 (57.5)	Current Assets . . .	44.20 (11.2)
4. Pension and Provident Funds	24.69 (6.3)	Others	40.58 (10.2)
5. Current Liabilities . . .	51.84 (13.1)		
6. Others	1.00 (0.3)		
Total	395.02 (100.0)	Total	395.02 (100.0)

NOTE :—Figures in brackets indicate percentage to total.

6.36 Of the total gross assets of Rs. 395.02 crores added during the period, capital debts contributed a little less than three-fifths, while the contribution of reserves and surplus was only 13.5 per cent. Once again, this consolidated picture conceals a wide variation in the capital structure and sources and uses of funds of individual ports. Appendix XIX gives the balance-sheet structure and sources and uses of funds of each individual port. For a quick reference, the summarised position is given in Table 9.

TABLE 9

Sources of Funds of Major ports during the period 1969-70 to 1974-75

(Rs. in Crores)

	Bombay	Calcutta	Madras	Visakha- patnam	Cochin	Mormugao	Kandla	Paradip	Total All posts
1. Reserves & Surplus	(+)21.99 (51.7)	(+) 9.37 (6.5)	(+) 8.42 (20.4)	(+) 9.61 (11.1)	(-) 0.09 (-0.8)	(+) 4.31 (14.6)	(-) 0.15 (-1.6)	(-) 0.02 (-0.1)	(+)53.44 (13.5)
2. Depreciation of Capital Assets	(+) 7.08 (16.6)	(+)13.03 (9.1)	(+) 5.26 (12.7)	(+) 4.87 (5.6)	(+) 1.27 (11.8)	(+) 1.27 (4.3)	(+) 1.43 (15.5)	(+) 2.70 (8.6)	(+)36.91 (9.3)
3. Capital Debts	(-) 7.24 (-17.0)	(+)86.77 (60.6)	(+)22.11 (53.4)	(+)68.48 (78.7)	(+) 6.48 (60.5)	(+)22.66 (76.9)	(+) 5.59 (60.8)	(+)22.29 (70.8)	(+)227.14 (57.5)
4. Pension & Provident Fund	(+)12.89 (30.3)	(+) 6.03 (4.2)	(+) 2.44 (5.9)	(+) 1.46 (1.7)	(+) 0.39 (3.6)	(+) 0.69 (2.4)	(+) 0.61 (6.6)	(+) 0.18 (0.6)	(+)24.69 (6.3)
5. Current Liabilities	(+) 6.82 (16.0)	(+)28.05 (19.6)	(+) 3.15 (7.6)	(+) 2.55 (2.9)	(+) 2.67 (24.9)	(+) 0.54 (1.8)	(+) 1.72 (18.7)	(+) 6.34 (20.1)	(+)51.84 (13.1)
6. Others	(+) 1.00 (2.4)	—	—	—	—	—	—	—	(+) 1.00 (0.3)
Total	(+)42.54 (100.0)	(+)143.25 (100.0)	(+)41.38 (100.0)	(+)86.97 (100.0)	(+)10.72 (100.0)	(+)29.47 (100.0)	(+) 9.20 (100.0)	(+)31.49 (100.0)	(+)395.02 (100.0)

NOTE :—Figures in brackets indicate the percentages.

TABLE 10

Interest paid by Major Ports during the Period 1969-70 to 1974-75

(Rs. in lakhs)

I t e m s	1969-70	1970-71	1971-72	1972-73	1973-74	1974-75
1. Loans from Government*	318.49	344.94	456.78	498.30	579.32	626.35
2. Loans from I. B. R. D.	175.06	165.51	155.64	156.19	161.86	151.04
3. Loans from other countries£	27.85	36.87	37.51	36.77	38.84	38.41
4. Debenture Loans@	145.26	153.36	166.02	203.49	173.00	205.26
5. Loans from other sources	3.84	4.91	5.87	6.35	4.68	2.86
TOTAL	670.50	705.59	821.82	901.10	957.70	1023.92

*Includes interest on Government Loans for payment of arrears in respect of implementation of Wage Board award in Calcutta port and interest capitalised on major works in Paradip port.

£Includes interest on sterling loans in Calcutta port.

@Includes interest on rupee loans in Calcutta port.

TABLE 11

Capital Loans repaid during the period 1969-70 to 1974-75

(Rs. in lakhs)

I t e m s	1969-70	1970-71	1971-72	1972-73	1973-74	1974-75
1. Government Loans . . .	133.09	142.55	158.09	180.47	222.50	126.53*
2. Loans from I. B. R. D. . .	217.78	214.56	228.51	259.12	303.83	342.49
3. Loans from other countries	2.33	18.52	31.18	34.78	41.82	51.68
4. Debenture Loans . . .	100.00	200.00	150.00	—	50.00	140.24
5. Loans from other sources . .	18.48	18.99	20.45	27.64	24.89	448.34
Total	471.68	594.62	588.23	502.01	653.04	1109.28*

*Calcutta port has made the following entry in respect of Capital Debts in Schedule 3 to the Balance Sheet for 1974-75 :

'Less : Loans repaid during 1974-75 Cr. 87,64,592.52'

However, the amount of Rs, 87,64,592.52 is added to the total outstanding Capital Debt instead of deducting therefrom.

It is hence assumed that there was no repayment of loan.

6.37 Table 9 shows that while in Bombay port, reserves and surplus contributed as high as 51.7 per cent to the gross asset formation during the period, their contribution in the ports of Cochin, Kandla and Paradip was nil. For the remaining ports, the percentage varied from 6.5 in Calcutta port to 20.4 in Madras port. Capital debts, on the other hand, provided more than 70 per cent of the gross asset formation in the ports of Mormugao, Visakhapatnam and Paradip. Bombay port actually repaid a part of its capital debts during the period.

6.38 The ports do carry a considerable burden of capital debts, totalling to Rs. 436.51 crores at the end of the year 1974-75. The liability on account of interest charges and repayment of loans has to be taken into account while assessing their financial position in the years to come. It may be seen from Table 10 in this context that the total interest charges on loans of the ports increased from Rs. 6.71 crores in 1969-70 to Rs. 10.24 crores in 1974-75. Similarly, the amount of loans repaid increased from Rs. 4.72 crores in 1969-70 to Rs. 11.09 crores in 1974-75. The relevant details are given in Table 11. Port-wise break-up regarding interest charges paid and capital loans paid are given in Appendices XX and XXI respectively.

6.39 The development programmes in the Fifth Five Year Plan would require additional borrowing on a substantial scale if the internal funds continue to be at very low levels. This raises a fundamental question regarding the desirable quantum of self-financing that should be expected of public utilities like ports. According to the Study Group appointed by the Commission on Major Ports, there can be no scientific determination as regards the extent of self-financing that Port Trusts may be permitted or required to achieve through their rate policies. This cannot be rigid though it should bear relationship with the general trends of ploughback practised by business enterprises in the economy as a whole, with suitable modifications required by the infra-structural role that Port Trusts are called upon to play from time to time.

6.40 Commenting upon the increasing reliance by major ports on Government loans, the Commission on Major Ports observed :

“Ad hoc policies were adopted for financing the capital development from internal resources and they were not backed by a growth oriented rating policy to sustain a constant flow of funds from this source.....”
(Para 10.3).

6.41 This *ad hoc* approach continued during the period of the Fourth Five Year Plan and contributed a great deal to the worsening of the financial position of the ports, particularly in the context of mounting costs and inflationary situation.

6.42 The overall picture that emerges about the major port finances for the period 1969-70 to 1974-75 is not altogether a happy one. It is, however, gratifying to note that this picture has changed to one of cautious optimism in 1975-76.

Year 1975-76 : Turning of the Corner

6.43 The year 1975-76 marks the turning point in the finances of major ports. During the year, the Ministry of Shipping and Transport, after a comprehensive review of the finances of major ports, issued guidelines laying down principles for suitable revision of the rate structure, not only to cover the operating expenditure including interest and debt obligations but also to wipe off accumulated deficits and further to generate funds for development and replacement, rehabilitation and modernisation of capital assets. Accordingly, the rates and charges were revised by all major ports during the year.

6.44 Largely as a result of the revision of the rate structure, the total revenue of major ports increased from Rs. 126.6 crores in 1974-75 to Rs. 178.8 crores in 1975-76, a rise of over Rs. 52 crores. Table 12 shows the revenue of each of the major ports for the years 1974-75 and 1975-76.

TABLE 12

Revenues of Major Ports : 1974-75 and 1975-76

Port	1974-75	(Rs. lakhs)	
		1975-76 (Revised Estimates)	1975-76 (Actual)
Bombay	3946.74	4566.08	5050.83
Calcutta	4214.25	5391.00	5568.29
Madras	1496.24	2108.95	2305.36
Visakhapatnam	1087.77	1640.14	1776.54
Cochin	610.23	1037.34	1053.50
Mormugao	429.77	493.51	559.03
Kandla	480.00	694.04	792.60
Paradip	395.87	740.80	771.69
All Ports	12660.97	16671.86	17877.84

6.45 It will be seen that every port experienced a substantial rise in its revenue during 1975-76. It is no doubt true that there was increase in expenditure also. Operating expenditure increased from Rs. 110.50 crores in 1974-75 to Rs. 126.55 crores in 1975-76. (refer appendix XV) Even then, the operating surplus in 1975-76 was Rs. 29.56 crores. It may be noted that increase in operating expenditure in 1975-76 included increase in wage bill arising out of Interim Relief recommended by us. The operating surplus of Rs. 29.56 crores in a single year (1975-76) is significantly greater than the total operating surpluses accumulated by major ports during the first four years of the period 1969-70 to 1974-75, the two years of 1973-74 and 1974-75 being deficit years. Even after taking into account the income and expenditure under the head 'Finance and Miscellaneous' the surplus in 1975-76 came to Rs. 24.79 crores.

Prospects for the Future

6.46 We have reason to believe that the future of major ports is bright. The budget estimates of operating revenue, operating expenditure and operating surplus for the year 1976-77 are placed for all major ports together at Rs. 175.64 crores, Rs. 148.95 crores and Rs. 26.69 crores respectively. The financial position of the ports should further improve with the expected increase in traffic; the Fifth Five Year Plan observes : 'The traffic handled at Major Ports is expected to increase from 65.84 million tonnes in 1974-75 to about 77 million tonnes in 1978-79'. (Para 5.111) As discussed in Chapter V, there is an all-round improvement in productivity at all major ports after the Proclamation of Emergency. Major ports have also taken a number of steps to reduce unproductive expenditure. Surplus labour, which is said to inflate the wage bill, is being reduced by adoption of voluntary retirement schemes and other measures; the overtime bill is being brought under control. With further tightening up of the administration, substantial economy could be effected.

In the draft Fifth Plan, a provision of Rs. 308 crores was made for major ports; the revised outlay, however, is placed at Rs. 521.46 crores, of which the outlay for the first three years of the Plan, 1974-77, is reckoned at Rs. 346.80 crores leaving Rs. 174.66 crores for the remaining two years of the Plan. We appreciate that the outlay for the last two years is quite substantial and major ports will have to depend heavily on Government loans notwithstanding operating surpluses. In this connection, we would emphasise that the recent revision of the rate structure

should not be regarded as the last word; even with the recent increase in the rate structure, the revenue from certain services does not cover their costs. While we do agree that in a complex service organisation like a port, some degree of cross-subsidisation is unavoidable, the basic financial objectives underlined by the Commission on Major Ports ought to receive prime consideration. The need for constant watch and, if necessary, further review of the rate structure is obviously indicated.

6.47 Our optimism that these healthy developments will continue in the years to come has influenced our view that the wage structure formulated by us would not impose any undue burden on the finances of major ports.

6.48 As regards Dock Labour Boards, we do not consider it necessary to undertake an analysis of their finances with a view to determining their capacity to pay any increase in wages. The financial requirements of Dock Labour Boards are met out of wages and levies collected from registered and listed employers. The stevedores and other private employers, while pleading that they would not be able to bear higher wages and levies, did not furnish facts and figures to support their plea. In any event, the general tenor of evidence before us was that the stevedores and other employers would not themselves have to bear the extra burden resulting from increase in wages.

CHAPTER VII

PROPOSED WAGE STRUCTURE

I. PAY SCALES

Proposals of Federations

7.1 In its memorandum, the All India Port and Dock Workers' Federation maintained that the wage structure evolved by the Wage Board fell far short of the need-based minimum wage on the norms recommended by the 15th Indian Labour Conference. It demanded that 'the Wage structure for the port and dock workers should be constructed on a minimum, which is higher than the Need-based minimum wage, compiled as per the norms prescribed for it, by the Fifteenth Indian Labour Conference which were meant for dedicated vegetarians, engaged in such light sedentary or moderate work as would require a calorie intake of 2700 calories, which according to the findings of the Nutritional Advisory Committee would be no higher than what would be required for playing cards.' According to the Federation, as the bulk of workers employed in ports and docks are required to do strenuous work and as most of them are non-vegetarian by custom and tradition and also as the average size of the industrial worker's family is more than three consumption units, the minimum wage for them should be at least 25 per cent more than the need-based minimum wage of the concept of the Indian Labour Conference.

7.2 In computing minimum wage for the lowest paid employee, the Federation started with the Third Pay Commission's estimate of need-based minimum wage of Rs. 314 per month worked out on the average prices prevailing in the cities of Bombay, Calcutta, Madras and Delhi, corresponding to Index Number 200 of the 1960 series. The Federation pointed out that Rs. 314 corresponding to Index Number 200 would rise to Rs. 392.50 at Index Number 250 advocated by the Federation for linking our wage structure. Increasing this amount by 25 per cent in view of the strenuous and arduous nature of work done in the docks, non-vegetarian habits of workers and the higher average size of their family, the minimum remuneration required for sustaining the efficiency of workers was placed at Rs. 490.50 rounded to Rs. 500. This amount included the elements of house rent allowance and city compensatory allowance, which the Federation desired to be merged into basic pay.

7.3 According to the Federation, the differential between the lowest and the highest wage proposed by the Wage Board was roughly 1 : 4. Between the lower limit of Rs. 500 and the upper limit of Rs. 2000, the Federation proposed the following eight pay scales to cover all categories of employees in ports and docks :

- | | |
|---|--|
| 1. Lowest Category | Rs. 500-7-570-8-690
(25 years span) |
| 2. Semi-skilled & equivalents | Rs. 550-8-630-9-720-10-770
(25 years span) |
| 3. Higher semi-skilled and heavy manual | Rs. 600-10-700-12-1/2-825-15-900
(25 years span) |
| 4. Skilled, Basic Clerical & equivalents | Rs. 700-15-775-20-875-25-1000-30-1300
(25 years span) |
| 5. Highly Skilled & equivalents | Rs. 800-30-1250-35-1600
(25 years span) |
| 6. Supervisory, Technical and equivalents | (a) Rs. 1000-35-1350-40-1750
(20 years span) |
| | (b) Rs. 1200-40-1600-50-1850
(15 years span) |
| | (c) Rs. 1500-50-2000
(10 years span) |

7.4 The Indian National Port and Dock Workers' Federation proposed in its memorandum minimum basic wage of Rs. 475 per month after merging Dearness Allowance payable on the 1st January, 1974, into basic pay. In addition to this, the Federation demanded House Rent Allowance at the rate of 25 per cent and City Compensatory Allowance at the rate of 15 per cent of basic pay in all the major ports.

7.5 This Federation suggested the following eleven scales of pay to cover all categories of port and dock workers :

- | | |
|---------------------------------------|-------------------------------|
| (1) Unskilled | Rs. 475-10-525-12-585-15-660 |
| (2) Semi-skilled | Rs. 500-10-520-12-556-15-706 |
| (3) Skilled Gr. II | Rs. 550-15-700-18-790 |
| (4) Skilled Gr. I | Rs. 600-15-690-18-816-20-856 |
| (5) Highly skilled Grade II | Rs. 630-15-675-18-765-20-905 |
| (6) Highly skilled Grade I | Rs. 670-18-760-20-860-25-985 |
| (7) Supervisory Gr. II | Rs. 750-20-850-25-975-305-112 |

(8) Supervisory Gr. I	Rs. 800-25-900-30-1050-40-1290
(9) (Clerical) Asstt.	Rs. 670-18-760-20-860-25-985
(10) (Clerical) Senior Assistant	Rs. 900-30-1050-35-1225-40-1425
(11) Supervisory (Special)	Rs. 1000-40-1200-45-1420-60-1720

7.6 The Water Transport Workers' Federation of India calculated the need-based minimum wage at Rs. 620 at Index Number 300 of the 1949 series. This amount included Rs. 100 by way of House Rent Allowance. As regards City Compensatory Allowance, the Federation felt that the same could be avoided if the need-based minimum wage be calculated on the basis of prices of commodities prevailing in major port cities. The above estimate of minimum wage put forward by the Federation was stated to include the element of city compensatory allowance. However, if the above proposals were not acceptable, the Federation would like 20 per cent of basic pay as House Rent Allowance and 15 per cent of basic pay as City Compensatory Allowance.

7.7 The Federation proposed the following eight pay scales to cover all categories of employees :

(1) Unskilled	Rs. 510-15-585-20-685-25-810
(2) Semi-skilled II	Rs. 560-17-645-22-755-27-890
(3) Semi-skilled I	Rs. 615-18-705-24-825-30-975
(4) Skilled II	Rs. 675-19-770-26-900-33-1065
(5) Skilled I	Rs. 745-21-850-29-995-36-1175
(6) Highly Skilled	Rs. 820-22-930-32-1090-40-1290
(7) Special skilled	Rs. 900-25-1025-35-1200-45-1425
(8) Supervisory	Rs. 1000-27-1135-38-1325-50-1575

7.8 As stated earlier in Chapter I, the Port, Dock and Waterfront Workers' Federation of India neither filed any memorandum nor appeared before us. They had, however, in their letter addressed to the Ministry of Shipping and Transport, made certain suggestions on the subject. The said letter was forwarded by the Ministry to us for consideration. The Federation proposed a basic wage of Rs. 300 per month at the lowest level to correspond to Index Number 300 of the 1949 series; in addition, it proposed Variable Dearness Allowance at the rate of Rs. 1.30 per point, House Rent Allowance at the rate of 16 per cent and City Compensatory Allowance at the rate of 10 per cent of basic pay in the revised scale in all ports.

7.9 The scales proposed by the Federation are as follows :

(A) *Port Trust Wage Scales :*

(1) Unskilled	Rs. 300-5-350-8-414
(2) Semi-skilled	Rs. 360-8-400-10-500
(3) Skilled—B	Rs. 450-10-500-12.50-575
(4) Skilled—A	Rs. 510-12.50-585-15-645
(5) Highly skilled—B	Rs. 600-15-675-20-815
(6) Highly skilled—A	Rs. 660-20-840
(7) Supervisor—C	Rs. 740-20-820-25-945
(8) Supervisor—B	Rs. 810-25-985
(9) Supervisor—A	Rs. 875-25-950-30-1100

(B) *Dock Labour Board Wage Scales :*

(1) Mazdoor (Regd. Scheme)	Rs. 360-8-400-10-550
(2) Leading Mazdoor	Rs. 390-8-430-10-580
(3) Signalman	Rs. 400-10-500-12.50-625
(4) Winch Driver	Rs. 450-10-550-12.50-610-15-655
(5) Tally Clerk	Rs. 450-10-520-15-640
(6) Tindal/Deck Foreman	Rs. 510-12.50-560-15-650
(7) Foreman	Rs. 750-16-830-20-850
(8) All Mazdoors in the Listing Scheme and workers of Shore Handling and Ore Handling of Port Trust	Rs. 330-6-390-8-470

(C) *Ministerial Wage Scales :*

(1) Junior Asstt.	} Rs. 510-12.50-585-15-645
Sr. Typist	
Steno 'C'	
(2) Sr. Assistant	} Rs. 600-15-675-20-815
Head Typist	
Steno 'B'	
(3) Head Assistant	} Rs. 735-20-820-25-945
Steno 'A'	
(4) Office Supdt.	Rs. 875-25-950-30-1100

The Case of Employers

7.10 The employers urged that port and dock workers are already adequately paid and their existing wage structure needed no upward revision. Even their approach to the question of merger of any portion of Dearness Allowance into basic pay was halting. While most of the employers fairly conceded that there

was no chance of the consumer prices dipping below the present levels, they were agreeable at best to merger of only the element of (fixed) Dearness Allowance in the existing wage structure, into basic pay. Only one employer, however, felt that, in addition to (fixed) Dearness Allowance, Additional Dearness Allowance payable on the 1st January, 1974, might also be merged into basic pay.

Our Proposals

A. MINIMUM WAGE

7.11 We have set out in Chapter V the basic considerations governing our approach to the question of formulation of the wage structure of port and dock workers. We have, keeping in view those considerations, reached the conclusion that a total wage of Rs. 325 corresponding to Index Number 250 of the 1960 series, equivalent to 303 of the 1949 series, would be a fair wage for the lowest paid worker of ports and docks on the 1st January, 1974.

7.12 We may mention that in practice the minimum wage of Rs. 325 becomes merely notional, as there has been hardly any new recruitment in the industry in recent years and most of the serving employees have already earned several increments in their existing scales and as a result of the fitment formula devised by us, most of them would draw more than the minimum of the scales. Besides, the higher rates of increments in our proposed scales and our formula for neutralisation of rise in the Index Number would further improve their emoluments.

B. OUR PROPOSED PAY SCALES

7.13 Having determined the minimum wage, our next task is to build up pay scales. We are unable to agree to the system suggested by the Federations that pay scales should be evolved more or less on the classification of skills only. Our survey of the existing scales has led us to conclude that skill alone cannot be made the basis of pay scales; there are other factors also which have to be taken into consideration, e.g., strain of work, environmental conditions, hazards involved, disagreeableness of work etc. The Classification and Categorisation Committee prescribed scales with reference to all relevant factors and the Wage Board scales were by and large derived from scales formulated by the Classification and Categorisation Committee and brought on to the Second Pay Commission scales. We feel that it would be equitable and reasonable to work out our scales with reference

to the Wage Board scales after rationalising them by appropriate grouping. As stated in Chapter V, we have formed 24 groups of the existing pay scales. We now propose, having regard to the minimum basic wage of Rs. 325, a pay scale for each of these 24 groups as set out below :

Existing Scales (Rs.)	Our Proposed Scales (Rs.)
GROUP I	
100-2-120-EB-2-130 100-2-130 110-2-130	325-4-365-EB-5-415-(20)
GROUP II	
104-2-116-3-131-EB-3-140 104-2-116-3-140	330-4-362-EB-5-402-EB-6-426 (20)
GROUP III	
110-2-50-120-3-135-EB-3-147 110-2-50-120-3-147 110-2-50-120-3-147-3-156	340-4-360-EB-5-400-EB-6-442 (20)
GROUP IV	
115-3-136-4-140-EB-4-160 115-3-136-4-160 118-3-136-4-160	350-5-375-EB-6-435-EB-7-470 (20)
GROUP V	
124-3-136-4-140-EB-4-160 124-3-136-4-140-EB-4-160-5-185 125-3-134-4-170 125-3-134-4-170-5-175 135-4-163-5-198 135-4-163-5-178	360-6-390-EB-7-460-EB-8-500 (20)
GROUP VI	
125-3-134-4-170-5-195-6-225 125-3-134-4-162-EB-4-170-5-185 130-4-170-5-195 130-4-170-5-195-EB-6-225 131-3-134-4-162-EB-4-170-5-180 138-4-170-5-185 138-4-170-5-180 142-4-170-5-175	370-7-405-EB-8-485-EB-9-530 (20)
GROUP VII	
142-4-170-5-195 146-4-170-5-185 150-4-170 150-4-170-5-190 150-4-170-5-195	400-7-435-EB-8-515-EB-10-565 (20)

Existing Scales (Rs.)

Our Proposed Scales (Rs.)

GROUP VIII

150-4-170-5-195-EB-6-225
 166-4-170-5-195
 166-4-170-5-195-6-207
 166-4-170-5-195-6-225

} 420-7-455-EB-9-545-EB-10-595
 (20)

GROUP IX

150-4-170-5-195-EB-6-225-EB-7-253
 150-4-170-5-195-6-225-7-260
 166-4-170-5-195-6-225-EB-7-253
 166-4-170-5-195-6-225-7-246
 170-5-190-8-246
 170-5-190-8-270
 180-5-190-8-246
 190-5-195-6-225-7-281
 190-8-254
 150-4-170-5-195-6-225-EB-7-281
 150-4-170-5-195-EB-6-225-7-302

} 425-8-465-EB-10-535-EB-12-655
 (22)

GROUP X

170-5-190-8-270-10-290
 170-5-190-8-230-EB-8-270-10-290
 170-5-190-8-230-EB-8-270-10-280
 170-5-190-8-230-EB-10-290
 190-8-270-10-280
 190-8-270-10-290
 214-8-270-10-280

} 450-8-490-EB-12-610-EB-15-700
 (21)

GROUP XI

160-5-190-8-270-10-320
 160-5-190-8-270-10-340
 170-5-190-8-230-EB-8-270-10-320
 170-5-190-8-230-EB-8-270-10-310
 170-5-190-8-270-10-300-EB-10-330
 190-8-270-EB-10-320
 214-8-270-10-320

} 465-10-515-EB-12-635-EB-15-725
 (21)

GROUP XII

170-5-190-8-270-10-300-EB-10-330-12-366
 180-5-190-8-270-10-370
 180-5-190-8-270-10-400
 190-8-270-EB-10-330-12-354
 190-10-300-EB-15-360
 190-8-270-10-300-EB-10-330-12-366
 190-10-300-EB-15-375
 206-8-270-10-300-EB-10-330-12-366
 214-8-270-10-330-12-354
 190-8-270-EB-10-320-12-380

} 480-10-530-EB-15-680-EB-20-800
 (21)

Existing Scales (Rs.)	Our Proposed Scales (Rs.)
<i>GROUP XIII</i>	
246-8-270-10-320 246 8 270-10-310 246-8-270-10-330-12-354 246-8-270-10-330-12-366 280-10-330-12-354	} 575-15-680-EB-20-840 (15)
<i>GROUP XIV</i>	
190-10-300-EB-15-375-20-415 220-10-300-EB-15-375-20-415 220-10-300-15-375-20-475 240-10-300-15-375-EB-20-415 240-10-300-EB-15-375-20-395	} 500-15-680-EB-20-780-EB-25-880 (21)
<i>GROUP XV</i>	
200-10-300-15-375-20-475-25-550 200-10-300-15-375-20-475-25-600 220-10-300-15-375-20-475-25-625	} 500-15-650-EB-20-750-EB-25-950 (23)
<i>GROUP XVI</i>	
250-10-400 250-10-300-15-375-EB-20-415 250-10-300-15-375-EB-20-435 270-10-300-15-375-20-435 275-10-375-15-450 280-10-300-15-375-EB-20-415 290-10-300-15-375-20-415 290-10-300-15-375-20-435	} 600-15-675-EB-20-835-EB-25-885 (15)
<i>GROUP XVII</i>	
246-8-270-10-290-10-300-15-375-20-475 250-10-300-15-375-20-415-EB-20-475 250-10-300-15-375-EB-20-475 250-10-300-15-375-EB-20-515	} 600-15-675-EB-20-875-EB-25-1000 (20)
<i>GROUP XVIII</i>	
290-10-300-15-375-20-475 290-10-300-15-375-20-415-EB-20-475 290-10-300-15-375-EB-20-515	} 645-15-675-EB-20-875-EB-25-1000 (17)
<i>GROUP XIX</i>	
310-15-385-20-485 310-15-370-20-510 310-15-370-20-490-20-510 310-15-370-20-450-EB-20-550 310-15-370-20-550 340-15-370-20-510 340-15-370-20-530 355-15-370-20-490-20-510	} 675-20-875-EB-25-1050 (17)

Existing Scales (Rs.)	Our Proposed Scales (Rs.)
GROUP XX	
370-20-550	} 750-25-950-EB-25-1100 (14)
375-20-515	
375-20-535	
375-20-575	
375-20-595	
GROUP XXI	
360-20-560-EB-20-600-25-650	} 775-25-975-EB-25-1150 (15)
375-20-575-25-625	
380-20-600-25-650	
390-20-450-25-625	
390-20-450-25-650	
350-25-650	
GROUP XXII	
410-20-550	} 800-25-1000-EB-25-1100 (12)
430-20-550	
440-20-560	
GROUP XXIII	
415-20-575-25-650	} 800-25-1000-EB-25-1150 (14)
440-20-600-25-650	
450-25-575	
GROUP XXIV	
475-25-600	} 900-30-1050-EB-30-1200 (10)
475-25-650	
500-25-650	
525-25-650	
500-25-600	

- N.B.** (i) Figures in brackets indicate the span of scales in years.
- (ii) Many of the existing scales have Efficiency Bar at some stage. In the existing scales grouped above, the Efficiency Bar is shown but there also exist some identical scales without the Efficiency Bar. The above grouping of existing scales should be understood to relate both to scales with the Efficiency Bar and scales without the Efficiency Bar.
- (iii) The scale of Rs. 315-15-360-20-600-25-650 is not included in the above grouping. Our proposed scales for employees borne on this scale prevailing in Bombay and Kandla ports are indicated in our recommendations for those ports in Chapter X.

- (iv) The above grouping of the existing scales does not include the extended or elongated scales prescribed by the Wage Board for the incumbents on the 42 SPC equivalents of Pre-CCC scales (Para 7.2.40) and recommended for certain other categories of dock workers (Para 7.2.105). Our proposed scales for such of these employees who are still borne on any such extended or elongated scales would be the one corresponding to the primary, unelongated existing scale. The position would be the same in respect of employees who are given increments beyond the maximum of the existing scales on the ground of their stagnation at the maximum of the scale. The fitment formula devised by us takes care of the increments earned by them beyond the primary unelongated existing scales.

7.14 We make it clear that our proposed scales include House Rent Allowance and City Compensatory Allowance as well as (fixed) Dearness Allowance and Additional Dearness Allowance admissible on the 1st January, 1974. No House Rent Allowance or City Compensatory Allowance will therefore be payable at any port with effect from the 1st January, 1974, and no Dearness Allowance or Additional Dearness Allowance also will be payable except on rise above Index Number 250 of the 1960 series, according to the formula given by us at a later stage of this Chapter.

7.15 As elements of House Rent Allowance and City Compensatory Allowance amounting to 26 per cent of basic pay are taken into account in our proposed scales, the employees in Paradip port will derive a benefit which will more than compensate them for the Special Allowance of the nature of Compensatory Allowance being paid to them at present. Accordingly, the said allowance shall be discontinued with effect from the 1st January, 1974.

C. RATES OF INCREMENTS IN OUR PROPOSED PAY SCALES

7.16 It will be observed that our proposed scales step up the rates of increments in almost all scales. We have done so for more reasons than one. The rates of increments in our proposed scales should reflect, in some measure, the increases in price levels since 1969. Further, House Rent Allowance and City Compensatory Allowance being no more separate elements related to basic pay, there is need to revise upwards the rates of

increments so as to compensate for the loss of increases in these elements arising out of increments earned. Also, the rates of increments should bear some reasonable proportion to basic pay.

7.17 The Third Pay Commission recommended that to avoid cumbersome calculations of salary for parts of the month in consequence of increments accruing on different dates of the month, the increments should be given on the 1st of the month in which they fall due. We consider this to be a good suggestion and we recommend that this be adopted by all employers of port and dock workers.

D. EFFICIENCY BARS.

7.18 Two opposite views have been placed before us on the subject of Efficiency Bars. Representatives of workers were not in favour of Efficiency Bars and urged that workers should be able to run through the scale upto the maximum without any impediment. One of the supporting arguments was that stoppage at the Efficiency Bar was not always regulated by merits of the individual case and whims and fancies of superior officers also played a role. Port Trusts and Dock Labour Boards, on the other hand, insisted on the provision of Efficiency Bars on the ground that at appropriate stages, the work and conduct of employees ought to be re-assessed. After giving due thought to the matter, we are of the opinion that Efficiency Bars should not be dispensed with. If an employee is assured that he would always, without any let or hindrance, go up to the maximum of the scale, he is apt to relax not only in efficiency but also in discipline and conduct. The employer must have an opportunity to review the performance of the employee periodically. We have, therefore, provided for Efficiency Bars generally at a stage where there is an increase in the rate of increment. We do hope that the authorities concerned will adopt objective standards in enforcing the Efficiency Bars.

E. SPAN OF OUR PROPOSED PAY SCALES

7.19 Except in regard to higher scales, we have provided scales of a span of 15-20 years or more. We favour such long scales for two reasons: firstly, if there are no promotional avenues to an employee, he should normally expect a pay rise annually for the best part of his career; and secondly, even if there are openings for promotion, an employee who is not found fit for promotion but nevertheless deserves to hold his post, should normally continue to draw increments and thereby be a contented worker.

F. STAGNATION INCREMENTS

7.20 Notwithstanding the long scales proposed by us, it is not impossible that an employee remains at the maximum of the scale for a number of years, particularly if he has no promotional avenues. In our opinion, stagnation at the maximum of a scale for a long time adversely affects the morale and efficiency of the employee. With a view to remedying such a situation, we recommend that an employee stagnating at the maximum of our proposed scale for three years should be given personal pay equal to one increment in that scale and if he further stagnates for a further period of three years, he should be given a second increment by way of additional personal pay, such increments being the increment last drawn by him. The personal pay so granted should count for all purposes. However, this benefit shall not be available to employees who have not been promoted to the next higher grade due to their not passing the requisite test or otherwise found unfit or against whom disciplinary proceedings are pending; it shall not also be available to employees who are on a basic pay of Rs. 1200.

G. SKILLED GRADES

7.21 The Classification and Categorisation Committee evolved three short scales for skilled artisans with the following observations :

“It is said that the one long scale as prevailing in the Railways is not satisfactory on the main ground that a long scale inhibits the growth of skills and incentive to improvement. There is on the other hand a legitimate anxiety that if the three short scales are given there might be a hiatus at the end of each scale, as promotion will normally have to await a vacancy. This Committee has decided that the skilled artisans of the Ports should be given the 3 scales, viz. (1) Rs. 60-5/2-75, (2) Rs. 75-3-105, and (3) Rs. 100-5-130. Concomitantly with the granting of such scales, it is provided that towards the end of the Rs. 60-5/2-75 scale, and also towards the end of the Rs. 75-3-105 scale, there shall be trade tests before the skilled workmen concerned, with approved service, are allowed to proceed to the next higher scale; but it is also provided that nobody with approved service who has passed the trade test shall be held up in either of the two grades for want of a vacancy, and that the Ports Administrations concerned shall take appropriate steps to ensure such end within the totality of the skilled posts.” (Para 27)

7.22 The system of three short scales for skilled artisans was continued by the Wage Board which prescribed corresponding scales of Rs. 150-4-170-5-190, Rs. 166-4-170-5-195-6-225 and Rs. 190-8-254. The practice of trade tests at the end of the first and second scales and of automatic promotion to the next higher scale irrespective of existence of vacancies was also continued.

7.23 A suggestion was made to us that with a view to facilitating continuation of the existing scheme regarding skilled artisans, they should be treated as a separate group and given three short scales as before. In our proposed scales, the corresponding three scales, Rs. 400-7-435-EB-8-515-EB-10-565, Rs. 420-7-455-EB-9-545-EB-10-595, and Rs. 425-8-465-EB-10-535-EB-12-655, have a long span of 20 years or more. These long scales should not, in our opinion, prevent the holding of trade tests at some stage and promotion to a higher scale irrespective of existence of vacancies but within the totality of skilled posts. It may be decided at the local level, having regard to the present practice, as to at what stage in the first two scales the trade tests should be held. The advantage of long scales is that an artisan who fails to pass the trade test can nevertheless move towards the maximum of the scale, if he continues to be efficient.

II. FITMENT IN OUR PROPOSED PAY SCALES

7.24 The question of fitment of employees in service on the 1st January, 1974, in our proposed scales is of crucial importance as the fitment formula indicates the stage at which employees should be fixed in our proposed scales.

7.25 The following considerations have weighed with us in evolving our fitment formula; firstly, there should not be wide variations in the net benefit resulting from the revision of pay scales for all categories of employees except those who, on a consideration of their existing pay scales not being commensurate with their duties and responsibilities, have been given improved scales by us in Chapter X; secondly, the difference of pay between senior employees who have put in long years of service and are presently enjoying considerable differential in pay over their junior colleagues in the same category should not be completely obliterated.

7.26 Most of the employees had opted for Wage Board scales and had been fitted therein in accordance with the formula laid down by the Board. If at all there are any employees who are

not on Wage Board scales, they ought to be brought on to our proposed scales by the process of determining first their corresponding Wage Board scales and thereafter fixing them in our appropriate proposed scales in accordance with our fitment formulae.

7.27 In their evidence on the subject of fitment in our proposed scales, workers' representatives demanded point to point fixation, i.e., by giving the employees as many increments in our proposed scales as they had already earned in their existing scales on the 1st January, 1974. The demand does not appeal to us as, in the words of the Third Pay Commission, this would amount to retrospective introduction of our proposed scales.

7.28 We have examined the various formulae adopted by the Central Pay Commissions as well as the Central Wage Boards for various industries set up from time to time. In view of the consolidated nature of the scales evolved by us, none of those formulae is considered to be suitable for adoption.

7.29 After anxious and careful consideration, we adopt the following general formula for fitment of the employees in the proposed scales:

(a) *Total Emoluments*

(i) In the first instance, total emoluments of an employee as on the 1st January, 1974, should be determined. The components of total emoluments shall be basic pay in his Wage Board scale or any extension or elongation thereof, increments, if any, given beyond the Wage Board scale on the ground of stagnation at the maximum of the scale, Dearness Allowance, Additional Dearness Allowance, House Rent Allowance and City Compensatory Allowance payable on the 1st January, 1974, Personal pay and special pay admissible on the 1st January, 1974, which counted for purposes of House Rent Allowance and City Compensatory Allowance, shall also be added.

Any other allowance which may be admissible to an employee on the 1st January, 1974 shall not be added. However, Personal Allowance admissible as on the 1st January, 1974, in accordance with the Memorandum of the Government of India, Ministry of Labour and Employment, enclosed with their letter No. 82/2/70-P&D, dated the 20th April, 1970, shall be added to the total emoluments of the dock workers of those categories of the Calcutta Dock Labour Board as are specified in the said Memorandum.

Interim Relief paid following our recommendations shall not be taken into account for arriving at the total emoluments.

Personal pay, special pay and personal allowance absorbed in total emoluments as above will not be payable with effect from the 1st January, 1974.

(ii) For determining total emoluments in the case of an employee who is not eligible to House Rent Allowance on the ground that he has been allotted quarters by the employer or on the ground that he is entitled to free accommodation, a notional amount of 16 per cent of his basic pay as on the 1st January, 1974, subject to a minimum of Rs. 20, shall be added to the other elements mentioned in (i) above.

(iii) For determining total emoluments of employees in Paradip port, where House Rent Allowance and City Compensatory Allowance are not paid, a notional amount of 26 per cent of basic pay as on the 1st January, 1974, subject to a minimum of Rs. 30, shall be added to the other elements mentioned in (i) above. Special Allowance of the nature of Compensatory Allowance admissible in Paradip port shall not be taken into account and will not be payable with effect from the 1st January, 1974.

(iv) In ports where House Rent Allowance and City Compensatory Allowance payable are at rates less than 16 per cent and 10 per cent of basic pay respectively, the difference between the notional amount of 26 per cent of basic pay and the amount actually admissible by way of House Rent Allowance and City Compensatory Allowance shall be added to the other elements mentioned in (i) above.

(b) *Compensatory Amount*

Our proposed scales relate to Index Number 250 of (i) the 1960 series, corresponding to Index Number 303 of the 1949 series. In determining total emoluments as on the 1st January, 1974, employees would legitimately be entitled to include Additional Dearness Allowance payable on Index Number 303 of the 1949 series; however, Additional Dearness Allowance actually paid to them on the 1st January, 1974, was related to Index Number 268 of the 1949 series, which was the average for the months of January to June, 1973. The result is that they would be denied the benefit of Additional Dearness Allowance on the difference between Index Numbers 303 and 268, i.e. on 35 points. This loss will have to be made up in fitment of pay in our proposed scales by adding Additional Dearness Allowance

for 35 points of the 1949 series. The amount to be so added may be called 'compensatory amount'. Such compensatory amount will, according to the Wage Board formula of Additional Dearness Allowance, range between Rs. 25.20 and Rs. 52.50, the actual amount depending upon the stage of pay of the employee in the existing scale as on the 1st January, 1974.

(c) Fitment Money

A lump sum amount according to the table given below shall be 'fitment money',

Basic Pay in the existing scale as on 1-1-1974	Fitment Money	
Upto Rs. 300-00	Rs. 50-00	
Above Rs. 300-00	Rs. 60-00	subject to the condition that the total of compensatory amount and fitment money does not exceed Rs. 100.

(d) Fixation Amount

(i) The aggregate of total emoluments, compensatory amount and fitment money shall form 'fixation amount'.

(ii) Fraction of a rupee less than 50 paise in fixation amount shall be ignored and fraction of 50 paise and above shall be rounded off to the next rupee.

(e) Fixation in Our Proposed Scales

(i) Pay in our appropriate proposed scale as on the 1st January, 1974, shall then be fixed at a stage corresponding to fixation amount if there happens to be one, or otherwise, at the next higher stage.

(ii) Subject to (iii) below, if the minimum of our proposed scale is higher than fixation amount, pay shall be fixed at the minimum of our proposed scale.

(iii) If fixation amount turns out to be more than the maximum of our proposed scale, pay shall be fixed at the maximum of the scale, and the excess above the maximum of the scale shall be treated as personal pay to be counted for all purposes.

(iv) Where pay in our proposed scale comes to be fixed at the minimum of the scale, an employee who has put in, as on the 1st January, 1974, three or more years of service in the existing scale, shall be given one increment in our proposed scale for every three years of completed service, subject to a maximum of three increments.

(v) In the unlikely event of an employee coming to be fixed in our proposed scale at a stage lower than an employee in the same scale, in the same category and in the same department, who was getting less basic pay in the existing scale as on the 1st January, 1974, pay of the former employee shall be fixed at the same stage as that of the latter employee. Likewise, if the difference between basic pay of two employees in the same department, in the same category and in the same existing scale as on the 1st January, 1974, was three or more increments and both of them come to be fixed at the same stage in our proposed scale, the senior employee shall be given one increment for the difference of every three increments in the existing scale.

(vi) If, on the 1st April, 1977, the total emoluments of an employee in the existing scale, calculated on the basis of (a) (i) above, together with Interim Relief of Rs. 50, turn out to be more than his emoluments, comprising basic pay in our proposed scale and Dearness Allowance admissible under our formula, the difference shall be protected and paid as his personal pay to be absorbed in his future increments.

Piece-Rated Workers

7.30 Piece-rated workers shall be brought on our proposed scales in accordance with our general fitment formula on the basis of their notional pay in the existing scales as on the 1st January, 1974; however, 'processing wage' and other features of the various piece-rate schemes shall not undergo any change as a consequence, pending a comprehensive review thereof as recommended by us in Chapter IX.

Employees appointed or promoted on or after the 1st January, 1974

7.31 Employees appointed to any grade or promoted to a higher grade on or after the 1st January, 1974, shall be brought over to our appropriate proposed scale from the date of their appointment or promotion as the case may be, and their pay in that scale shall be fixed in accordance with the rules prevailing in the part concerned.

Increments in Our Proposed Scales

7.32 (i) After fixing the pay in our appropriate proposed scale, the next increment of an employee shall be due on the anniversary of the last increment drawn by him in the existing scale, subject, however, that, as recommended in paragraph 7.17, the date of increment shall be the first of the month in which the increment would fall due.

(ii) Where the pay of two employees of the same category in the same department is fixed in the same scale at the same stage and the date of increment of the senior of the two employees falls due after the date of increment of the junior of the two employees, the date of increment of the senior employee shall be advanced to coincide with the date of increment of the junior employee.

Provision for Option

7.33 An employee shall be given option to come over to the proposed scale on the date of earning one or more increments falling due within the period from the 1st January, 1974 to the 1st April, 1977. Such a provision for option is necessary for the benefit of those employees who would have moved into the next higher slab of (fixed) Dearness Allowance on earning one or more increments in basic pay in the existing scale during this period. Until he opts to come over to our proposed scale, the employees shall remain on the existing scale and his emoluments shall be determined in accordance with the existing wage structure plus Interim Relief recommended by us.

Such option shall be exercised within two months of the Government's order on our recommendations. The option once exercised shall be final.

In the case of an employee who has exercised the option, for the purpose of fixing his pay in our proposed scale in accordance with our fitment formula:

- (i) total emoluments shall be arrived at by totalling up basic pay and (fixed) Dearness Allowance admissible to him on the date from which he opts to come over to our proposed scale and House Rent Allowance, City Compensatory Allowance and Additional Dearness Allowance as admissible to him on the 1st January 1974, and
- (ii) compensatory amount and fitment money shall be determined on the basis of his basic pay in the existing scale as on the 1st January, 1974.

7.34 A few examples of fitment in our proposed scales are given in Appendix XXII.

III. DEARNESS ALLOWANCE

7.35 The concept of dearness allowance to compensate workers for rise in the cost of living and thereby prevent erosion in their real wages, has come to stay. We have, as stated in para 5.102, come to the conclusion that there is little chance of Index Number in the 1960 series falling below 250 and hence we provide for Dearness Allowance for variations in Index Number above 250.

7.36 In devising a formula for Dearness Allowance, the following further points need be considered :

- (a) extent of neutralisation at various levels of pay;
- (b) rate of Dearness Allowance; and
- (c) periodicity of adjustment.

Neutralisation for rise in Cost of Living

7.37 The question of neutralisation which implies compensating the worker for fall in his real wages on account of fall in the purchase value of the rupee is somewhat controversial. In so far as employees at the lowest level of wages are concerned, we have already come to the conclusion in para 5.57 that they should be compensated fully for fall in the real value of their wages, that is they should be allowed 100 per cent neutralisation.

7.38 Workers' representatives have, however, demanded 100 per cent neutralisation at all levels. The All India Port and Dock Workers' Federation has particularly emphasised that to maintain the present differentials between the various categories of employees, dearness allowance should provide for full neutralisation of any increase in the cost of living, over the base Index Number for the whole range of basic wages prescribed for all grades and categories. On the other hand, employers have expressed their satisfaction with the scheme of neutralisation formulated by the Wage Board which provided for 90 per cent neutralisation at the lowest level and reduced it progressively to 42 per cent at basic pay of Rs 650.

7.39 We do not agree that 100 per cent neutralisation should be provided at all levels. In our opinion, the extent of neutralisation should progressively go down with increasing levels of pay.

7.40 There are two views on the method of achieving progressive reduction in the extent of neutralisation. The National Commission on Labour said :

“According to our view, the only purpose of dearness allowance is to enable a worker in the event of a rise in cost of living to purchase the same amount of goods of basic necessity as before. This purpose would be served by an equal amount of dearness allowance to all employees irrespective of differences in their emoluments.”
(Para 16.49)

7.41 The Committee presided over by ex-Chief Justice K. T. Desai to evolve a pay structure for Class I and Class II Officers of Non-Marine services in major ports thought fit to provide a flat rate of dearness allowance at all levels of pay.

7.42 On the other hand, the Committee on Fair Wages took the opposite view and observed :

“A flat rate equal to the rate allowed to the least skilled workers is not likely to satisfy higher categories as has in fact been pointed out to us by one of our colleagues who is an employer. The Central Pay Commission rejected a flat rate and recommended a graduated scale of dearness allowance depending on the salary earned. It would be difficult to fix any other basis for industry also. We therefore, recommend that a lower rate of compensation should apply to the higher categories but that the amount of compensation must be based on salary scales or slabs.” (Para 45)

7.43 The Wage Board in its scheme of dearness allowance not only provided for higher rates of (fixed) Dearness Allowance at higher salary slabs but also provided for higher rates of Additional Dearness Allowance per point rise in Index Number, with the extent of neutralisation progressively going down.

7.47 A statement of percentage of neutralisation according to the above rates at some levels of basis pay is set out below :—

Basic Pay	Rate of Neutralisation
Rs. 300	%
325	100
350	100
400	89
450	87.5
500	80
550	75
600	69
650	64
700	63
750	62.5
800	59
850	55.5
900	53
950	50
1000	48
1050	45
1100	43.5
1150	42
1200	

7.48 In evolving the above rates, we have taken note of the pointed criticism made by representatives of workers that while Class I and Class II officers employed in a port are compensated at the rate of Rs. 2 per point above the Index Number 215 of the 1949 series under the recommendations of the Desai Committee, the corresponding compensation to employees of Class III on the same pay levels is only Rs. 1.50 or even less. This glaring anomaly, it was argued, runs counter to the generally accepted view that the rate of dearness allowance should be determined on the basis of salary slabs and not on classification into grades. It was also urged that but for the fact that two different authorities examined the wage structure of port and dock employees of different grades, such an anomaly

would not have crept in. The Wage Board, it was contended, was very conservative in recommending rates of variable dearness allowance linked to the same series of Index Numbers:

Periodicity of Adjustment

7.49 The question of periodicity of adjustment may be considered from the viewpoints of both employers and employees. Employers' point of view was that frequent revision of dearness allowance entails considerable administrative and accounting work and should be avoided as far as possible. On the other hand, it was urged on behalf of employees that the time lag between the rise in prices and their neutralisation by payment of dearness allowance should be reduced to the minimum as in a period of rising prices, the time lag works to the disadvantage of employees. It was also contended that adjustment of dearness allowance should be monthly. We have carefully considered the question and we feel that a quarterly review of Dearness Allowance strikes a golden mean between the two divergent views.

7.50 As regards the choice of months to constitute the quarters, it is desirable that for considering adjustment of Dearness Allowance from time to time, the authorities should have before them Index Numbers for all the relevant months. As there is usually a delay of more than a month in the publication of the Index Number for a particular month, we recommend that for reviewing Dearness Allowance for the quarter beginning the 1st January, the Index Number for the months of August-September-October of the preceding year should be taken into consideration and for subsequent quarters, the Index Number of subsequent periods of three months should be taken into account. The position is explained thus :

For review of Dearness Allowance payable for the quarter commencing	Relevant months for Index Numbers
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1st January, 1976	August-September-October 1975
1st April, 1976	November-December 1975 and January 1976
1st July, 1976	February-March-April 1976
1st October, 1976	May-June-July 1976

7.51 We also recommend that review of Dearness Allowance need not be undertaken unless there is a change of five or more points in the quarterly averages after the last adjustment. This will avoid too frequent changes in rates of Dearness Allowance. We are unable to agree with representatives of workers that adjustment should be made for a change of every point of the Index Number.

7.52 We further recommend that in computing the quarterly averages of Index Numbers, fractions of 0.5 and above should be rounded off to the next higher integer and fraction below 0.5 be ignored. Changes in the quarterly averages of Index Numbers shall be with reference to such rounded figures.

CHAPTER VIII

ALLOWANCES AND FRINGE BENEFITS

A. GENERAL REVIEW.

8.1 In addition to the elements of basic pay, Dearness Allowance, Additional Dearness Allowance, House Rent Allowance and City Compensatory Allowance, the emoluments of employees in major ports include in many cases various types of special pay, personal pay and special allowances paid locally. There is a long list of these, which differs from port to port, although several allowances are common in nature though different in rates and conditions for eligibility. These are referred to by the Wage Board in the following words

“8.27 At present extra remuneration in the form of special pay and personal pay and allowances are paid, on various counts, to the different categories of workers in different ports. The details of the existing special pay, personal pay and special allowances have been given in Annexure VIII to the Report.

8.28 The labour members demanded revision in the existing special pay, personal pay and a large number of special allowances payable to certain categories of workers at different ports.

8.29 Reasons for the grant of such allowances, etc. are, by and large, peculiar to certain ports and depend upon the merits of each case. In the circumstances, it was not considered desirable to take decisions in respect of them on an All-India level. The Board, therefore, unanimously decided that the issue relating to making changes in the existing special pay, personal pay and special allowances of certain categories of employees at different ports may be discussed at the local level.”

8.2 We do not propose to examine every type of special pay, personal pay and special allowance as considerations which weighed with the Wage Board for leaving them for local discussions continue to hold good. We, therefore, recommend that port authorities should closely examine each of these items and their rates with a view to satisfying themselves that their

continuance is justified in the light of the changed circumstances and the nature of the existing duties and responsibilities of the post concerned. We also recommend that, pending such examination, the amount of special pay, personal pay and special allowances which are at present being paid, whether in a lump sum or on the basis of percentage of basic pay should not be revised but be maintained at the existing level.

8.3 We nevertheless propose to consider some of the general and more important allowances and fringe benefits in respect of which representations have been made and also with a view to rationalising the same in the light of our proposed pay scales and representations made to us.

B. WEIGHTAGE FOR NIGHT WORK

8.4 It is now widely accepted that work during the night hours is unwelcome and disagreeable for many reasons and hence calls for special dispensation. Following the recommendations of the Second Pay Commission, the practice of giving 10 minutes weightage for every hour of work done during the night has become more or less general in the Central Government departments where night duty is required. In so far as ports and docks are concerned, the practice of weightage for night work was introduced in terms of the Government of India, Ministry of Shipping and Transport letter, No. 23-PLA(26)/62, dated the 10th July, 1962, addressed to port authorities. The provisions governing night weightage contained in the letter are as follows :

- (i) Weightage will be admissible only for the period between 10 p.m. and 6 a.m., irrespective of whether the hours of work within the period fall in the second or third shift. The weightage shall be 10 minutes for every hour worked during that period.
- (ii) Where there is already a built-in-weightage in the shape of reduced working hours no other weightage shall be allowed.
- (iii) It shall be open to the port administration as an alternative to weightage to reduce the hours of work, wherever possible, in the case of shifts which fall between or extend into the period between 10 p.m. and 6 a.m.

- (iv) The period of recess, including variable recess, shall not count for weightage.
- (v) If in the case of an employee, any other special allowance is given for night work he shall be given an option to retain that allowance or to receive the benefit of weightage under these orders.
- (vi) The marine crew on stand-by duty will be eligible for weightage, but marine crew who live on board a vessel shall not be eligible for this benefit when they are not employed on watch-keeping duty and are merely on call duty.
- (vii) Extra payment to an employee for weightage for night duty shall fall due when the total of the actual hours worked plus weightage exceeds the normal day shift hours.
- (viii) The rate per hour shall be the single rate, calculated as pay plus Dearness Allowance plus Compensatory Allowance divided by 240.

8.5 Broadly speaking, there are in vogue three methods of compensating night work; these are : (i) allowing weightage of 10 minutes for every hour worked between the period 10p.m. and 6 a.m., and making appropriate payment therefor; (ii) reduced working hours in the second and third shifts; and (iii) payment of a lump sum amount as differential for working during the second or third shift.

8.6 In their memorandum, the All India Port and Dock Workers' Federation contended that weightage for night work presently given is not adequate. According to the Federation, 'night shift working involves extra physical and nervous strain resulting in higher morbidity rates, and consequential reduced earnings.' Besides, extra expenditure is incurred on conveyance, food, tea and snacks; night work also disturbs the normal family life. The Federation, therefore, expressed the view

"a weightage of 10 minutes for each hour, inclusive of any recess period fixed or variable, be paid for work in the second shift, and twenty minutes per hour for work on the third shift, in addition to free tea and snacks. irrespective of the time at which the second or third shift commences, and irrespective of whether the second or third shift is of shorter duration than the first or day shift,

and, irrespective of whether the work performed is on 'overtime' or during normal schedule duty hours. The weightage should be computed on gross wages inclusive of all allowances and including any house rent allowance."

8.7 The Water Transport Workers' Federation of India represented that 'the rate of night weightage should be enhanced from 10 minutes per hour to 30 minutes per hour. Night Weightage should be paid for the work between 6 p.m. and 6 a.m. instead of 10 p.m. and 6 a.m.'

8.8 The Indian National Port and Dock Workers' Federation desired that night work weightage should be made uniform at all ports.

8.9 Employers are, by and large, satisfied with the practices of night work weightage followed at present and would not like any change in this regard.

8.10 The Third Pay Commission which went into this question and considered the demands of employees' representatives for a more liberal definition of 'night' and more liberal weightage for night duty, felt that the present practice of considering 'night' period between 10 p.m. and 6 a.m. is reasonable and satisfactory, particularly in this tropical country. The Commission also felt that the weightage in the form of 10 minutes per hour was adequate and no further liberalisation was necessary on this account. The question of choice between cash compensation and reduction in working hours was left to the discretion of local authorities depending on local conditions and circumstances. With regard to the calculation of cash compensation, the Commission recommended that only pay and dearness allowance should be taken into account and compensatory allowances excluded.

8.11 The Commission further observed that the weightage for night duty should be granted only when night duty calls for continuous performance of related tasks without considerable interludes of inaction or rest; it did not favour night weightage in the following situations : (i) where the weekly working hours have been fixed at a reduced level taking the occurrence of night duty into account, (ii) for night duty performed by those categories of employees who may be called upon to perform duties during night occasionally and (iii) night duty performed by categories of employees in whose case night duty is an inseparable characteristic of the job itself e.g. nurses.

8.12 Taking note of the present practices obtaining for quite some time and after carefully considering the representations made by the Federations and the views expressed by port authorities, we recommend that compensation for night work should be regulated either by the night-weightage formula of 10 minutes per hour or by reduction of working hours at night, whichever may be found convenient by port authorities, having regard to local conditions and circumstances. If, however, ports in which there exists the practice of payment of a lump sum as shift differential do not find it feasible or practicable to introduce either of the two alternatives mentioned above, the present practice may continue. We, however, recommend that, with effect from the date of Government orders on our recommendations, the minimum amount so payable shall be 50 paise per shift.

C. ATTENDANCE ALLOWANCE

8.13 Attendance Allowance is paid to all workers registered or listed under the various decasualisation schemes operating in major ports, on days they are not provided with work. A clause to this effect has been inserted in all decasualisation schemes. The relevant clause 32 in the Bombay Dock Workers (Regulation of Employment) Scheme, 1956, is reproduced below :

“Subject to the other provisions of the Scheme, a worker on the reserve pool register who is available for work but for whom no work is found shall be paid attendance allowance exclusive of dearness allowance at the rate of rupee one per day for the days on which during a calendar month he attended for work as directed by the Administrative Body and no work was found for him;

Provided that the Board may allow payment of attendance allowance exclusive of dearness allowance at such higher rate not exceeding rupees two as it may deem necessary.

Provided further that no attendance allowance shall be payable for any day for which full wages, inclusive of dearness allowance, have been paid under clause 31 or otherwise or for which disappointment money is paid under clause 34.”

Similar clauses exist in other decasualisation schemes as well.

8.14 A like provision for payment of Attendance Allowance has been made in the service conditions of certain categories of workers of Port Trusts and some other employers.

8.15 In implementing the provisions relating to payment of Attendance Allowance, different Port Trusts and Dock Labour Boards have adopted somewhat different practices. The rates of Attendance Allowance payable to different categories under different decasualisation schemes operated by the various Dock Labour Boards have been listed in Appendix XXIII. Similar information regarding categories of workers and rates of Attendance Allowance in different ports is given in Appendix XXIV.

8.16 It will be seen that the schemes for registered workers in Calcutta, Madras, Visakhapatnam, Cochin and Mormugao ports provide for Attendance Allowance at the rate of Rs. 1.75 plus full allowances. In Bombay port, under the registered scheme, only Rs. 1.75 is paid. In Kandla port, for registered workers Rs. 1.75 plus Interim Relief is being paid.

8.17 In so far as unregistered schemes are concerned, food-grain workers in Bombay and Madras ports are paid at the rate of Rs. 1.75 plus House Rent Allowance and City Compensatory Allowance.

8.18 Clearing and forwarding workers in Bombay and Madras ports are paid at the rate of Re. 1.00 plus full allowance. Casual workers in the pool in Madras port are paid at the rate of Rs. 1.76 plus House Rent Allowance, City Compensatory Allowance and Interim Relief. 'B' category workers of Visakhapatnam Dock Labour Board are paid at the rate of Rs. 2.00 plus Interim Relief.

8.19 The differences in the rates of Attendance Allowance payable in the various ports appear to have arisen from the discretion given to the authorities by the first proviso to the clause.

8.20 The impact of Attendance Allowance on finances of employers is regressive in nature; where employment opportunities are better on account of availability of adequate work and lesser number of workers, the incidence of Attendance Allowance is relatively less. On the other hand, where there is not enough work available or the number of workers is more, the incidence of Attendance Allowance is relatively higher.

8.21 The question of Attendance Allowance is also related to the minimum number of days for which work is guaranteed and for which full wages are to be paid even when there is no work.

In most of the schemes, the outer limit of 21 days of minimum guaranteed employment has been already reached. In such cases, if payment is also made for 4 or 5 weekly holidays and on an average for one festival holiday in a month, the worker gets full wages for 26 days in the month. Where the daily wage has been arrived at, as for instance in Bombay Dock Labour Board, by dividing the monthly wage by 26, the worker practically gets paid a full month's wages even though he has actually worked for 21 days. If, over and above, he is paid Attendance Allowance for the remaining 4 or 5 days of the month, he gets paid more than the monthly rate of wages. In such a situation, there should be apparently no need for paying Attendance Allowance for the remaining days.

8.22 The question of the rate of Attendance Allowance to listed workers was discussed in the 12th meeting of the Dock Workers Advisory Committee held at Bombay on the 8th December, 1973, wherein a suggestion that the rate of Attendance Allowance for listed workers should be a half of daily basic wage plus a half of Dearness Allowance including Additional Dearness Allowance, was generally found acceptable. However, as it was apprehended that implementation of this suggestion would have repercussions on 'B' category cargo-handling shore workers, Chairman of Port Trusts and Dock Labour Boards were requested by Government to consider the matter jointly and send their agreed views to Government. The matter was considered in the 61st meeting of the Inter Port Consultation held at Visakhapatnam on the 11th October, 1974, and the meeting resolved to propose to Government that the suggestion might not be accepted, since it would result in considerable additional expenditure without achieving uniformity on the question of Attendance Allowance paid to different categories of workers. Thereupon, Government decided that we should look into the question and the parties should take up the matter with us.

8.23 Workers' representatives pressed on us that Attendance Allowance should be at full daily rate inclusive of all allowances, while employers contended that even at the existing rates, payment of Attendance Allowance casts a very heavy financial burden on them and the impact would be even heavier particularly in ports where adequate work is not available for the number of workers involved. Amounts paid by way of Attendance Allowance under the various decasualisation schemes during the year 1974-75 are given in Appendix XXV,

8.24 We have carefully considered the rival viewpoints and given serious thought to the problem. We recommend that Attendance Allowance be paid uniformly in all major ports to such workers as are entitled to this allowance at present, at the rate of 1/60 of the monthly wage, comprising basic pay in our proposed scales and Dearness Allowance according to our formula. This would be consistent with the provisions of the Industrial Disputes Act, 1947, in regard to compensation for lay-off. We further recommend that our formula should have effect from the date of the Government orders on our recommendations.

B. PAYMENT FOR OVERTIME WORK

8.25 Payment for overtime work is made where an employee is required to work in excess of his normal hours of work. Such payments may arise in respect of work done in the following situations :

- (i) work during recess time in a shift;
- (ii) work beyond the scheduled shift hours or office hours;
- (iii) work in the next shift in continuation of work in a shift;
- (iv) work in a 12-hour shift;
- (v) work on a weekly day of rest; and
- (vi) work on a festival or national holiday.

8.26 In so far as employees covered by the Minimum Wages Act, 1948, or the Factories Act, 1948, are concerned, they are paid at double the ordinary rate of wages for work beyond 9 hours a day or 48 hours a week. The practice in this regard is fairly uniform in all ports. But in the case of employees not covered by the Minimum Wages Act or the Factories Act, the system of payment for overtime work differs from port to port and also for different categories within the same port. These differences have arisen out of historical reasons and local conditions.

8.27 Overtime payments form a considerable portion of the total wages disbursed. Tables 1 and 2 summarise the position

in this regard in respect of Port Trusts and Dock Labour Boards for the year 1974-75.

TABLE 1

Port Trusts

Port Trust	Total wages including cash value of benefits (Rs. in lakhs)	Total overtime payment (Rs. in lakhs)	Percentage of overtime payment to total wages
Bombay	2091.46	304.62	14.56
Calcutta	2062.22	244.26	11.84
Madras	119.08	177.08	149.41
Visakhapatnam	546.18	78.60	1.57
Cochin	145.85	30.02	8.68
Mormugao	30.39	18.55	14.23
Kandla	188.75	13.03	6.90
Paradip	130.86	4.84	3.70

*For the year 1973-74.

Source : Information furnished in reply to Q. 9 of the Questionnaire.

TABLE 2

Dock Labour Boards

Dock Labour Board	Total wages (Rs. in lakhs)	Total overtime payment (Rs. in lakhs)	Percentage of overtime payment to total wages (%)
Bombay		Not available	
Calcutta	121.42	30.48	25.10
Madras	18.85	1.51	8.01
Visakhapatnam	14.54	0.47	3.23
Cochin	10.33	0.02	0.19
Mormugao	6.88	0.75	10.90
Kandla	1.75	0.19	10.86

Source : Information furnished in reply to Q. 26 of the Questionnaire.

8.28 The Wage Board has referred to the subject of overtime payment in paras 4.1.51 to 4.1.55 and also in paras 8.52 to 8.55 of their report. After briefly referring to the practices prevailing in different ports, the only recommendation which the Wage Board made was that 'the port authorities, in consultation with labour, should adopt ways and means for avoidance of excessive overtime and Sunday, holiday bookings,' Labour members on the Board, however, dissented from this recommendation.

8.29 The issue regarding overtime payment to dock workers was raised in the 12th meeting of the Dock Workers Advisory Committee, wherein workers' representatives pleaded for uniform rates for all Dock Labour Boards.— A bipartite committee was set up under the chairmanship of Shri S. Y. Ranade, the then Chairman of Bombay Port Trust. The committee, in its report submitted on the 24th July, 1974, recommended, *inter alia*, that when a piece-rated worker is required to work on a holiday, he should be paid his actual piece-rate earnings plus a time-rate wage appropriate to the category to which he belonged and be also given a compensatory off-day; if it be not possible to give a compensatory off-day, he would be entitled to one extra time-rate wage.— With regard to time-rated workers, the committee recommended that for work on a holiday, the worker should be given twice the normal rate of wages appropriate to his category and a compensatory day off or alternatively one additional daily wage. These recommendations of the committee were opposed by Chairman of Dock Labour Boards and hence have not been implemented.

8.30 The All India Port and Dock Workers' Federation, in their memorandum, urged *inter alia*, that to work out overtime payment, it would be just and proper to work out the hourly rate on the basis of the actual number of scheduled duty hours in the concerned month for the concerned category or on the basis of monthly average of 'normal' duty hours for the year prescribed for each category. For instance, in a month of 30 days when there are four weekly-off days and four half holidays, the scheduled hours of work would, in a month, be 192 on the basis of 8 hour shift and in such a case the hourly rate should be $1/192$ of the gross monthly wages. In the case of clerical staff employed in administrative offices with normal hours of work of, say, 6 hours on week days and 3 hours on Saturdays, the regular working hours would be 144 in a month and hence their hourly wage should be $1/144$ of the gross monthly wages. The Federation desired that in respect of categories for whom normal working hours per week are not less than 45 in the day shift or 36

in any other shift, the extra hours of work in excess of the hours prescribed as normal hours for the category on an all-India basis, should be compensated by payment of twice the ordinary rate of wages, irrespective of the number of days actually worked in the week; in respect of employees whose prescribed duty hours are less than 45, work beyond scheduled duty hours and upto 9 hours in a day or 45 hours in a week should be paid at single ordinary rate of wages or $1\frac{1}{2}$ times of basic pay; work beyond 9 hours on any day or 45 hours in any week, however, should be paid at twice the ordinary rate of wages.

8.31 The Indian National Port and Dock Workers' Federation urged that overtime payment should be at double the normal rate of wages for all work beyond 9 hours a day and 48 hours a week, as also for work on holidays and weekly days of rest; an employee required to work on a holiday or a weekly day of rest should be given a compensatory day off and one more additional wage should be paid to him for that day.

8.32 The Water Transport Workers' Federation of India proposed that all port and dock workers should be brought within the purview of the Minimum Wages Act and that overtime payment for them be made at double the ordinary rate of wages. The Federation also suggested that overtime payment ought to be for all work done in excess of the normal hours of work even though the total of working hours in a week fall short of 48; the Federation further desired that recess time should not be deducted for calculating the total hours of week.

8.33 Many unions also made similar demands in regard to payment of overtime.

8.34 As regards the coverage for overtime payment, the Federations pointed out that at present most of the supervisory staff are not given overtime payment and contended that they too should be made eligible for such payment.

8.35 Employers opposed the idea of extending overtime payment to supervisory categories who are themselves required to control overtime work of others. They also urged that there should be no further liberalisation in the rates of overtime payment. As regards workmen engaged on 12 hour shift duty, employers, while expressing their difficulties in reducing shift hours, nevertheless urged that payment for work beyond 8 hours should not be at double the ordinary rate of wages.

8.36 We have considered the question in all its aspects. We are of the firm opinion that there is considerable scope for reducing the quantum of overtime work, particularly as it has been stated before us that almost all ports are carrying surplus manpower. It may also be worth pointing out that several statutes

have prescribed double the rate of wages for overtime work with the specific objective of discouraging the employer from resorting to overtime work as it is not considered conducive to the health of the employees.

8.37 At present, there is no uniformity in regard to payment for extra hours of work beyond scheduled hours but below the limits of 9 hours a day or 48 hours a week and we feel that uniformity should be brought about in this respect in all ports.

8.38 Payment for overtime work is, to some extent, regulated by statutory provisions in respect of those categories of workers to whom the said provisions are made applicable and to that extent, payment for overtime work to such categories of employees shall have to be made in accordance with those provisions. We therefore, proceed to make our recommendations in respect of payment for overtime work not covered by statutory provisions and in respect of employees to whom such provisions do not apply.

General Recommendations

8.39 (i) Employees on our proposed scales of Rs. 800-1100, Rs. 800-1150 and Rs. 900-1200 will not be eligible for payment of overtime work.

(ii) Subject to (i) above, employees with basic pay of Rs. 800 or more in our proposed scales and supervisory staff may, in the discretion of port authorities, be paid for overtime work at single hourly rate; provided that :

- (a) the overtime work is required to be done due to exigencies of work;
- (b) the overtime work of an hour or less on any day is excluded; and
- (c) the total overtime payment for any one month shall not be more than Rs. 100.

(iii) Employees (excluding supervisory staff) with basic pay of less than Rs. 800 in our proposed scales shall be paid for overtime work in accordance with the following provisions :

- (a) In the case of employees whose scheduled working hours are less than 8, payment for work beyond the scheduled working hours but less than 9 hours a day or less than 48 hours a week shall, subject to para 8.82 below, be made at Single hourly rate, provided

work of less than half an hour beyond the scheduled working hours on any day shall not be taken into account; and payment for work beyond 9 hours a day or 48 hours a week shall be made at double the hourly rate.

(b) In the case of employees whose scheduled working hours are 8 or more but less than 12, payment for work beyond 9 hours a day or 48 hours a week shall be made at double the hourly rate; where the scheduled working hours are 8, payment for work beyond 8 hours but less than 9 hours on a day and/or less than 48 hours in the week, shall be made at single hourly rate, provided that work of less than half an hour beyond 8 hours shall not be taken into account unless the total hours in the week exceed 48 hours.

(c) In the case of employees whose scheduled hours of work are 12 and who are at present paid overtime for four hours, payment for overtime work shall be made at double the hourly rate for three hours only; payment for work beyond 12 hours, however, shall be made at double the hourly rate for each hour.

(iv) Piece-rated workers shall continue to be governed by the existing practices in the matter of payment for overtime work, but the rate shall be at the hourly rate.

Explanation : (i) "Hourly rate" shall be calculated by dividing basic pay in our proposed scales plus Dearness Allowance for the month according to our formula by two hundred and forty.

(ii) In calculating hours of overtime work, recess periods shall not be taken into account.

8.40 The provision in clause (iii)(c) of paragraph 8.38 needs some explanation. In a 12 hour shift, there is some idle time and also some staggered breaks for meals. Strictly speaking, overtime is paid for extra hours of actual work and we consider it anomalous that in payment for overtime work, such breaks and idle time are also being included. While we appreciate that the employees are technically on duty during these periods, we feel that they should not be entitled to overtime payment for all the extra four hours as is at present done and we have accordingly recommended that in a 12 hour shift, overtime payment should be admissible only for three hours.

Exceptions to General Recommendations

(a) *Marine Categories*

8.41 (i) All supervisory marine categories including those on our proposed scales of Rs. 800-1100, Rs. 800-1150 and Rs. 900-1200, who are on 12 hours duty and are at present eligible for overtime payment and are paid overtime for four hours, shall be paid overtime for three hours only and at single hourly rate; payment for work beyond 12 hours, however, shall be made at double the hourly rate for each hour.

(ii) In Calcutta port, the crew of pilot vessels, dredgers, despatch vessels, light vessels, survey and research vessels etc. have to work on the river for long intervals. For operational reasons the crew cannot leave their vessels and are, therefore, provided with living accommodation on board and are supplied with free provisions. The crew of port-based vessels who are not required to be away from the base for long intervals, usually work in 12 hour shifts. Two sets of crew work alternately on anchor vessels on a system of 24 hours on and 24 hours off, or 48 hours on and 48 hours off. All these categories are given consolidated payment ranging from 50 per cent to 67½ per cent of monthly wages. Though considerations which prompted us to make the recommendation in para 8.39(iii) (c) are present in some measure in Calcutta port also, in view of the facts Calcutta flotilla crew have to work on the river which has peculiar features, that their hours of duty are irregular, that it is not possible to calculate the exact hours of overtime work in their case and also that the present rate of consolidated payment is not unreasonable, we recommend that the present dispensation shall continue undisturbed.

(b) *Guest House Staff*

8.42 The guest house staff including watchmen attached to guest houses in various ports are, by and large, on more than 8 hours duty. While we recommend that they should be engaged on 8 hour shifts, we also recommend that, where the same is not feasible, they shall be given a consolidated payment on the following basis :

- (i) Staff required to be on duty upto 12 hours : 25 per cent of their basic pay in our proposed scales and of Dearness Allowance according to our formula.
- (ii) Staff required to be on duty for more than 12 hours : 33-1/3 per cent of their basic pay in our proposed scales and of Dearness Allowance according to our formula.

Work on Weekly Day of Rest or Holidays

8.43 (i) Payment for work on a weekly day of rest or on a festival or national holiday shall be made to all employees at the rate of one and a half times the daily rate and a compensatory day off shall be given if it is not feasible to give a compensatory day off, the rate shall be two and a half times the daily rate for employees entitled to a paid weekly day of rest or a paid festival or national holiday and one and a half times the daily rate for those not so entitled.

(ii) A piece-rated worker shall be paid, in addition to his piece-rate earnings, one-half of the daily rate for work on a weekly day of rest or on a festival or national holiday if given a compensatory day off; if it is not feasible to give a compensatory day off, the rate shall be one and a half times the daily rate for a worker entitled to a paid weekly day of rest or a paid festival or national holiday and one-half of the daily rate for a worker not so entitled.

Explanation : "Daily rate" shall be calculated by dividing basic pay in our proposed scales plus Dearness Allowance for the month according to our formula by thirty.

E. HOUSE RENT ALLOWANCE AND RECOVERY OF HOUSE RENT

8.44 The Wage Board recommended payment of House Rent Allowance at the rate of 16 per cent of basic pay, subject to a minimum of Rs. 20 per month, in respect of Bombay, Calcutta and Madras ports, and at the rate of 8 per cent of basic pay, subject to a minimum of Rs. 10 per month, in respect of Visakhapatnam, Cochin and Mormugao ports. No House Rent Allowance was recommended in respect of Kandla and Paradip ports. Since then House Rent Allowance has been raised at Cochin port to 10 per cent of basic pay, subject to a minimum of Rs. 15 per month. Kandla port has also introduced payment of House Rent Allowance at the rate of 8 per cent, subject to a minimum of Rs. 10 per month, with effect from the 1st January, 1973. At Paradip port, no House Rent Allowance is paid but a Special Allowance of the nature of Compensatory Allowance is paid under Paradip Port Trust (Payment of Special Allowance of the nature of Compensatory Allowance) Regulation, 1970, as follows :

- (a) For persons drawing upto
Rs. 500 p.m. : : : 20 per cent of basic pay.

- (b) For persons drawing between Rs. 500 and Rs. 1000 p.m. 15 per cent of basic pay subject to a maximum of Rs. 125.
- (c) For persons drawing pay over Rs. 1000 p.m. 10 per cent of basic pay subject to a maximum of Rs. 150.

In the case of persons drawing over Rs. 500 per month, marginal reliefs shall also be allowed to ensure that no one gets less by way of total emoluments including the compensatory allowance, than a person in the lower bracket.

The allowance allowed above shall have effect from the 1st January, 1970.

The allowance shall be admissible upto a period of six months after the Cuttack-Paradip Railway is opened to passenger and goods traffic."

8.45 The Wage Board could not make agreed recommendations as regards recovery of house rent from employees for quarters allotted to them. The decision of the Government of India in the Ministry of Labour and Rehabilitation on the subject is contained in their letter No. L-39011/3/72-P&D dated the 24th May, 1973. It, *inter alia*, provided that (a) no House Rent Allowance would be payable to employees provided with quarters; (b) house rent would be paid by all except those who are presently occupying quarters on a rent free basis and holders of posts to which a free house is admissible as a condition of service; (c) house rent would be charged at the rate of 7½ per cent of basic pay where basic pay is less than Rs. 200/- per month and at the rate of 10 per cent where basic pay is Rs. 200/- per month or more, subject to a maximum of standard rent as determined under Fundamental Rules; and (d) concessional rent would be charged on sub-standard accommodation. The said letter is reproduced in Appendix XXVI.

8.46 The views on the subject expressed before us by representatives of employers and workers are sharply divided. Port Trusts and Dock Labour Boards generally expressed satisfaction with the existing provisions for payment of House Rent Allowance and for recovery of rent from those who have been allotted quarters. Cochin Port Trust and Dock Labour Board, however, proposed that House Rent Allowance at Cochin port should be at the rate of 16 per cent of basic pay at par with Bombay, Calcutta and Madras ports. The Federation of Associations of Stevedores stated that the rate of recovery of rent from workers who are allotted quarters constructed by Dock

Labour Boards should be enhanced, having regard to the cost of land, maintenance of buildings, establishment charges, etc. and desired a uniform formula to be evolved for the purpose. According to the Federation, there is a serious anomaly in the system of payment of House Rent Allowance on the one hand and recovery of house rent on the other; for instance, it was pointed out that a stevedore (indal) under Bombay Dock Labour Board with basic pay of Rs. 170/- per month gets House Rent Allowance of Rs. 27.20 against which he pays only Rs. 15 to Rs. 18 by way of house rent for the quarters allotted to him. Bombay Dock Labour Board also expressed similar views and proposed that recovery of house rent should constitute at least 10 per cent of the total earnings of the workers.

8.47 The Federations of unions and their affiliates expressed a contrary view. According to them, rents for private houses in major port cities have increased out of all proportion and employees should be compensated correspondingly. The All India Port and Dock Workers' Federation, while asking for uniform House Rent Allowance at all major ports and merger thereof into basic pay, desired that recovery of rent should be on the basis of the type of accommodation allotted, its location, amenities provided and rent payable for similar accommodation under the Integrated Subsidised Industrial Housing Scheme.

8.48 The Indian National Port and Dock Workers' Federation wanted that House Rent Allowance should be raised to 25 per cent of basic pay, subject to a minimum of Rs. 55/- per month in all major ports. As regards recovery of house rent, the Federation was of the view that employees drawing basic pay upto Rs. 550 per month should be charged house rent at the rate of 7½ per cent of basic pay and that the existing concessions and principles governing the same in respect of piece-rated workers and other present allottees of accommodation should continue.

8.49 The Water Transport Workers' Federation of India would like payment of House Rent Allowance built into the total pay packet at the rate of 20 per cent of the amount required to meet the expenditure on diet and clothing. At the same time, the Federation wanted that no recovery of rent be made from workers allotted standard quarters but the element of House Rent Allowance should be withheld from their pay packet.

8.50 The Port, Dock and Waterfront Workers' Federation, in their representation to the Ministry of Shipping and Transport, proposed that House Rent Allowance at the rate of 16 per cent of the revised basic pay should be paid to all workers at all

major ports, subject to a minimum of Rs. 50 per month. As regards recovery of rent, the Federation desired that fixed rent based on the plinth area should be charged to occupants of the quarters.

8.51 According to information available, the present position of the number of employees provided with quarters is as follows :

Percentage of Employees provided with Quarters

Port	Port Trust	Dock Labour Board
Bombay	18	12
Calcutta	25	4
Madras	N.A.	21
Visakhapatnam	17	28
Cochin	8	15
Mormugao	N.A.	—* *80 quarters are under construction. 3 per cent of workers will be provided with quarters.
Kandla	37	—** **Construction of 72 quarters is being taken up. 3.5 per cent of workers will be provided with quarters.
Paradip	N.A.	—

Source : Annual Report of the Ministry of Shipping and Transport 1975-76 (for Dock Labour Boards) and Annual Administration Reports of Port Trusts for 1974-75 (for Port Trusts).

8.52 As would be seen from the above, only a small percentage of the total employees have been provided with quarters. There is thus urgent need for building more houses for employees. At the same time we feel that the return from the quarters by way of recovery of rent should be such as would provide incentive to employers for building more quarters.

8.53 Earlier in Chapter V, we have concluded that there is no justification for maintaining the present differentials in the matter of House Rent Allowance in the various ports and that if a uniform rate of House Rent Allowance is to be payable in all ports, there is no need to keep it as a separate element in the wage structure. Further, in our fitment formula for the fixation of pay for existing employees, we have recommended that a

notional amount of 16 per cent of basic pay in lieu of House Rent Allowance be added to the existing basic pay for fixation in our proposed scales in respect of all employees, whether provided with quarters or not, so that employees at the same level of basic pay in existing scales are fixed at the same level of pay in our proposed scales.

8.54 Merger of House Rent Allowance into basic pay and its consequent inclusion for other incidental benefits would have some financial impact. House Rent Allowance paid to employees does not at present count for retirement benefits, ex gratia and dearness allowance and also for payment of overtime in the case of certain categories of employees not covered by the Minimum Wages Act. However, after its merger into basic pay, it will count for the aforesaid purposes also.

8.55 A likely criticism by employers would be that on merger of the element of House Rent Allowance into basic pay, Dearness Allowance would become payable on the merged House Rent Allowance also. Though this would be so, it has to be recognised that the minimum pay of Rs. 325 which includes the element of House Rent Allowance and our proposed scales constructed on that basis at Index Number 250 of the 1960 series, represent a fair wage which has to be protected in varying degrees by appropriate neutralisation.

8.56 Another possible criticism would be that employees provided with quarters would pay rent at much lesser rates than the prevailing market rates and would, in addition, get the benefit of merged House Rent Allowance. It has, however, to be recognised that such employees would hereafter have to pay a higher amount of rent based on a much higher basic pay in our proposed scales, which includes not only House Rent Allowance but also City Compensatory Allowance and the merged portion of (fixed) Dearness Allowance and Additional Dearness Allowance. Besides, our formula for recovery of rent set out in paragraph 8.58 does away with the existing concept of 'standard rent'.

8.57 Our attention has been drawn to sub-section (1) of section 4 of the West Bengal Workmen's House-Rent Allowance Act, 1974, which reads :

"Every employer shall be bound to pay to every workman house-rent allowance which shall be three and a half per cent of the wages earned by the workman for his continuous service in the industry during a month, or rupees ten, whichever is higher; provided that a

workman whose period of continuous service is less than fifteen days in a month shall not be entitled to such house-rent allowance."

As we have included the element of house rent allowance in basic pay itself, it should be possible for the employers in Calcutta port to seek exemption from this provision under section 8 of the said Act, which reads :

"The State Government may, if it thinks fit so to do in the public interest, by notification, exempt any class of industry from the provisions of this Act for such period and subject to such conditions, if any, as may be specified in the notification."

In the event of the exemption not being granted for any reason, employers in Calcutta port should split basic pay in our proposed scales and show $3\frac{1}{2}$ per cent thereof separately as house rent allowance, which should, however, be counted for purposes of dearness allowance, retirement benefits, etc.

8.58 As regards recovery of rent from allottees of accommodation, our recommendations are as follows :

- (i) House rent shall be payable by all employees to whom accommodation has been provided by the employer, provided that employees, who are required to occupy such accommodation on rent-free basis due to exigencies of service or as a condition of service, shall not be required to pay rent as long as they occupy such accommodation due to exigencies of service or as long as their said condition of service continues to be in force, as the case may be.
- (ii) Subject to the following paragraphs, rent shall be charged at the rate of $7\frac{1}{2}$ per cent of basic pay in our proposed scales where basic pay is less than Rs. 500/- per month and at the rate of 10 per cent of basic pay in our proposed scales where basic pay is Rs. 500 or more per month.
- (iii) If any employee is at present occupying accommodation provided by the employer on a concessional rent for any reason, rent payable by him for such accommodation shall be determined afresh in accordance with the principles governing such concession.

- (iv) Where an employee is not offered accommodation of the type to which he is eligible and he occupies accommodation of a lower type, rent payable by him shall be rent payable on the maximum of the pay range for which such lower type of accommodation is intended, calculated at $7\frac{1}{2}$ per cent or 10 per cent thereof, as the case may be.
- (v) Where an employee is offered accommodation appropriate to his basic pay in our proposed scale, but declines the offer and continues to occupy a lower type of accommodation, rent payable by him shall be $7\frac{1}{2}$ per cent or 10 per cent, as the case may be, of his basic pay in our proposed scale.
- (vi) Rent payable by an employee occupying sub-standard accommodation provided by the employer shall be such rent as may be fixed by the employer, having regard to our integrated wage structure, the nature, condition and extent of accommodation provided, amenities and facilities therein, etc.
- (vii) Where dormitory accommodation is provided to an employee on free or nominal rent in order to enable the employee to work at odd hours or in emergency or otherwise to serve the interests of the employer, he shall continue to occupy such accommodation on the existing basis. In other cases, rent payable by the employee shall be such as may be fixed by the employer, which shall not exceed 5 per cent of basic pay of the employee in our proposed scales.
- (viii) Where accommodation is provided jointly to two or more employees or where accommodation provided to an employee is shared by one or more other employees with the previous approval of the employer, rent payable shall be $7\frac{1}{2}$ per cent or 10 per cent, as the case may be, of basic pay of the employee drawing higher or the highest basic pay in our proposed scales and each employee shall be liable to pay rent in proportion to the accommodation occupied by him. Where accommodation so provided or shared is sub-standard, each employee concerned shall be liable to pay rent fixed under subparagraph (vi) above, in proportion to the accommodation occupied by him.

8.59 Under the existing provisions for recovery of rent, the amount of rent payable by employees at $7\frac{1}{2}$ per cent or 10 per cent of basic pay, as the case may be, is limited to 'standard rent' of the accommodation determined under Fundamental Rules. This limitation needs to be removed. Firstly, because, under our recommendations, all employees would receive the benefit of the element of house rent allowance, the same having been built into basic pay; if employees with quarters and employees without quarters have both to be treated on a par, those with quarters should be prepared to pay back the entire element of house rent allowance built into basic pay, if not something more, by way of house rent. Secondly, employers should be encouraged to build more houses for employees and for this purpose they should be able to recover a reasonable amount by way of rent at least to cover maintenance and other recurring expenses. It may incidentally be mentioned that the Planning Commission having invited attention to extremely low house rents charged by some Dock Labour Boards, the matter was brought up for discussion in the 12th meeting of the Dock Workers Advisory Committee held at Bombay on the 8th December, 1973, but no decision could be taken for revising rents upwards in view of opposition from representatives of employees. Thirdly, our wage structure makes a total departure from the wage structure obtaining in Government. The concept of 'standard rent' determined under Fundamental Rules applicable to Government employees has, therefore, no relevance to port and dock employees. In view of the above considerations, we have advisedly refrained from stipulating that rent payable should not exceed 'standard rent' determined under Fundamental Rules.

F. DUST ALLOWANCE—SPECIAL WASHING ALLOWANCE

8.60 It has been represented to us at several ports, particularly at Visakhapatnam port, that iron ore dust emanating from the mechanical ore handling plants constitutes a health hazard and workers should be compensated by payment of 'Dust Allowance'. During our visits to Visakhapatnam and Paradip ports, even though the plants were not in operation, it was fairly evident to us from the heaps of iron ore dust laying all round that there would be considerable amount of dust flying about when the plants are in operation.

8.61 Our attention has been invited to the report of the Expert Committee on Occupational Diseases among Dock Workers and the findings of the Director General, Factory Advice Services and Labour Institute, Bombay who have opined that while pure

iron ore dust does not affect the lungs or cause tuberculosis, it may cause ailments like conjunctivitis, chroiditis, retinitis, etc. Further, if iron ore dust is mixed with other mineral dust, it could be more hazardous than pure iron ore dust. The matter was also raised in the 12th meeting of the Dock Workers Advisory Committee held at Bombay on the 8th December, 1973, and in its subsequent meetings. It was finally decided in the 14th meeting held on the 3rd August, 1976, that the issue be dealt with at local level in each port.

8.62 There is no doubt that potentialities of some hazard to health on account of iron ore dust do exist. But monetary payment by way of an allowance cannot obviously be an antidote for such hazard. On the other hand, payment of an allowance might induce a complacent attitude on the part of port authorities who are likely to feel that such allowance discharges their obligation towards possible hazard to health.

8.63 The Expert Committee on Occupational Diseases among Dock Workers has advised that port managements ought to adopt adequate preventive measures against hazards arising out of iron ore dust. In fact, certain measures have already been taken by some ports in this direction. For example, steps have been taken to reduce iron ore dust in the plants, protective equipment has been supplied and arrangements have been made for regular medical check up and treatment of workers. We recommend that ports where no such or similar steps have been taken should also follow suit.

8.64 There is another aspect to the problem of iron ore dust, namely, its capacity to soil body and clothes. It is obvious, that workers connected with iron ore handling operations are required to incur larger expenditure on washing and are hence entitled to suitable washing allowance.

8.65 It is understood that Dust Allowance of Rs. 20/- per month for regular employees and Rs. 15/- per month for N.M.R. employees is being paid in Paradip port as compensation for health hazard to workmen working within the area of operation of iron ore handling plant i.e. within 100 yards from conveyor line, truck dump hopper, shovels engaged in ore loading and iron ore stacks. The allowance is, however, subject to the condition that workmen work within this area for more than 15 days in a calendar month and the period of eligibility for payment is also confined to the period between the 1st January and the 30th June or the onset of monsoon whichever is earlier. Washing Allowance of Rs. 2/- per month and uniforms are also being given to workmen concerned, over and above Dust Allowance.

8.66 As stated earlier, we are not in favour of payment of dust allowance as compensation for health hazards. But payment of a special allowance for washing is certainly justified. We, therefore, recommend that all employees who are directly connected with iron ore handling operation and whose body and clothes are soiled by iron ore dust in the performance of their duties should be paid a Special Washing Allowance of Rs. 10/- per month or 40 paise per shift during the period of such employment. This allowance need not be confined to a part of the year only as in Paradip port but should be paid throughout the year.

8.67 Employees who would be paid Special Washing Allowance should not be paid any other washing allowance or Dust Allowance.

8.68 Some workers in Calcutta port are at present being paid coal handling allowance at the rate of Rs. 7.50 per month subject to certain terms and conditions. We recommend that the rate of this allowance should be raised to Rs. 10 per month or, in the alternative, should be 40 paise per shift.

8.69 These recommendations shall be prospective and shall take effect from the date of Government orders on our recommendations.

G. RUNNING ALLOWANCE

8.70 It has been represented to us on behalf of loco drivers and firemen employed by Port Trust railways that they should be paid running allowance as in the case of the running staff of State Railways. The demand has been particularly raised in respect of railway employees in Bombay and Calcutta ports. It has been argued that the duties and responsibilities of the running staff on port railways are in no way different from those of corresponding categories in State Railways. It is also said that running allowance forms a substantial part of the total emoluments of the running staff of State Railways.

8.71 We have examined this demand carefully. We had also the benefit of discussions with senior officers of the Railway Board who explained the background to the payment of running allowance to employees of State Railways.

8.72 The Supreme Court has considered and rejected this demand in the Workmen employed by Calcutta Port Commissioners v. Employers in relation to the Calcutta Port Commissioners (1973 Lab. & Ind. Cases 92), observing :

“The important question that arises for consideration in considering the claim for payment of running allowance is as to whether the employees of the Port Trust Railway can be compared in all material respects with the employees of the State Railways. To put it differently, the question will be whether both the sets of employees do substantially the same or similar nature of work. The answer, in our opinion, must be in the negative. There is no controversy that the work on the Port Trust Railway is almost exclusively confined to shunting work and hauling of loads to and from the different sheds situated within the limited area of the Port Trust. The trains in this area run at very slow speeds not exceeding six miles an hour and without scheduled timings. There is the further circumstance that the Port Trust Railway has no passenger service. The Port Trust Railway employees are also not liable to transfer for duty outside the port area. On the other hand, the running staff of the State Railways have to run both passenger and goods trains over very long distances and the trains will have to keep up the time schedules. There is no dispute—and it is also borne out by the Second Pay Commission—that substantial portion of the total emoluments of the running staff in the State Railways is in the form of running allowance, a factor which has to be borne in mind while determining pay scales. Running allowance is paid as an incentive for the same and punctual movement of trains, though a small portion of the same is intended to cover travelling allowance . . . It is in view of the taxing and arduous work coupled with the facts that the goods and passenger services on the State Railways have to keep up the time schedule that the running allowance is paid to the staff of the State Railways.” (Page 94)

8.73 The Classification and Categorisation Committee had before it the question ‘whether the extraneous benefits given by the Indian Railways, which are not all given by the Port Railways, would justify a higher scale of pay for the Port Railway employees’. The committee, however, took the view that ‘the terms of reference contained in the Government Resolution constituting the Committee are precise, and that extraneous benefits

are not to be calculated for the purpose of fixing particular categories into particular scales.' (Para 25) A dispute arising out of this was later referred to the Industrial Tribunal presided over by Shri M. R. Meher and the Tribunal, in rejecting the demand, observed :

"Having considered the evidence on the point, I am of the view that considerations for which running allowance is allowed in such cases do not apply to the staff of the Port Trust trains."

"Taking into account the evidence, submissions and arguments on both sides, I have come to the conclusion that there is no anomaly in the report of the Committee in not giving allowance to Loco Firemen and Loco Drivers and that there is no case on the merits for giving such running allowance."

In appeal, the Supreme Court, in [(1970) 20 Fac L.R.7], observed as follows :

"———We may straightway say that Mr. Desai has not been able to satisfy us that the Tribunal has committed any error in holding that loco drivers and loco firemen of the Port Trust are comparable with shunter drivers and second grade firemen respectively of the State Railways. We have gone through the various items of evidence referred to by the Tribunal as well as the reasons given by it for coming to the said conclusion and we are satisfied that the Tribunal has not committed any error in recording these findings. The Tribunal has given due consideration to the nature of work done by the loco drivers and loco firemen, as well as the nature of work done by 'B' and 'C' Grade drivers and shunter drivers and 'A' Grade Firemen in the State Railways and it is after a consideration of these circumstances that it has come to the conclusion that the work done by a loco driver is almost similar to that of shunter driver and the work done by a loco fireman is that of a second fireman on the State Railways. Therefore, so far as these findings are concerned, no ground has been made out by the appellants for interfering with them."

"———Based upon all these statements contained in the above Reports and rules, Mr. Desai strenuously urged that in the State Railways, when a pay scale is being fixed for the running staff, the certainty of their getting running allowance is taken into account. But the Jeejeebhoy

Committee has neither awarded running allowance nor has it fixed higher grade scale of pay. On the other hand, it has given to the loco driver and loco firemen more or less the same salary paid to a shunter driver and second grade firemen without the advantage which the latter get by way of additional income; viz. running allowance. Though the argument appears to be attractive, in our opinion, such a claim cannot be accepted. The object of payment of running allowance, we have already indicated, is to provide an incentive for the safe and punctual movement of trains. There is no comparison between the movement of trains on the main line of a State Railway and the movement of trains within the Port Trust premises by its employees. No doubt it is true that Shunter Drivers who work in the yard itself are being paid running allowance in the State Railways. But the circumstances in which the Shunter Driver is paid running allowance do not exist in the Port Trust Railways."

(Pages 15-16)

8.74 In view of the decisions of the Supreme Court, we feel that the demand for running allowance has no merit.

8.75 Our attention has been drawn to the 'Incentive Scheme for Improved Loco Output' presently obtaining in Madras port covering the loco drivers, firemen and certain other categories of railway staff. It has been urged that similar incentive schemes be introduced in respect of railways in other ports also. We accordingly recommend that the feasibility of introducing suitable incentive schemes be considered by Port Trusts where no such scheme exists.

H. ALLOWANCE FOR OUTDOOR WORK

8.76 Generally, the working hours for indoor staff are 6½ while those for outdoor staff are 8. A demand has been made before us on behalf of employees engaged in outdoor duties of a clerical nature that either their working hours should be brought in line with those obtaining in the case of indoor clerical staff or they be compensated for their extra hours of duty by way of payment of overtime or a special 'Outdoor Allowance'. Such a demand was also raised before the Wage Board, which, however, decided that 'the question of equal working hours for indoor and outdoor clerical staff or compensation for extra hours of work to the outdoor staff should be discussed at local level.'

(Para 8.51)

8.77 Presumably in pursuance of the above recommendations, in 1972, wharf staff and outdoor clerical staff of Cochin port came to be given 10 per cent of basic pay as compensation for the extra hours of work as a temporary arrangement till such time as an alternate arrangement was made or a decision at an all India level was taken.

8.78 A similar demand was also raised at Visakhapatnam port and the matter was discussed by the authorities with the unions concerned. As a result, the working hours of certain categories of ministerial employees engaged on outdoor duty were reduced from 8 hours to 6½ hours; it was, however, decided that outdoor clerical employees who were to work alongside the operational staff would continue to observe the working hours of outdoor operational staff.

8.79 Our attention has also been invited to the case of certain time-keepers employed in the Engineering Departments of Bombay port, who, when required to work beyond 39 hours a week (36 normal working hours and 3 hours free period), are paid overtime at single rate of wages or 1½ times basic pay, whichever is higher.

8.80 We have given careful thought to the issue. *Prima facie*, the present discrimination in working hours in favour of indoor ministerial employees working in relatively more comfortable surroundings is not equitable. While it may be possible, as in Visakhapatnam port, to reduce the working hours of some categories of outdoor ministerial staff, it may not be feasible for operational reasons to reduce the working hours of those categories of outdoor ministerial staff who have to work throughout the shift alongside the outdoor operational staff. Apart from that, the outdoor ministerial staff is recruited with the tacit understanding that their working hours would be 8 a day or 48 a week. There is, therefore, no justification for reducing the working hours of those who are employed with such understanding or for paying them for supposed extra hours of work. In our view, port organisations being industry-oriented, the normal rule should be 8 hours duty for both indoor and outdoor staff.

8.81 There may be some cases where a ministerial employee recruited for indoor duties is, either of his own volition or due to exigencies of work, required to do outdoor work. If an employee has volunteered for outdoor work, he cannot obviously claim reduction of his working hours or payment for extra hours of work. Even in a case where he is transferred for outdoor duties in the exigencies of work, we do not feel that there is any

justification for reducing his working hours or for paying him for the extra hours of duty, for, he must necessarily observe the working hours of those alongside with whom he is required to work.

8.82 We are accordingly of the view that there is no justification in the demand for reduction in the working hours of outdoor clerical staff; nor is there any justification for payment of overtime or a special allowance for extra hours of work. We, therefore, recommend that wherever such a practice obtains, the same should be discontinued. This recommendation should, however, be prospective in operation and shall take effect from the date of Government orders on our recommendations.

I. UNIFORMS AND UNIFORM ALLOWANCE

8.83 Supply of uniforms is one of the important benefits available to a large number of employees. This is a benefit which has the effect of reducing the cost of living of an employee.

8.84 The demand for supply of uniforms to port and dock employees has been the subject of several disputes in the past. In Calcutta port, such a demand in respect of Class IV employees was referred to the Central Government Industrial Tribunal at Calcutta in 1956. A similar dispute in respect of the crew of the dredging flotilla in Bombay port was referred to the same Tribunal in 1957. Shri A. Das Gupta, the Presiding Officer of the Tribunal, in his awards in the two disputes, laid down general principles for determining entitlement of employees for supply of uniforms. According to him, uniforms should be supplied to :

- “(1) Those who come in touch with the public in course of their duties,
 - (a) those who from the employer’s point of view should present a smart appearance and thereby maintain the prestige of the employers;
 - (b) those who require some identification for easy access to the place of their work and peaceful execution of their work.
- (2) Those whose work requires a particular type of dress for their safety against any risk involved in such work.

- (3) Those whose nature of work soil their clothes and reduces their life.”

8.85 The above principles for supply of uniform were later upheld by Shri Kamla Sahai, Presiding Officer of the National Tribunal, Dhanbad, in 1968, in the dispute between Madras Dock Labour Board and its employees. He, however, rejected the demand for supply of uniforms to mazdoors. The demand was nevertheless later conceded as a result of an agreement between the Board and the Madras Dock Workers Congress. The Madras Port Trust also had to follow suit and granted uniforms to their cargo-handling mazdoors and various other categories.

8.86 A similar demand in respect of shore cargo-handling workers of Calcutta port was referred to the Central Government Industrial Tribunal, Calcutta, in 1970. The Presiding Officer, Shri B. N. Banerjee, also upheld the principles enunciated by Shri A. Das Gupta. Shri Banerjee went further and added the words 'and for easy and comfortable despatch of their work' to the second principle of Shri A. Das Gupta. He awarded free supply of uniforms to shore cargo-handling workers of Calcutta port, including departmental porters and also to the monthly non-operational porters and female muster gang porters. He further laid down the type of uniforms to be supplied.

8.87 Against this background, the All India Port and Dock Workers Federation made a general demand for supply of uniforms to all port and dock workers. Government took the view that extension of the benefit of free uniforms was a matter for administrative judgment based on detailed knowledge of the duties to be performed and conditions of work prevailing and should, therefore, be dealt with locally in consultation with unions.

8.88 It has been urged before us that all outdoor employees should be provided with four sets of uniforms and two pairs of shoes annually. In our considered view, the general principles enunciated by the Tribunal presided over by Shri A. Das Gupta and upheld by other Tribunals, with the addition made by Shri B. N. Banerjee, are sound and reasonable. We accordingly recommend that port administrations should consider the demand for uniforms to all outdoor staff in the light of these principles.

8.89 In certain ports, a Uniform Allowance is paid to employees in lieu of supply of uniforms. We do not consider it necessary to require employers to supply uniforms instead of paying Uniform Allowance.

J. WASHING ALLOWANCE

8.90 It is contended before us that outdoor work results in soiling of clothes and hence a reasonable amount of washing allowance should be paid to all employees including those who have been supplied with uniforms. Such an allowance is already admissible to certain categories of employees in all ports at rates varying from Re. 1 to Rs. 4 per month. We recommend that, in view of increased cost of soap and detergents, a sum of Rs. 5 per month be given as Washing Allowance to all those categories of employees as are entitled to this type of allowance. We further recommend that other categories of employees whose duties involve continuous contact with dirty or dusty cargo (other than workers handling iron ore covered by the proposed Special Washing Allowance and workers in Calcutta port who are given coal handling allowance) also be paid Rs. 5 per month as Washing Allowance; actual categories of employees who would be entitled thereto may be determined by port administrations.

K. CONVEYANCE ALLOWANCE

8.91 Certain categories of employees whose duties require them to undertake travelling in the performance of their duties are at present paid fixed monthly conveyance allowance. The amount of such allowance varies from Rs. 4 to Rs. 50 per month. A demand for increase in the allowance has been made before us on behalf of some categories of workers on the ground of increased cost of travelling. We recommend that port administrations should review the scales of the allowance and the categories eligible therefore, keeping in view the increased cost of travelling and of maintaining a conveyance as well as the extent of travelling required in performance of duties.

L. ISLAND ALLOWANCE IN COCHIN PORT

8.92 A number of unions in Cochin Port demanded payment of what is called 'Island Allowance' on the ground that Cochin port is situated on Willingdon Island and conveyance facilities to the port being too meagre, employees experience much difficulty in reaching their place of duty on scheduled time and also on the ground that such an allowance is granted by Cochin Dock Labour Board to dock workers and by certain other employers to their employees working on the Island.

8.93 The demand was brought before the Wage Board also which rejected the same with the following observations:

"8.25. The demand for 'Island Allowance' seems to have been made because the private companies who shifted their offices to Willingdon Island from their previous premises started paying this allowance to their old employees as an inducement to agree to work in their new offices at Willingdon Island. They, however, pay no such allowance to the new recruits. In the case of port workers there has been no change of place of work and, therefore, the analogy of paying island allowance to the employees of the private companies has no relevance in their case. It is true that dock workers are paid an allowance at the rate of 10 paise per day of attendance for journey from Ernakulam or Cochin to the Port and back, but it was a practice initiated by the stevedores prior to the formation of Cochin Dock Labour Board and it has been continued even after the formation of the Board. The practice of paying the allowance to some stevedore workers is not a sufficient reason for grant of island allowance to port workers also because stevedore workers are given some facilities by their employers which need not form a precedent for port workers also. It may be mentioned here that the Board is introducing a compensatory allowance @ 5% for the first time for the port and dock workers in Cochin port.

8.26 Taking all these circumstances into consideration, the Board has decided (labour members dissenting) that there should be no 'Island Allowance' as demanded by the Cochin Port workers."

8.94 For the reasons given by the Wage Board and also for the reason that, as observed by us during our visit to Cochin port, water transport to reach the port is available at regular intervals and at fairly low rates, we do not feel that there is any justification for the demand. We, on the other hand, recommend that Island Allowance presently being paid to dock workers should be discontinued prospectively with effect from the date of Government orders on our recommendations.

CHAPTER IX

PIECE-RATE AND INCENTIVE SCHEMES

A. *Brief Resume*

9.1 Piece-rate and incentive schemes have their origin in the belief that productivity of workers could be improved by relating their earnings to the work turned out by them. Accordingly several piece-rate and incentive schemes, mostly relating to cargo-handling operations, have been introduced in major ports from time to time. A list of schemes now in operation is given in Appendix XXVII. Their working has been found generally to have resulted in better output. A brief history of the introduction of these schemes is given below, portwise :

Bombay Port

9.2 In Bombay port, an Incentive Bonus Scheme on ship-wise basis came into operation from the 1st January, 1949. This was replaced by a more comprehensive integrated piece-rate scheme covering both shore workers and stevedore workers, evolved by the Central Government Industrial Tribunal, Bombay, and as modified by the Labour Appellate Tribunal. This scheme was introduced with effect from the 1st March, 1956. The scheme covers all workers who are directly concerned with the handling of cargo discharged from or loaded into vessels in the docks. Foodgrain-handling workers and chipping and painting workers also have since been brought under piece-rate schemes.

Calcutta Port

9.3 In Calcutta Port, cargo-handling workers were supplied by the contractors Messrs Bird & Co., till the 1st April, 1948, when they were taken over on direct employment by Calcutta Port Commissioners. While doing, the Port Commissioners introduced a system of payment by results, according to which workers were to work on tonnage rates with a guaranteed minimum earning of Rs. 45/- per month. An attempt to improve the system was made in 1957, when a tripartite committee under the chairmanship of Shri F. Jeejeebhoy was set up to evolve an integrated piece-rate scheme for shore and stevedore workers on the model of integrated schemes evolved by the Labour Appellate

Tribunal in respect of Bombay Port. The scheme submitted by this committee in August, 1957, could not, however, be implemented as it was not acceptable to workers. Shri Jeejeebhoy was asked to review the scheme and he submitted his report in August, 1958; but the scheme as reviewed could also not be introduced on account of various difficulties.

9.4 After some more attempts at evolving acceptable piece-rate schemes, Calcutta Port Commissioners finally, in consultation with recognised unions, formulated what is known as the Revised Incentive Piece-Rate Scheme, 1964, in respect of shore workers only. This scheme, as modified by the Wage Board and later amended from time to time, is in operation at present in respect of shore workers. Incentive schemes have since been evolved also for the 18th berth mechanical coal loading plant, railway shunting staff, shed clerks, shed checkers and sorters.

9.5 In so far as stevedore workers are concerned, early attempts to cover them by piece-rate schemes did not succeed for various reasons. However, the Wage Board unanimously evolved two piece-rate schemes to cover cargo-handling stevedore workers and salt workers stipulated that these would be simultaneously introduced with the implementation of their recommendations. Subsequently, foodgrain-handling workers and chipping and painting workers also came to be covered by piece-rate schemes.

Madras Port.

9.6 A committee, headed by Shri F. Jeejeebhoy, was constituted for Madras port to evolve a piece-rate schemes in the light of the principles on which the integrated piece-rate scheme in Bombay port was finalised by the Labour Appellate Tribunal, subject to necessary changes. A piece-rate scheme was worked out unanimously by this committee and was introduced in Madras port from the 1st March, 1958.

9.7 Consequent upon the introduction of mechanical ore handling in Madras port, a separate piece-rate scheme for handling iron ore was introduced in November, 1960. A scheme for 'payment by results' was introduced in October, 1962, for categories of workers indirectly connected with cargo-handling work, like drivers of mobile cranes, stackers, tally clerks and sorters. A scheme for 'good attendance' in respect of certain categories of employees was introduced from the 1st October, 1964. An incentive scheme for improving the output of locos

came into effect from the 1st April, 1965. Yet another scheme for awarding prizes for the best maintained unit was initiated from the 1st July, 1965. Listed shore workers, lightermen and employees engaged in mechanical iron ore handling and loading of barytes were also subsequently brought under piece-rate schemes.

Visakhapatnam Port

9.8 In Visakhapatnam port, a piece-rate scheme was introduced on the 15th June, 1961, for stevedore labour. This was revised on the 16th October, 1963. A scheme for shore workers was also introduced in 1964. Some minor changes were made in the scheme for shore labour after implementation of the recommendations of the Wage Board, in consultation with unions. Subsequently, in 1970, piece-rate schemes were introduced in respect of other employees connected with cargo-handling operations, viz., tally clerks, hookmen, fork lift drivers, crane drivers, NGL drivers, etc. There is a separate piece-rate scheme for ore handling workers which was introduced in 1962.

9.9 Stevedore workers are now covered by the revised piece-rate schemes evolved by a committee set up by Visakhapatnam Dock Labour Board in December, 1973, to review the piece-rate schemes in operation in respect of various categories of registered and listed workers. The revised piece-rate schemes as evolved by this committee have come into effect from the 1st April, 1974, and cover all categories of registered and listed workers. The committee has introduced the concept of 'norm' in addition to that of 'datum'. The norm is to be 33-1/3 per cent more than the datum. For example, 100 tonnes have been prescribed as a norm for a datum of 75 tonnes. Unless the norm is achieved in normal circumstances workers would not be eligible for incentive earnings; however, there is to be no reduction in wages if the norm is not achieved.

Cochin Port

9.10 In Cochin port, cargo-handling work was being done on contract basis till the end of 1958. This work was taken over by the port from the 1st January, 1959, and a piece-rate scheme was evolved for departmentalised labour in consultation with labour unions. In 1962, stevedore workers came to be covered by a piece-rate scheme on the lines of the Bombay scheme. These schemes continued to remain in force till August, 1967, when they were replaced by an integrated piece-rate scheme covering both shore workers and stevedore workers on the lines

of the Bombay scheme. The categories of employees subsequently brought on incentive schemes include electric crane drivers, fork lift drivers, mobile crane drivers, tractor drivers, tally supervisors, shed writers, shed supervisors Gr. II and Gr. I, markers, sorters, checkers and tally clerks of Dock Labour Board.

Mormugao Port

9.11 There is no piece-rate or incentive scheme applicable to Port Trust shore labour. Two categories of stevedore workers, namely, gang workers and winchmen are, however, covered by an incentive scheme which was introduced in 1963 as a result of a settlement between employees and workmen. The incentive rates of the scheme were subsequently reviewed on implementation of the recommendations of the Wage Board and again, with effect from the 1st May, 1970.

Kandla Port

9.12 There is no piece-rate scheme for shore workers in this port. Stevedore workers are, however, covered by a Group Incentive Scheme which covers gang workers and tindels registered under the Kandla Dock Workers (Regulation of Employment) Scheme, 1969. The listed foodgrain workers employed by the Food Corporation of India are also covered by an incentive piece-rate scheme which has come into force with effect from the 15th November, 1973.

Paradip Port

9.13 Cargo-handling work is undertaken by contractors whose employees are paid on piece-rate basis but there is no recognised piece-rate scheme as such for these employees.

Piece-Rate Extension Committee

9.14 Government of India in the Ministry of Transport and Communications constituted a committee in May, 1960 (popularly known as the Piece-rate Extension Committee) to examine the feasibility of evolving a system of payment by results for certain additional categories of workers in Bombay and Madras ports. This tripartite committee, in its report, dated the 19th June, 1962, recommended an incentive scheme for certain categories of employees other than those already covered by the scheme as finalised by the Labour Appellate Tribunal for Bombay port and by the Jeejeebhoy Committee for Madras port.

Piece-Rate Review Committees

9.15 The Wage Board had, *inter alia*, recommended that the existing piece-rate schemes needed to be reviewed as early as possible and the question of their extension to other categories also needed to be considered. A similar recommendation for undertaking a review of the existing piece-rate schemes was made by the Commission on Major Ports. In pursuance of the aforesaid recommendations, the Ministry of Labour constituted in March, 1971, a tripartite committee headed by Shri M. Sriramamurty in respect of dock workers of Madras Dock Labour Board to undertake a comprehensive review of the existing piece-rate schemes in the light of the principles enunciated by the Jeejeebhoy Committee. Similar tripartite committees were also set up under the chairmanship of Shri M. Sriramamurty for Bombay port in July, 1971, and for Cochin port in March, 1972, to undertake a review of piece-rate schemes applicable to dock workers of Dock Labour Boards in these ports. These committees were also authorised by the Ministry of Shipping and Transport to review the existing incentive-*cum*-piece-rate schemes in respect of cargo-handling shore workers employed by Port Trusts of these ports.

9.16 The Sriramamurty Committee, in its report dated the 22nd December, 1972, in respect of Madras port, revised certain datums with a view to minimising disparities in the earnings of workers engaged on different types of cargo. It also recommended suitable increases in the processing wage of various categories in the light of the revised pay scales recommended by the Wage Board. Consequential changes in the minimum fall-back wage and wages at different stages of output were also recommended. The majority recommendations of the committee were implemented with effect from the 1st May, 1973, through a Memorandum of Settlement, dated the 28th April, 1973, between the employers' and workers' representatives.

9.17 The committee's report in respect of Bombay port was submitted on the 15th December, 1973. There was no agreement in the recommendations of the chairman, employers' representatives and workers' representatives. The chairman's recommendations were ultimately accepted by a Memorandum of Settlement, dated the 2nd February, 1974, between employers and representatives of workers and these provided for revision of processing wage on the basis of the revised pay scales of the Wage Board. The datum lines were, however, kept unchanged in the absence of agreement between the parties. The recommendations were implemented with effect from the 1st February, 1974.

9.18 The recommendations of the committee in respect of Cochin port were largely unanimous and provided for revision of processing wage which was fixed uniformly for both shore and stevedore workers. The recommendations of the committee were implemented with effect from the 1st June, 1974, through a Memorandum of Settlement dated the 24th May, 1974, between employers' and workers' representatives.

Inter-Departmental Committee for Bombay Port

9.19 In so far as Bombay port is concerned, in the Memorandum of Settlement, dated the 2nd February, 1974, it was agreed, *inter alia*, that workers' demand for inclusion of certain additional categories in piece-rate and incentive schemes and for reconsideration of piece-rates and incentive rates for certain categories would be referred to a committee of three officers, one each from Ministry of Shipping and Transport, Ministry of Labour and Ministry of Finance. This inter-departmental committee submitted its report on the 5th May, 1975. Although unions had demanded coverage of sixteen categories of employees of Port Trust and khalasis under Dock Labour Board, the committee recommended that only three of these categories, viz., assistant shed superintendents, crane tindals and mobile crane supervisors be brought on a suitable incentive premium scheme.

9.20 The committee was also asked by Government to look into the allegation of unions that while calculating process wage, the chairman of the Sriramamurty Committee had departed from the principles laid down by the Labour Appellate Tribunal although the terms of reference of the committee had made it obligatory for the committee to follow these principles. Before the inter-departmental committee, however, the unions conceded that the revised terms of reference of the Sriramamurty Committee communicated by the Ministry of Shipping and Transport later, did not place any such obligation on the committee; it was therefore held that the chairman was competent to evolve his own system of calculating processing wage and payment of piece-rate wages. The committee also justified the exclusion of Equation Allowance in the calculation of processing wage.

B. CRITICISM OF EXSISTING PIECE-RATE SCHEMES

9.21 We had sought views of the parties concerned about the functioning of piece-rate and incentive schemes operating in major ports and about their extension to categories not covered presently. Although both employers and workers' representatives were critical of these schemes, they did so on different grounds.

Employers' Views

9.22 The criticism of employers was mainly on the following lines :

- (i) For satisfactory working of any piece-rate scheme, it is necessary that datums are realistic and subject to suitable adjustment on variations in gang strength and on introduction of mechanical aids for cargo-handling. Datums, as they exist, have been evolved mainly through negotiations and compromises and are not based on scientific work study. The fact that workers are able to achieve even as much as 400 per cent of datums shows that they are fixed at a very low level. Thus, while piece-rate earnings have increased considerably, there is no corresponding increase in productivity.
- (ii) In most of the schemes, fall-back wages have been fixed so high that there is little inducement to workers to put in greater efforts.
- (iii) For maximum output by cargo-handling workers, it is essential that ancillary equipment required for handling cargo are well maintained but at present the maintenance staff not being covered by incentive schemes do not give of their best.
- (iv) To achieve best results, cargo-handling workers engaged from ship to shed should be on an integrated piece-rate scheme. Where this is not so, there may be lack of co-ordination between shore workers and stevedore workers and full benefit of piece-rate schemes is not realised.

Employers, therefore, feel that the existing piece-rate and incentive schemes need to be revised comprehensively, taking into account changes on account of supply of modern gear and mechanical aids and the existing datums should be revised upwards and further that there should be an integrated scheme for cargo-handling workers.

Workers' Views

9.23 Representatives of workers criticised the existing piece-rate and incentive schemes on the following grounds, *inter alia* :

- (i) The system of piece-rate work causes excessive strain to individual workers who resort to extra work for

earning more wages, thereby shortening span of their working life. This also causes more accidents and frequent occupational diseases.

- (ii) Through the operation of piece-rate schemes, employers have achieved considerable savings by way of fuller utilisation of berthing capacity, equipment and port facilities resulting in speedier-turn-round of ships. They have earned frequently despatch money on chartered vessels. But workers have not been allowed a fair share of the gains arising out of such increase in productivity.
- (iii) The levels of real wages attained under piece-rate schemes are not being maintained as neither Dearness Allowance is computed on piece-rate wages earned nor is Additional Dearness Allowance taken into account in calculating processing wage after its initial determination for purposes of piece-rate schemes.

Representatives of workers, therefore, desired that the existing piece-rate schemes be revised to ensure that all elements of time-rated wage including Additional Dearness Allowance payable from time to time are reflected in the processing wage for calculation of piece-rate earnings; further, the schemes of payment by results should be extended to all categories of port and dock employees; suitable incentive schemes should be devised for staff engaged on maintenance, dredging, marine and railway operations so that they also share in the gains of increased productivity of cargo-handling workers, to which they have also contributed.

Our Recommendations

9.24 The common feature of the criticism of both employers and workers is that the existing schemes need to be reviewed. The wage structure proposed by us would also necessitate a review of the existing schemes. We accordingly recommend that the various existing piece-rate and incentive schemes be reviewed comprehensively and the desirability of extending these schemes or introducing new schemes for other categories of workers as well as introducing integrated schemes for cargo-handling workers be also considered.

9.25 Although the various schemes will have to be reviewed locally to suit local conditions and in close collaboration with workers' representatives, we recommend that a suitable central

machinery be set up to work out broad principles and guidelines for adoption by the various ports, for providing assistance to them in the revision and formulation of their schemes and also for scrutinising and monitoring from time to time the schemes evolved at the local levels.

9.26 We may add that, as recommended in Chapter VII, pending such a review, the schemes obtaining in various major ports should be operated according to their existing provisions.

CHAPTER X

ALLEGED ANOMALIES AND SPECIAL REPRESENTATIONS

Consideration by Earlier Authorities

10.1 Representatives of workers urged before us that a large number of anomalies obtain in the existing scales. It is not for the first time that such a plea has been made.

10.2 The Classification and Categorisation Committee was set up in 1958 with the specific purpose of examining the duties and responsibilities of the various posts existing in the port organisations and fitting them into appropriate scales of pay given in the Schedule attached to the Resolution constituting the committee. The committee carefully examined the duties and responsibilities of each post, considered pay scales in Government departments and with a view to doing justice to employees, even went beyond the scales mentioned in the Schedule. As a result, the scales of many categories of employees were upgraded. Representatives of workers were also members of the committee and fully participated in the discussions. Most of the decisions were unanimous.

10.3 Notwithstanding a provision in the Resolution setting up the committee that 'the recommendations of the Committee shall be final and binding on the Port Authorities as well as the Labour', soon after the report of the committee was implemented, the unions alleged several cases of anomalies and raised disputes. Some of these were resolved locally and some others were referred to the Central Government Industrial Tribunal, Bombay, presided over by Shri M. R. Meher, in 1963. The Tribunal gave relief in a few cases but by and large upheld the recommendations of the Classification and Categorisation Committee. Even thereafter, individual cases were referred from time to time and adjudicated upon by Industrial Tribunals.

10.4 The Wage Board which undertook a comprehensive review of the wage structure of port and dock workers evolved a wage structure which, by and large, had the agreement of the workers' representatives on the Board. The Board did not go

into the nature of duties of each post and adopted S.P.C. equivalents of pay scales evolved by the Classification and Categorisation Committee for providing new pay scales. The Board referred to alleged anomalies pointed out by labour members in the scales evolved by the Classification and Categorisation Committee but expressed its inability to go into them for want of time. Government, while passing orders on the recommendations of the Board, provided :

Any existing anomalies regarding the pay scales of employees of various ports and also such other anomalies/difficulties that may arise in the course of implementation of the new wage structure evolved by the Wage Board will, in the first instance, be discussed informally between the parties and settled at the port level. The Government will consider the question of setting up suitable bi-partite or tripartite machinery for dealing with any issues that remain unresolved.'

10.5 Accordingly, a two-man committee, popularly known as 'Anomalies Committee', was set up by Government to examine anomalies that remained unresolved at the port level. The terms of reference of the committee are set out below :

- “(i) Whether there are anomalies in regard to any of the pay scales recommended by the Central Wage Board for Port and Dock Workers at Major Ports, within the framework of its report, in respect of the categories of the posts regarding which anomalies have been raised by the unions affiliated to the All India Port and Dock Workers' Federation, the Indian National Port and Dock Workers' Federation and the Port, Dock and Water-front Workers' Federation of India.
- (ii) If so, what modifications, if any, should be made in the pay scales recommended by the said Wage Board for the said posts, keeping in view the Report of the Classification and Categorisation Committee, 1961, the Awards of the Tribunals in respect of anomalies arising out of the Report of the Classification and Categorisation Committee or other awards and the principles followed by the Wage Board in the fixation of pay scales for the various categories of posts as set out in its Report.”

10.6 The committee was confronted with a long list of 659 categories of alleged anomalies; the port-wise distribution of alleged anomalies was as follows :

Bombay	244
Calcutta	238
Madras	88
Visakhapatnam	39
Cochin	Nil
Mormugao	3
Kandla	20
Paradip	27

10.7 There was a strong difference of opinion between the union representatives and the port representatives as to the exact scope of the expression 'anomaly'; the union representatives contended that whatever was unsatisfactory was an anomaly while the port representatives urged that there was no anomaly in the strict sense of the expression. The committee understood 'anomaly' to mean in the dictionary sense 'an irregularity; a deviation from rule'. The committee felt that its function was to recommend only such cases, where there has been 'a deviation from the rule' in the context of the Classification and Categorisation Committee's and Wage Board's deliberations and finalisation and, if there be any deviation, to recommend modification of the scales of pay of such categories.

10.8 After examining the arguments advanced by the rival parties, the committee came to the conclusion that there was need for review of only eight categories in Bombay port, three categories in Calcutta port and one category in Madras port. The committee's recommendations related to the following categories :

Bombay Port

1. Wireless Telegraphist/Signalman
2. Syrang (Flotilla) in charge of launches
3. Master Gr. II in charge of crafts
4. Engine Driver Gr. I
5. Water Supply Lascar Gr. B
6. Nowganee (Jib Head Pulley)
7. Clerk Gr. II (Docks Deptt.)
8. Shed Superintendent Gr. II

Calcutta Port

1. Lascars working as Poriwalas
2. Radio Officer (Class I and Class II)
3. Lascar (Dumb Water Barge).

Madras Port

1. Sukhani Gr. I and Gr. II—incharge of launches.

The decision of Government on these recommendations, contained in their letter to the chairmen of the three Port Trusts concerned, is reproduced in Appendix XXVIII.

Representations before Us

10.9 Apart from a general representation that wages in the major port industry have lagged behind those prevailing in other organised industries and that the major port industry requires special consideration on account of its importance to the national economy and also on account of strenuous and hazardous nature of work, a large number of representations have been received in respect of individual categories. These representations are not restricted to anomalies as defined by the Anomalies Committee but also extend to new demands. These representations are broadly on the following lines :

- (i) pay scales of some specified categories are not commensurate with their duties and responsibilities;
- (ii) pay scales of some specified categories in a port are lower than those of corresponding categories in some other port;
- (iii) marine categories generally deserve higher pay scales than the existing ones; in particular, pay scales of marine categories should be higher than those of corresponding shore categories; and
- (iv) categories not having adequate promotional opportunities should be given higher or elongated pay scales.

Our Approach

10.10 It was urged before us by port authorities that the Classification and categorisation Committee, on which the labour also was represented and most of the conclusions of which were

unanimous, had done a very good job in the matter of classification and categorisation and that there was no justification for making a departure therefrom. On the other hand, labour representatives contended that the committee did not undertake job evaluation on the basis of time and motion studies and further that there have been changes in the situation since the committee formulated its recommendations more than fifteen years ago. We confess that it has not been possible for us to undertake any scientific job evaluation of the innumerable posts in the various major ports; that is a task which would have taken many years to complete. We cannot, in the circumstances, help proceeding on the basis that the conclusions of the Classification and Categorisation Committee are generally sound. We are conscious that the situation today is not the same as it was when that committee formulated its recommendations and we have borne this fact in mind in dealing with representations made to us.

10.11 The representations received by us have been examined in the light of the duties and responsibilities attached to the posts, promotional hierarchy, qualifications required for recruitment and pay scales prevailing in other ports for the same or corresponding categories as brought to our notice by the parties in reply to our Questionnaire as well as in oral discussions.

10.12 Where representations were received in respect of a particular category or a group of categories from more than one port or where it was felt that employees similarly placed in other ports also deserved relief, the matter was treated as a general issue and examined in a broader context. On the other hand, where representations related to an individual port only, the same were examined in the context of the conditions and circumstances in the port concerned although the need for uniformity stipulated in our terms of reference was constantly kept in view.

10.13 As stated in Chapter VII, we have grouped more than one hundred existing pay scales (including their truncations and elongations) into our twenty-four proposed pay scales. We believe that some of the alleged anomalies and demands are resolved by such grouping of pay scales.

Our Recommendations

10.14 We now proceed to set out our recommendations relating to some common categories in all major ports and also certain individual categories in each port, in respect of which we consider that a change is called for.

Our recommendations must be understood subject to the following clarifications :

- (i) wherever provision has been made by us for more than one scale for a specific category, it should not be considered obligatory for the employer to create posts in each one of these new scales; and
- (ii) if the existing pay scale of an employee is higher than our proposed pay scale for his category, he will be entitled to the protection of his existing pay scale and will accordingly be brought over to our proposed pay scales corresponding to his existing scale, which will be personal to him.

A. RECOMMENDATIONS FOR ALL PORTS

Loco Firemen

10.15 Loco firemen at Visakhapatnam and Mormugao ports are in the existing scale of Rs. 115—160, while those at Bombay, Calcutta and Madras ports are on the existing scale of Rs. 125—185. We recommend that loco firemen in all ports shall be on a single uniform scale and be brought over to our proposed scale of Rs. 370—7—405—EB—8—485—EB—9—530.

Shunting Staff

10.16 Shunting staff in the various major ports have different nomenclatures like shunter gunner, shunter, shunting traffic jamadar, senior shunting traffic jamadar, pilotman, shunting jamadar and so on; they are all borne on different existing scales, viz. Rs. 142—195, Rs. 150—190, Rs. 150—195, Rs. 150—225 and Rs. 150—253. We recommend that all such categories of shunting staff in these scales shall be on a single uniform scale and be brought over to our proposed scale of Rs. 425—8—465—EB—10—535—EB—12—655.

Loco Drivers

10.17 Loco drivers, both steam and diesel, at different major ports are in the existing scales of Rs. 150—253, Rs. 170—290, Rs. 170—310, Rs. 190—280 and Rs. 190—320; at Visakhapatnam port, however, senior broadgauge loco drivers are in the existing scale of Rs. 246—354. We recommend that loco drivers, both steam and diesel, shall be on a single uniform scale and be brought over to our proposed scale of Rs. 465—10—515—EB—12—635—EB—15—725.

Train Examining Staff

10.18 Train examining staff at the lowest level in all ports shall be on our proposed scale of Rs. 575—15—680—EB—20—840.

Serangs, Inland Masters Class II and Inland Masters Class I

10.19 We recommend that employees of the above categories who may be holding certificates of competency under the Inland Steam Vessels Act, 1917, or their equivalents be brought over to our proposed scales set out below :

- (1) Serangs / Sukhanies holding Serangs Certificate, or its equivalent in the existing scales of Rs. 166-207, Rs. 166-225, Rs. 150-253, Rs. 190-254, Rs. 190-270, Rs. 190-280 and Rs. 214-280 Rs. 450-8-490-EB-12-610-EB-15-700.
- (2) Masters holding Second Class Master's Certificate or its equivalent, in the existing scales of Rs. 214-320 and Rs. 246-354. Rs. 575-15-680-EB-20-840.
- (3) Masters holding First Class Master's Certificate, or its equivalent, in the existing scales of Rs. 250-475, Rs. 290-475, Rs. 310-510 and Rs. 370-550. Rs. 750-25-950-EB-25-1100.
- (4) Masters holding First Class Master's Certificate, or its equivalent, in the existing scale of Rs. 475-650.. . . . Rs. 900-30-1050-EB-30-1200.

N.B. Serangs (Flotilla) holding Serangs' Certificate and Masters holding Second Class Master's Certificate, while in charge of the vessels, shall be paid an allowance at the rate of Rs. 25 per month.

Engine Drivers (Marine)

10.20 We recommend that engine drivers (marine), by whatever designation called, (both steam and diesel) holding certificates of competency under the Inland Steam Vessels Act. 1917.

or their equivalents be brought over to our proposed scales set out below :

- (1) Engine drivers holding Second Class Certificate or its equivalent, in the existing scales of Rs. 150-190, Rs. 160-225, Rs. 180-246, Rs. 180-270, Rs. 170-290 and Rs. 214-280 Rs. 450-8-490-EB-12-610-EB-15-700.
- (2) Engine drivers holding First Class Certificate or its equivalent in the existing scales of Rs. 214-280, Rs. 214-320, Rs. 246-320, Rs. 246-354, Rs. 246-366 and Rs. 250-415 Rs. 575-15-680-EB-20-840.
- (3) Licenced drivers/engineer in-charge/junior engineers holding First Class Certificate or its equivalent, in the existing scales of Rs. 290-475, Rs. 340-510 and Rs. 375-515. Rs. 750-25-950-EB-25-1100.

Tide Gauge Readers

10.21 Tide gauge readers in Madras and Mornugao ports and corresponding categories in all other ports on the existing scale of Rs. 150—190 or a lower existing scale shall all be in a single uniform scale and be brought over to our proposed scale of Rs. 420—7—455—EB—9—545—EB—10—595.

Winch Drivers/Winchmen

10.22 Winch drivers/winchmen are on the existing scale of Rs. 115—160. We recommend that winch drivers/winchmen including winchmen in the marine departments shall be brought over to our proposed scale of Rs. 370—7—405—EB—8—485—EB—9—530.

Tally Clerks

10.23 We recommend that tally clerks in Port Trusts and under Dock Labour Boards as also table clerks under Cochin Dock Labour Board shall all be brought over to our proposed scale of Rs. 425—8—465—EB—10—535—EB—12—655. The existing scale of Rs. 160—320 and our corresponding proposed scale of Rs. 465—10—515—EB—12—635—EB—15—725 for tally clerks under Calcutta Dock Labour Board and table clerks under Cochin Dock Labour Board shall be personal for the present incumbents.

Cargo-Handling Workers of 'B' Category

10.24 We recommend that cargo-handling workers of 'B' category, who are at present paid at the fixed rate of Rs. 104 at the minimum of the existing scale of Rs. 104—140, shall like cargo-handling workers of 'A' category, be brought on a running scale and be brought over to our proposed scale of Rs. 330—4—362—EB—5—402—EB—6—426, their pay on the 1st January, 1974, being fixed at the minimum of the scale. There should, however, be no change in their other conditions of service, except that Attendance Allowance shall be admissible to them according to our recommendations in paragraph 8.24.

Nursing Staff

10.25 Nursing staff at various levels have different designations in major ports; they include nurses, nursing sisters, staff nurses, resident theatre sisters, sisters-incharge, floor sisters, ward sisters, theatre superintendents, assistant matrons, matrons and so on. They are on different existing scales. We recommend that the nursing staff on the existing scales given below be brought over to our proposed scales shown against them :

<i>Existing Scales</i>	<i>Our Proposed Scales</i>
(1) Rs. 190-380	Rs. 480-10-530-EB-15-680-EB-20-800.
(2) Rs. 250-415 } Rs. 250-475 }	Rs. 600-15-675-EB-20-875-EB-25-1000.
(3) Rs. 290-475 } Rs. 290-495 } Rs. 310-510 }	Rs. 675-20-875-EB-25-1050.
(4) Rs. 410-550 } Rs. 430-550 }	Rs. 800-25-1000-EB-25-1100.

Laboratory Assistants/Laboratory Technicians (Medical Department)

10.26 The existing scales for these categories are Rs. 150—253, Rs. 150—281, Rs. 170—366, Rs. 190—366, Rs. 190—375, Rs. 246—354, Rs. 250—415 and Rs. 250—515. We recommend that laboratory assistants/laboratory technicians in the Medical Department, on the existing scales of Rs. 150—253, Rs. 150—281, Rs. 170—366, Rs. 190—366 and Rs. 190—375 be brought over to our proposed scale of Rs. 480—10—530—EB—15—680—EB—20—800, but such of those who are on the existing scales of Rs. 246—354, Rs. 250—415 and Rs. 250—515 and possess a degree in science or adequate experience, be

brought over to our proposed scale of Rs. 600—15—675—EB—20—835—EB—25—885, with the designation of senior laboratory assistant/senior laboratory technician.

Junior Clerks

10.27 In some major ports, there are clerical posts in the existing scale of Rs. 150—190 or Rs. 150—195, the method of recruitment to which is not uniform. While in some ports these posts are filled by promotion of deserving Class IV staff, in other ports they are filled by direct recruits who may be possessing even School Leaving Certificates. The nature of clerical work is also not the same; while some perform full-fledged clerical work, clerical work performed by others is of an elementary nature. We recommend that posts requiring full-fledged clerical work be identified and be equated to posts of lower division clerks on our proposed scale of Rs. 425—8—465—EB—10—535—EB—12—655.

We also recommend that the clerical posts in the existing scale of Rs. 150—190 and Rs. 150—195 involving clerical work of an elementary nature shall be exclusively reserved for promotion of deserving Class IV staff with a view to giving them promotional opportunities, whether or not they possess School Leaving Certificates. Such posts shall be borne on our proposed scale of Rs. 400—7—435—EB—8—515—EB—10—565.

Telephone Operators

10.28 We recommend that telephone operators by whatever designation called shall be brought over to our proposed scales set out below :

- | | |
|---|-------------------------------------|
| (1) Those in the existing scales of Rs. 150-281 and Rs. 150-302 | Rs. 450-8-480-EB-12-610-EB-15-700. |
| (2) Those in the existing scale of Rs. 170-366 | Rs. 480-10-530-EB-15-680-EB-20-800. |
| (3) Head telephone operators in the existing scale of Rs. 246-366 | Rs. 575-15-680-EB-20-840. |

Note : Head telephone operators in Calcutta port who are on the existing scale of Rs. 250—475 shall be brought on our proposed scale of Rs. 600—15—675—EB—20—875—EB—25—1000 which shall be personal to the present incumbents only; future incumbents shall be on our proposed scale of Rs. 575—15—680—EB—20—840.

Motor Drivers

10.29 Motor drivers are generally in the existing scale of Rs. 150—225; however, in Visakhapatnam and Mormugao ports, there are two more scales, viz., Rs. 150—253 and Rs. 170—290, and in Paradip port, there is an additional scale of Rs. 190—320 for senior motor drivers. In view of a general demand for providing a common scale for motor drivers in all ports and for some promotional avenues for them, we recommend that motor drivers on the existing scales given below shall be brought over to our proposed scales shown against them :

<i>Existing Scales</i>	<i>Our Proposed Scales</i>
(1) Rs. 150-225 } Rs. 150-253 } Rs. 150-246 }	Rs. 425-8-465-EB-10-535-EB-12-655.
(2) Rs. 170-290	Rs. 450-8-490-EB-12-610-EB-15-700.

We further recommend that at least 20 per cent. of the total number of posts of motor drivers in a port shall be on our proposed higher scale of Rs. 450—700 and that selection to these posts should be on the basis of seniority-cum-merit. We also recommend that motor drivers on both of our proposed scales should be functionally interchangeable.

Sainiks/Security Guards

10.30 We recommend that sainiks, security guards and equivalent categories of Watch and Ward staff shall be uniformly brought over to our proposed scale of Rs. 330—4—362—EB—5—402—EB—6—426.

School Teachers

10.31 Different scales have been given to various categories of teachers in schools run by Port Trusts and Dock Labour Boards. In some cases, these are exceedingly low. We have considered the general question of providing adequate scales to teachers and

recommend that they be brought over to our proposed scales as set out below :

(a) Principals/Head Masters	Our Proposed Scales
1. Higher Secondary Schools upto and inclusive of 11th Class	Rs. 775-25-975-EB-25-1150.
2. Secondary/High Schools upto and inclusive of 10th Class	Rs. 675-20-875-EB-25-1050.
3. Middle Schools upto and inclusive of 8th Class	Rs. 600-15-675-EB-20-875-EB-25-1000.
4. Primary Schools upto and inclusive of 5th Class	Rs. 480-10-530-EB-15-680-EB-20-800.
(b) Teachers	Our Proposed Scales
1. Post Graduates and equivalents teaching upto and inclusive of 11th Class	Rs. 675-20-875-EB-25-1050.
2. Trained Graduates and equivalents, teaching upto and inclusive of 10th Class	Rs. 600-15-675-EB-20-875-EB-25-1000.
3. Other Teachers in Middle/Secondary or High Schools teaching upto and inclusive of 10th Class	Rs. 480-10-530-EB-15-680-EB-20-800.
4. Teachers in Primary schools teaching upto and inclusive of 5th Class.	Rs. 425-8-465-EB-10-535-EB-12-655.

NOTE 1 : Teachers on State Government pay scales will have the option either to remain on State Government scales with State Government allowances or come over to our proposed scales with Port Trust/Dock Labour Board allowances. The option in the case of the deputationists will be subject to State Government approval.

NOTE 2 : Other categories of teachers such as adult education teachers, music teachers, dance teachers, physical training instructors, drawing and craft teachers and Hindi and regional language teachers shall be brought over to appropriate scales out of the above scales having due regard to their qualifications and other relevant considerations.

B.—RECOMMENDATIONS FOR INDIVIDUAL PORTS

10.32 Employees in categories in column 2 of the table below borne on the existing scales mentioned in column 3 thereof shall be brought over to our proposed scales set out in column 4 thereof, subject to the remarks in column 5 thereof.

Recommendations for Individual Ports

Sl. No.	Categories	Existing Scales	Our Proposed Scales	Remarks
1	2	3	4	5
		Rs.	Rs.	
10-33 BOMBAY PORT				
<i>(i) Bombay Port Trust</i>				
1.	Mazdoor (Stencilling)	Rs. 100-130 plus Rs. 3.00 per month special pay.	Rs. 300-4-362-EB-5-402-EB-6-426.	Special pay will stand abolished.
2.	Mazdoor (Rivetting)	Rs. 100-130 plus Rs. 5.00 per month special pay.	Rs. 330-4-362-EB-5-402-EB-6-426.	Special pay will stand abolished.
3.	Asstt. Office Poriwala	Rs. 115-160.	Rs. 360-6-390-EB-7-460-EB-8-500.	
4.	Jamadar (Rlys)	Rs. 115-160.	Rs. 370-7-405-EB-8-485-EB-9-530.	
5.	Crane Driver, Heavy Lift Crane (Elec.)	Rs. 166-253 plus Rs. 20/- per month as special pay.	Rs. 425-8-465-EB-10-535-EB-12-655 plus Rs. 40/- per month as special pay.	
6.	Wireless Telegraphist & Signalman (Pilot Vessel)	Rs. 190-290 Plus Rs. 15/- per month as special pay plus Rs. 15/- per month Qualification Allowance.	Rs. 465-10-515-EB-12-635-EB-15-725 plus Rs. 15/- per month Qualification Allowance.	Special pay of Rs. 15/- per month will stand abolished.

7. Trans Clerk

Rs. 170-366 plus Re. 1/- special pay for each non-day shift for performing duties of Assistant Station Master

Rs. 480-10-530-EB- 15-680-EB-20-800 plus special pay of Rs. 3.00 per each non-day shift for performing duties of Assistant Station Master.

8. Chief Wireless Telegraphist and Signalman (Pilot Vessel)

Rs. 214-320 plus Rs. 15/- special pay plus Rs. 15/- per month Qualification Allowance.

Rs. 575-15-680-EB-20-840 plus Rs. 15/- per month Qualification Allowance.

Special pay of Rs. 15/- per month will stand abolished.

9. Audit Inspector Grade III

Rs. 206-366.

Rs. 500-15-680-EB--20-780-EB-25-880.

10. Leadingman (Elec.)

Rs. 290-475.

Rs. 675-20-875-EB-25-1050

11. Draftsman Gr. I (Arch.)

Rs. 370-550.

Rs. 800-25-1000-EB-25-1100

12. Cost Analyst

Rs. 315-650.

Rs. 900-30-1050-EB-30-1200

(ii) *Bombay Dock Labour Board*

1. Cargo-handling Workers of clearing & Forwarding Agents

Rs. 100-130

Rs. 330-4-362-EB-5-402-EB-6-426.

10-34 CALCUTTA PORT

(i) *Calcutta Port Trust*

1. Mochi (Leatherman)

Rs. 110-147.

Rs. 350-5-375-EB-6-435-EB-7-470

2. Hi-fix Assistant

Rs. 150-281.

Rs. 450-8-490-EB-12-610-EB-15-700.

1	2	3	4	5
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(1) Calcutta Port Trust (Contd.)

3. Librarian	Rs. 170-366.	Rs. 500-15-680-EB-20-780-25-880.		For the present incumbent and for future incumbents who are graduates and Library Diploma holders.
4. Radio Mechanic	Rs. 246-354.	Rs. 600-15-675-EB-20-875-EB-25-1000.		
5. Clerk of Works	Rs. 250-475.	Rs. 645-15-675-EB-20-875-EB-25-1000.		
6. Radio Officer.	Rs. 250-475.	Rs. 675-20-875-EB-25-1050.		
7. Technical Assistant	Rs. 250-475.	Rs. 675-20-875-EB-25-1050.		
8. Shift Engineer Relieving Engineer Charge hand, Chargeman, Elect. Supervisor, Diesel Supervisor, Chaser Supervisor, Fumigating Supervisor, 3rd & 4th Engineer, Meter Tester.	Rs. 290-475.	Rs. 750-25-950-EB-25-1100		
9. Assistant Labour Officer	Rs. 375-20-595	Rs. 800-25-1000-EB-25-1150.		

10. Radio Officer Rs. 370-550,

Rs. 900-30-1050-EB-30-1200.

Subject to the holding of II Class proficiency certificate.

(ii) Calcutta Dock Labour Board

1. Plumbing Khalasi Rs. 100-130.

Rs. 340-4-360-EB-5-400-EB-6-442.

2. Sardar Sweeper Rs. 104-1140

Rs. 340-4-360-EB-5-400-EB-6-442.

3. Plumbing Mistry Rs. 166-225.

Rs. 425-8-465-EB-10-535-EB-12-655.

4. Clerk of Works Rs. 250-475.

Rs. 645-15-675-EB-20-875-EB-25-1000.

5. Law Assistant Rs. 170-366.

Rs. 750-25-950-EB-25-1100 for Law graduate only. For non Law graduates 480-10-530-EB-15-680-EB-20-800.

6. Stenographer Rs. 310-510.

Rs. 750-25-950-EB-25-1100.

10-35 MADRAS PORT

(i) Madras Port Trust

1. Yard Lascar Rs. 104-140

Rs. 340-4-360-EB-5-400-EB-6-442

2. Deck Tindal Rs. 138-185.

Rs. 400-7-435-EB-8-515-EB-10-565.

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(i) Madras Port Trust--(Contd.)

3. Sea Fix Assistant-cum-Hydraulic server	ob- Rs. 150-281.	Rs. 450-8-490-EB-12-610-EB-15-700.
4. Asstt. Marine Surveyor	Rs. 246-320.	Rs. 600-15-675-EB-20-875-EB-25-1000.
5. Marine Surveyor	Rs. 310-550.	Rs. 750-25-950-EB-25-1100.
6. Office Superintendent	Rs. 310-550.	Rs. 900-30-1050-EB-30-1200.

(ii) Madras Dock Labour Board

1. Attenders (writing wage slips)	Rs. 115-160 plus Rs. 20 per month as special pay.	Rs. 400-7-435-EB--8-515-EB-10-565.
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Special pay will stand abolished. They should be appropriately designated.

10-36 VISAKHAPATNAM PORT

(i) Visakhapatnam Port Trust

1. Asstt. Light Keeper Gr. II	Rs. 150-225.	} Rs. 450-8-490-EB--12-610-EB-15-700.
Asstt. Light Keeper Gr. I	Rs. 150-281.	

There shall be only one grade of Assistant Light Keeper.

2. Operators (OHP) Gr. III	Rs. 150-253.	Rs. 450-8-490-EB-12-610-EB-15-700.	There shall be only one grade for grade III and grade II operators (OHP).
Operators (OHP) Gr. II	Rs. 170-290.		
3. Head Light Keeper	Rs. 170-290.	Rs. 465-10-515-EB-12-635-EB-15-725.	
4. Sub-Station Supervisor	(i) Rs. 190-320-(for Diploma holders). (ii) Rs. 170-290 (I.T.I.-certificate holders)	Rs. 465-10-515-EB-12-635-EB-15-725.	There shall be only one grade of Sub-station supervisors.
5. Jr. Marine Surveyor	Rs. 246-320.	Rs. 600-15-675-EB-20-875-EB-25-1000.	
6. Operator (Wireless & Radio Telephones)	Rs. 250-475.	Rs. 675-20-875-EB-25-1050.	
7. Sr. Draftsman	Rs. 250-475.	Rs. 675-20-875-EB-25-1050.	
8. Marine Surveyor	Rs. 310-510.	Rs. 750-25-950-EB-25-1100.	
9. Cartographer	Rs. 370-550.	Rs. 800-25-1000-EB-25-1100.	
10. Sr. Marine Surveyor	Rs. 370-550.	Rs. 900-30-1050-EB-30-1200.	
11. Jr. Programmer Gr I.	Rs. 525-25-650.	Rs. 900-30-1050-EB-30-1200.	There shall be only one grade of Junior Programmer.
Jr. Programmer Gr. II	Rs. 475-25-650.		

(ii) *Wisakhapatnam Dock Labour Board*

1. Ayah (Upper primary school)	Rs. 200. (consolidated)	Rs. 325-4-365-EB-5-415.
2. Listed Shore Workers (Cargo-handling)	Rs. 100-130.	Rs. 330-4-360-EB-5-400-EB-6-426.
3. Stitches (F.C.I.)	Rs. 100-130.	Rs. 330-4-362-EB-5-402-EB-6-426.
4. Health Visitor	Rs. 140-280. (not a Wage Board Scale)	Rs. 465-10-515-EB-12-635-EB-15-725.
5. Gunny Clerks	Rs. 150-260.	Rs. 425-8-465-EB-10-535-EB-12-655.
6. B. Ed. Assistant	Rs. 150-330. (not a Wage Board Scale)	Rs. 450-8-490-EB-12-610-EB-15-700.

10-37 **COCHIN PORT**

Cochin Port Trust

1. Greaser (Tugs)	Rs. 110-147.	Rs. 350-5-375-EB-6-435-EB-7-470.
2. Asstt. Signaller Gr. II	Rs. 150-225	Rs. 450-8-490-EB-12-610-EB-15-700.
Asstt. Signaller Gr. I	Rs. 150-253.	
Morse Signaller	Rs. 150-253	
3. Head Lightkeeper	Rs. 190-320.	Rs. 480-10-530-EB-15-680-EB-20-800.

There shall be only one grade designated as Assistant Signaller.

4. Chief Driver (Marine). Rs. 246-354. Rs. 575-15-680-EB-20-840 plus Allowance of Rs. 30 per month.

5. Fire Officer Rs. 375-515. Rs. 900-30-1050-EB-30-1200

10-38 MORMUGAO PORT

(i) Mormugao Port Trust

1. Trolleyman Rs. 100-130. Rs. 330-4-362-EB-5-402-EB-6-426.

2. Topas Rs. 100-130. Rs. 330-4-362-EB-5-402-EB-6-426.

3. Valve Controller Rs. 100-130. Rs. 340-4-360-EB-5-400-EB-6-442.

4. Light Attendant Rs. 170-290. Rs. 465-10-515-EB-12-635-EB-15-725.

5. Shunter Rs. 170-310. Rs. 465-10-515-EB-12-635-EB-15-725.

He is actually performing the duties of a loco driver.

(ii) Mormugao Dock Labour Board

1. Clerk of Works Rs. 600 per month (consolidated) Rs. 645-15-675-EB-20-875-EB-25-1000.

2. Senior Stenographer Rs. 250-475. Rs. 645-15-675-EB-20-875-EB-25-1000.

10-39 KANDLA PORT

Kandla Port Trust

1. Mate Radar Rs. 110-147. Rs. 400-7-435-EB-8-515-EB-10-565.

2. Jr. Light House Keeper Rs. 170-290. Rs. 465-10-515-EB-12-635-EB-15-725.

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Kandla Port Trust—(Contd.)

3.	Sr. Light House Keeper	Rs. 190-320.	Rs. 575-15-680-EB-20-840.
4.	Junior Engineer (Auto) Junior Engineer (CE) Junior Engineer (C) Junior Engineer (M) Junior Engineer (M&E) Dy. Foreman (E)	Rs. 300-600. (Not Wage Board Scale)	Rs. 675-20-875-EB-25-1050.
5.	Head Draftsman	Rs. 300-600. (not Wage Board Scale)	Rs. 675-20-875-EB-25-1050.
6.	Electrical Supervisor	Rs. 315-650.	Rs. 750-25-950-EB-25-1100.
7.	Stock Verifier	Rs. 315-650.	Rs. 750-25-950-EB-25-1100.
8.	Cost Analyst	Rs. 315-650.	Rs. 900-30-1050-EB-30-1200.
9.	Superintendent (Accounts)	Rs. 315-650.	Rs. 900-30-1050-EB-30-1200.
10.	Office Superintendent	Rs. 310-550.	Rs. 900-30-1050-EB-30-1200.

10-40 PARADIP PORT

Paradip Port Trust

1.	Work Sircar	Rs. 150-190.	Rs. 420-7-455-EB-9-545-EB-10-595
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CHAPTER XI

MISCELLANEOUS MATTERS

A. APPLICABILITY OF OUR RECOMMENDATIONS

11.1 Our terms of reference require us to enquire into and recommend as to what revision is necessary in the existing 'wage structure' of the 'Employees' in ports and docks; the term 'Employees' has been defined to cover the following, excluding Class I and Class II Officers :

- (i) persons employed by the major port trusts of Bombay, Madras, Visakhapatnam, Cochin, Mormugao, Kandla and Paradip and the Commissioners for the Port of Calcutta;
- (ii) persons employed by the Dock Labour Boards and their Administrative Bodies at Bombay, Calcutta, Madras, Visakhapatnam, Cochin, Mormugao and Kandla; and
- (iii) persons covered under the schedules of various schemes framed under the Dock Workers (Regulation of Employment) Act, 1948."

11.2 The scope of our inquiry was subsequently enlarged to include 'all categories of workers who were covered by the recommendations of the Central Wage Board for Port and Dock Workers, excepting those to whom wage increases have been given or whose pay scales/wage structures have been revised under any arrangements outside the framework of the Wage Board's recommendations.'

11.3 The Wage Board has, in paragraph 6.9, of its report, given a list of categories of employees covered by its recommendations. The relevant paragraph is reproduced in Appendix XXIX.

11.4 In addition to the said categories, the Wage Board, by majority, considered it desirable 'to apply its recommendations to the crew of barges transporting iron ore from loading points on the river to Mormugao Port, irrespective of the fact whether they are dock workers, or not, as defined in the Dock Workers (Regulation of Employment) Act, 1948.' (Para 6.21). The Wage Board, by majority, further considered it desirable 'that employees of clearing and forwarding agents or custom house agents at

all ports, who work in port and dock area in connection with loading and unloading movement or storage of cargo etc. should be covered by its recommendations.' (Para 6.23) The Board, however, took no decision about the wage structure of employees of clearing and forwarding agents. (Para 7.2.103)

11.5 In addition to the listed and unlisted workers of the Food Corporation of India, the Wage Board also devised pay scales for the technical staff of the Food Corporation of India permanently posted in the docks. [Paras 7.2.93 and 7.2.108.4(b)] As regards the staff of the Food Corporation of India, Neyveli Lignite Corporation, Madras, and other organisations, temporarily posted in the port area, the Wage Board observed that they should get pay and allowances 'on the basis of wage structure devised by the Board for the period of posting or the difference of total emoluments in the scale of pay of the organisation concerned and those payable to similar categories of dock workers, whichever is more, as personal pay.' (Para 7.2.108.12)

11.6 The Wage Board listed certain categories of workers who could not be covered by its recommendations, as there was difference of opinion among the members as to whether these categories could be considered to be dock workers. (Para 6.24) The relevant paragraph is reproduced in Appendix XXX.

11.7 According to our terms of reference as enlarged, our recommendations will apply to the three classes of employees mentioned in para 11.1 above and to all other categories of workers covered by the recommendations of the Wage Board, except such of them who fall outside the framework of those recommendations consequent upon revision of their pay scales or wage structure. We may mention that information regarding categories of workers who have thus gone out of the framework of the Wage Board recommendations has not been made available to us by parties concerned and hence we are not in a position to give their list.

11.8 Incidentally, the Wage Board prescribed pay scales of only those 'barge crews of non-propelled crafts wholly engaged in docks and streams, whose work is connected with loading and unloading of vessels and other process of port and dock work' (Para 7.2.108.7), thereby impliedly excluding those bargemen who operate both within and without the port area. These excluded bargemen of Calcutta raised a dispute through their unions regarding the applicability of the Wage Board recommendations to them. The dispute was referred to the adjudication of the National Tribunal at Calcutta presided over by Shri Justice E. K. Moidu, and the Tribunal held that these bargemen

were dock workers within the meaning of the definition of that expression in the Dock Workers (Regulation of Employment) Act, 1948, and therefore would be entitled to the benefits of wages and allowances recommended by the Wage Board. The employers concerned, however, are reported to have filed an appeal against the award of the National Tribunal. In these circumstances, we do not wish to express any opinion on the question whether these bargemen are covered or not by the recommendations of the Wage Board,

B. UNIFIED CARGO-HANDLING AGENCY

Commission on Major Ports

11.9 The idea of having a unified cargo-handling agency in ports is being canvassed for the last several years. The Commission on Major Ports, 1970, invited pointed attention to the problem by observing: "It is not merely that there is no mobility in the employment of labour between the ship and the shore, but what is more disquieting is that these rigidities extend to even intra-port and intra-dock labour." (Para 16.58) The Commission proceeded to say:

"In all the Major Ports, work on the ship and on the shore are two separate functions. In both, there are further sub-groups of workers assigned to specific commodities. Owing to lack of inter-changeability amongst the workers, an excessive work force is maintained at the ports, resulting inevitably in irregularity of employment and different levels of earnings and productivity. In many cases the shortages in the strength of the gang in one set of workers affect adversely the output of the others. Again, the late arrival of one set of workers at the beginning of the shift and its early breaking off at the end of the shift contributes to the idle time of other sets of workers. Added to these, are the differences in the wage payment schemes for the various categories of workers. Thus the task of fusing the activities of the multifarious agencies with the ultimate objective of enhancing productivity is indeed formidable." (Para 16.59)

The Commission further added:

"The principal difficulties arising out of the present set-up for employing labour are (i) the problem of co-ordination, and (ii) proper utilisation of labour force. Because

of the conflicting interests of the various employing agencies and their respective labour groups, the "multilateral pulls make co-ordination difficult." One of the reasons leading to idle time in cargo handling is the non-synchronization of the activities of two or more groups of labour. If one authority is charged with "the responsibility" of moving the cargo from the ships' holds till the point of loading on the consignees' vehicles or vice versa such an authority could more effectively plan the work at various stages. The cumulative effect of the deficiencies in the present system cannot be overcome except by consolidating the employing agencies and their labour groups." (Para 16.65)

11.10 The Commission also referred to a recommendation of the American Team under the U.S.A.I.D. which visited Indian ports in 1964 to report on the facilities available in regard to handling of foodgrains. (Para 16.66) The team had observed that 'an attempt should be made to consolidate responsibility for the entire movement from vessels to wagon in one entity or upon one person. Now it is divided into four sections, with varying responsibility and pay schemes.'

11.11 The Commission, however, pointed out that 'there is bound to be a strong demand from labour that the main pre-requisite for bringing all the cargo handling labour under one agency should be that employment, wages and service conditions be approximately equal. Only after this is attained and worked for some time that it would be advisable to attempt at unified control. Furthermore, the responsibility of guaranteeing minimum employment for the entire work force on a single agency would be too heavy to be undertaken immediately.' (Para 16.69)

Chatterjee Committee

11.12 A Committee under the chairmanship of Prof. N. N. Chatterjee, set up by the Ministry of Shipping and Transport, to review decasualisation schemes and allied matters in major ports, also went into the question and *inter alia* observed:

"It is clear by now that individual needs arising out of the chain of cargo operation has so far been met by creating individual pockets of labour rather than depending upon the total available man-power. This has given rise to vested interests and large number of agreements to satisfy various categories of workers. While the port administration has moved on this line, the overall national interest

in this vital terminal industry has suffered. This contention goes slightly beyond the concept of inter-changeability. In fact, inter-changeability is also another way of maintaining groupism with the only advantage of some flexibility. The group concept will still be there. What is needed is integration rather than just inter-changeability. An integrated labour force is more disciplined, more productive and more contented than groups of labour force." (Para 18.2)

The committee further observed that "if the problem is approached with the aim of ultimately achieving completely integrated cargo operation, we think the time has already come to make a positive beginning." (Para 18.7) The committee recommended that "the Wage Revision Committee might be requested to keep in mind the eventual integration of dock labour and shore labour." (Para 18.14.2)

Our Proposals

11.13 In formulating our proposed scales, we have kept in mind not only the observations of the Commission on Major Ports and the Chatterjee Committee but also the fact that the question of a unified cargo-handling agency is in fact under the active consideration of Government. But, as stated in Chapter V, other considerations such as the resistance of workers to elimination of wage differentials, based on nature of work and degree of skill and the anxiety of port administrations to maintain hierarchical and other differences had also to be kept in view in devising our proposed scales. Nevertheless, we believe that our grouping of scales read with our recommendations made in Chapter X and in the succeeding paragraphs will facilitate integration and inter-changeability of cargo-handling workers.

11.14 According to our wage structure evolved in Chapter VII, cargo-handling shore workers of the lowest category employed by Port Trusts would come over to our proposed scale of Rs. 330-426 (existing scale : Rs. 104-140), while the corresponding stevedore workers under Dock Labour Boards would be on our proposed scale of Rs. 340-442 (existing scale : Rs. 110-147). We recommend that, on the introduction of a unified cargo-handling agency in any major port, cargo-handling shore workers of that port at the lowest level be brought on our proposed scale of Rs. 340-442. We have not proposed a uniform scale for both these classes of cargo-handling workers forthwith, for the reason that they would not be interchangeable until they are integrated

11.15 Gang leaders of piece-rated shore workers known as sirdars, maistries and morpias in different ports are at present in the existing scale of Rs. 125-170, while tindels and sirdars of cargo-handling stevedore workers are in the existing scale of Rs. 135-178 in all ports except in Calcutta and Kandla ports where they are on the existing elongated scale of Rs. 135-198. These cargo-handling categories will under our grouping of pay scales, all be on a common proposed scale of Rs. 360-500 and will be interchangeable on introduction of a unified cargo-handling agency.

11.16 In Visakhapatnam port, certain categories of listed cargo-handling shore workers are in the existing scale of Rs. 110-130. We have recommended in Chapter X that this category of workers be brought on par with other cargo-handling shore workers in the existing scale of Rs. 104-140 for which our proposed scale is Rs. 330-426. We further recommend that when integration of all cargo-handling workers is brought about in Visakhapatnam port, these workers and all other cargo-handling shore workers in the existing scale of Rs. 104-140 be brought on our proposed scale of Rs. 340-442 which is our proposed scale for cargo-handling stevedore workers.

11.17 Tally clerks employed under Dock Labour Boards are in the existing scale of Rs. 150-260, except under Calcutta Dock Labour Board, where they are on a higher existing scale of Rs. 160-320. There is also a category of table clerks under Cochin Dock Labour Board in the existing scale of Rs. 160-320. As against this, tally clerks employed in Port Trusts are in the existing scale of Rs. 150-281. In our revised grouping, we have placed the two existing scales of Rs. 150-260 and 150-281 in the same group and proposed a common scale of Rs. 425-655 for them. In so far as tally clerks under Calcutta Dock Labour Board and table clerks under Cochin Dock Labour Board are concerned, we have recommended in Chapter X that our proposed scale of Rs. 465-725 against the existing scale of Rs. 160-320 shall be personal to present incumbents and future entrants in these cadres be given our proposed scale of Rs. 425-655.

11.18 We have recommended in Chapter X that 'B' category shore workers who are at present at the fixed minimum of the existing scale of Rs. 104-140 be brought on the proposed scale of Rs. 330-426 with effect from the 1st January, 1974, and be given increments in the scale; we further recommend that they be brought on the proposed scale of Rs. 340-442 on integration of cargo handling workers in the ports concerned.

11.19 Cargo-handling workers employed by clearing and forwarding agents covered under the Bombay Unregistered Dock Clearing

and Forwarding Workers (Regulation of Employment) Scheme, 1973, are in the existing scale of Rs. 100-130, while similar workers employed by Madras Customs Clearing and Shipping Agents' Association in Madras port are in the existing scale of Rs. 104-140. We have recommended in Chapter X that these workers in Bombay port be brought on to our proposed scale of Rs. 330-426 corresponding to the existing scale of Rs. 104-140. We further recommended that this category of workers be brought on our proposed scale of Rs. 340-442 on integration of cargo-handling workers in the port concerned.

11.20 We also recommend that on the integration of the shore and stevedore cargo-handling workers in the ports of Bombay, Calcutta and Madras, 'Equation Allowance' payable to shore workers in the port concerned be discontinued.

11.21 We have, in the preceding paragraphs, indicated by way of illustration, how our recommendation would facilitate interchangeability on the introduction of a unified cargo-handling agency. We have not dealt with other categories of cargo-handling workers (particularly those at the supervisory level), who may also have to be integrated in the contemplated set up and their cases will have to be examined port-wise, with due regard to their functions, at the appropriate time.

C. DEPLOYABILITY OF MANPOWER

11.22 During our deliberations and discussions with the various parties on the question of reduction of the number of existing scales by grouping them suitably, it was urged before us by Visakhapatnam Port Trust that any proposal for grouping of existing scales should also keep in view the need for better deployability of manpower. It was pointed out that the large number of existing scales with marginal differences stand in the way of better utilisation of manpower even in those cases where categories of employees have similar qualifications and perform more or less the same type of work. Even where the scale of pay is the same for certain allied categories of employees, existence of different designations for them has made inter-changeability difficult. To get over these difficulties and to achieve better deployability, Visakhapatnam Port Trust suggested that such allied categories of employees should be grouped together with

a common designation in elongated scales to provide for flexibility in deployment at the same level of responsibility. For instance, skilled artisans like masons, carpenters and fitters who are in two different existing scales, namely, Rs. 150-253 and Rs. 170-290, could be clubbed together in a single elongated scale of Rs. 150-290; similarly, messengers, peons, naiks and daftries in the two existing scales of Rs. 100-130 and Rs. 110-147 could be brought under a common designation of attender and placed in a single elongated scale of Rs. 100-147. Such a multi-skilled approach for deployment, it was argued, would provide also for job enrichment and improve the quality of work life and at the same time make for better utilisation of available manpower. In the same strain, Madras Port Trust also suggested merger of categories of lower and upper division clerks as also of the three grades in the skilled scheme. Madras Port Trust has in this effort, already entered into settlements with unions providing for merger of categories like mobile crane drivers Grade I and Grade II, fork-lift truck drivers, lorry drivers, tractor drivers and excavation crane drivers into a single new category called 'Deployable Vehicle Driver' on the higher existing scale of Rs. 166-253, with a view to provide flexibility in deployment of operatives on various types of equipment to suit day-to-day needs. Such an approach, it was claimed, would also avoid the existing difficulties faced often by port authorities where there might be surplus of employees in one category at a particular point of time alongside shortage in another allied category, resulting in under-utilisation of equipment on the one hand and payment for idle time on the other, even though these categories could very easily be deployed on the various types of equipment if only the existing compartmentalisation based on different pay scales and different categorisations did not obtain.

11.23 A contrary view urged before us was based on the contention that a fairly strong sentiment prevails among workers in the matter of retaining existing differentials which, even if not of a substantial nature, are regarded by them as being of great significance and hence have to be continued. The Wage Board also referred to this aspect and remarked: 'In view of the possible repercussions, therefore, the attempt to reduce the number of existing scales for the non-clerical employees of the port authorities did not appear to be feasible.' (Para 7.2.34)

11.24 While the Federations urged reduction of the existing number of scales into a far lesser number than we have recommended, they did not appear to be in favour of rationalising the existing categories for providing inter-changeability of employees with like duties even though they be on the same scale.

11.25 We have considered the matter very carefully. We see considerable merit in the proposal for improving deployability of available manpower by inter-changeability of employees having more or less similar duties and responsibilities. Any proposal for better deployability of available manpower will necessarily have to keep in view the remuneration structure for the different categories of employees. While a multitude of pay scales with marginal differences coupled with detailed specifications of duties and responsibilities for different categories of employees with different designations militates against inter-changeability and better deployability, mere reduction in the number of pay scales would not by itself be a solution for achieving this object, as long as detailed categorisation remains as at present. It would be necessary further to group together categories of workers with similar duties and responsibilities and give them a common designation.

11.26 The reduced number of our proposed scales as well as their elongated structure will, in our view, help horizontal mobility in various trades and levels of responsibility. We recommend that, in the light of our proposed wage structure, port administrations should attempt, in consultation with the representatives of workers concerned, introduction of arrangements for inter-changeability and improved deployability, keeping in view qualifications required, nature of duties and responsibilities, promotional opportunities etc.

D. LABOUR INSPECTORS/SECTION OFFICERS AND ACCOUNTANTS UNDER CALCUTTA DOCK LABOUR BOARD

11.27 A strong plea was made before us by Calcutta Dock Labour Board and by Officers' Forum of the Board that Labour Inspectors, Section Officers and Accountants under the Board who are now in Class III, should be classified as Class II Officers. It appears that the Board had resolved on the 14th May, 1973, that these employees be classified as Class II Officers with effect from the 1st June, 1973, 'in their existing scale of pay', subject to further revision and that they might be given all benefits applicable to Class II Officers of the Board. The decision of the Board was forwarded to Government for approval but, after some correspondence, Government ultimately indicated that the matter might be referred to us directly by the Board or by the Association of Section Officers/Inspectors or both. It is in these circumstances that the question of classification of these employees has come up before us.

11.28 Strictly speaking, the question of classification of employees is not a matter for our consideration. However, since representations have been made to us on an indication given by Government, we requested Government to make a specific reference to us on the subject if Government desired that we should go into this question. We were told

“..... while re-classification of posts is not covered by the terms of reference of the committee, it can examine the question of revision of pay scales of Section Officers/Inspectors/Accountants of Calcutta Dock Labour Board which are class III posts, *vis-a-vis* their counterparts at other ports keeping in view the nature of their work, duties and responsibilities and the position obtaining in other comparable posts. If the Committee feels that after such scrutiny and examination the posts of Section Officer/Inspector/Accountant in the Calcutta Dock Labour Board are required to be given a grade higher than the maximum of class III, the committee can make such a recommendation and the Government would take a final decision in the matter.”

11.29 Accordingly, we examined, with the aid of the material available to us, the nature of work duties and responsibilities of these posts under Calcutta Dock Labour Board and also of corresponding posts in other ports. We have come to the conclusion that there is no sufficient justification for recommending for these posts a pay scale higher than the maximum of Class III posts.

11.30 However, there is another aspect to the question. We find from the history of the posts that since as long back as September, 1957, the holders of these posts were, by an administrative order of the then Deputy Chairman of the Dock Labour Board, dated the 22nd September, 1957, were given pay and allowances, including House Rent Allowance and City Compensatory Allowance, at the rates applicable to Class II officers of the Central Government of similar status. This status was maintained even after the introduction of the Service Rules of the Board with effect from the 25th March, 1965. The correspondence of the Board with Government shows that the Board was the competent authority to revise classification of employees whose pay scale did not go beyond Rs. 1000/- per month. Accordingly, by a Resolution, dated the 14th May, 1973, the Board classified Section Officers/Inspectors/Accountants of the Board as Class II officers with effect from the 1st June, 1973,

and gave to them all benefits applicable to class II officers of the Board, though they continued on their existing scale of pay which, however, was stated to be subject to revision.

11.31 In these circumstances, it would be unjust to deprive Section Officers/Inspectors/Accountants of the Calcutta Dock Labour Board of the status and benefits granted to them ever since 1957. Nevertheless, we do not, having regard to our views expressed in paragraph 11.29 above, consider that the position should be perpetuated and hence we recommend that the present incumbents of these posts be treated, as Class II officers and future incumbents be placed in Class III on our proposed scale of Rs. 900-30-1050-EB-30-1200

E. TYPISTS AT CALCUTTA AND VISAKHAPATNAM PORTS

11.32 The cadre of typists in Calcutta and Visakhapatnam ports consists of typists, senior typists and head typists in the existing scales of Rs. 150-281, Rs. 170-366 and Rs. 250-475 respectively. It was contended in the representation of typists of Visakhapatnam port that the work of typists was of a technical nature and the existing scales did not adequately compensate their duties; it was also urged that typists were in fact in a position to perform duties of the clerical cadre at various levels but they were denied inter-changeability as well as promotion in the clerical cadre; it was further pointed out that avenues of promotion for typists were less than those in the clerical cadre; it was pressed that either pay scales of the cadre of typists be suitably increased or, in the alternative, avenues for promotion in the clerical cadre be provided.

11.33 After giving careful thought to the problem, we recommend that the typists of three grades, both at Calcutta and Visakhapatnam ports, who are qualified and are fit for duties in the clerical cadre should be considered for a change over to or for promotion in the clerical cadre at the appropriate level.

F. OTHER MATTERS

11.34 In our Questionnaire, we sought information regarding Retirement Benefits and Leave Facilities. This was not with a view to considering adequacy or otherwise of these benefits and facilities but only by way of informational background and for taking them into consideration in examining the impact of our wage structure thereon. These matters not being within our terms of reference, we express no view on them.

11.35. In the course of our discussions with various parties, several representations were made to us which, though outside our terms of reference, we, in fairness, record them, so that they could be considered by the appropriate authorities.

(i) Most major ports complained that they were carrying considerable surplus labour with the result that their wage bills were needlessly high and labour was not employed even for the minimum guaranteed period and considerable amount was spent on payment of wages for the minimum guaranteed period and attendance allowance for the rest of the month. It was, however, pointed out that a serious attempt is being made to combat the problem of surplus labour in several ways.

(ii) Suggestions were made before us that we should apply our mind to the question of standardisation of nomenclatures on the ground that a number of posts requiring like duties and responsibilities were differently designated in different ports and also on the ground that nomenclatures of certain posts do not aptly describe the functions attached thereto.

(iii) A demand was also made before us that port administrations should provide for insurance against risk in respect of those categories of employes whose work involved hazards; in these categories were included cargo-handling workers, marine and fire services and some sectional staff of mechanical and electrical engineering departments.

(iv) It was represented before us that an employee obtaining or possessing higher qualifications than those required for the post held by him should be given 'qualification allowance' or advance increments as an incentive.

(v) It was pointed out to us that certificates or private doctors were not considered sufficient for reimbursement of medical expenses. We were also told that expenses incurred on Ayurvedic or Homoeopathic treatment were also not reimbursable. It was further brought to our notice that in some ports, parents of employees were not eligible for medical benefits.

(vi) We received a complaint that some teachers were appointed on an *ad hoc* basis and their services were terminated on commencement of the long vacation and they were re-appointed when the schools reopened, thus denying to them continuity of service and emoluments for the period of the long vacation.

(vii) Complaints were also made to us that piece-rate earnings were not calculated promptly.

(viii) Replies to Question 29 of our Questionnaire on the subject of encashment of earned leave indicated a concensus of opinion in favour of encashment of a portion of earned leave on the lines of the schemes prevailing in Andhra Pradesh and Maharashtra for State Government employees.

CHAPTER XII

FINANCIAL IMPACT OF OUR RECOMMENDATIONS

12.1 It is difficult to make a precise estimate of the financial impact of our recommendations for revision of the wage structure for the major port industry as a whole, as employees in different scales and even employees at different stages in the same scale, would get different amounts by way of increases in their present pay packets. Besides, the impact of higher rates of increments and elongated scales which our proposed wage structure provides is not easy to estimate accurately. There is also the question of employees in different ports getting different increases in pay packets on account of present differences in the rates of House Rent Allowance and City Compensatory Allowance.

12.2 Notwithstanding the above difficulties, it is useful to have at least a rough estimate of the recurring increase in the wage bill as well as the amount of arrears which may become due as a result of our recommendations. Since reliable data about the number of employees engaged by employers other than Port Trusts and Dock Labour Boards are not available, the estimate of financial impact has to be confined to Port Trusts and Dock Labour Boards only.

Recurring Annual Increase

12.3 We first attempt to estimate recurring annual increase in the wage bills of Port Trusts and Dock Labour Boards with effect from the 1st January, 1977. For this estimate, we have assumed that the Index Number will stabilise around 300 in the 1960 series. The methodology adopted for making the estimate is set out below.

12.4 The total emoluments of employees according to the Wage Board dispensation as on the 1st January, 1977, were determined thus :

We took the mean of each of the existing scales as basic pay as on the 1st January, 1974; to this, we added three increments in the appropriate existing scale to arrive at basic pay as on the 1st January, 1977. We then worked out the total emoluments as on the 1st January, 1977, in respect of each existing scale by adding to basic pay, as on the 1st January, 1977, House

Rent Allowance and City Compensatory Allowance as admissible in Bombay, Calcutta and Madras ports, Dearness Allowance and Additional Dearness Allowance due on such basic pay under the Wage Board formula on that date at Index Number 365 of the 1949 series, corresponding to Index Number 300 of the 1960 series.

12.5 We then calculated the total emoluments admissible according to our proposed scales as on the 1st January, 1977, in the following manner;

Basic pay taken at the mean of each of the existing scales was fitted into our corresponding proposed scale in accordance with our fitment formula, thus determining basic pay in each of our proposed scales as on the 1st January, 1974; to this, we added three increments provided in our appropriate proposed scales; we then worked out total emoluments as on the 1st January, 1977, by adding thereto Dearness Allowance payable according to our formula at Index Number 300 of 1960 series.

12.6 The difference between the total emoluments as on the 1st January, 1977, with reference to our proposed scales and the Wage Board scales so arrived at, was multiplied by the number of employees in each existing scale. To the total amount so calculated, was added the amount of additional payment involved due to the notional increase in House Rent Allowance and City Compensatory Allowance at Visakhapatnam, Cochin, Mormugao, Kandla and Paradip ports.

12.7 According to the estimate as worked out above the recurring annual increase in wage bill will be of the order of Rs. 9.60 crores for 1.05 lakh workers in Port Trusts and Rs. 3.60 crores for 38,000 workers under Dock Labour Boards. These amounts are inclusive of the current liability towards payment of Interim Relief at the rate of Rs. 50 per month per worker amounting to Rs. 8.58 crores for 1,43,000 workers of Port Trusts and Dock Labour Boards. Besides, there will be additional incidental liability arising out of retirement benefits, ex gratia, overtime etc.

Arrears

12.8 As regards payment of arrears, we have calculated them for the period from the 1st January, 1974, to the 31st December, 1976, as, for the purpose of recurring increase, we have taken the 1st January, 1977, as the starting point.

We recommend that payments already made on account of ex gratia, overtime, leave salary, children's education allowance and other benefits except retirement benefits need not be recalculated as, in the light of the fact that Interim Relief of Rs. 50 per month payable with effect from the 1st January, 1975, has already been taken into account for all purposes in terms of Government orders on the subject, the difference in the amounts payable on these items would not be commensurate with the quantum of work involved in recalculations.

12.9 We have, in the light of the recommendation made above, estimated the total arrears to be paid for the three years of 1974, 1975, and 1976 to be about Rs. 17 crores for Port Trusts and about Rs. 7 crores for Dock Labour Boards. Year-wise details are shown in the Table below :

Rupees in crores.						
Year	Additional Liability		Already paid		Net Additional Liability	
	Port Trusts	Dock Labour Boards	Port Trusts	Dock Labour Boards	Port Trusts	Dock Labour Boards
1974	11.17	4.33	3.15	1.14	8.02	3.19
1975	12.89	4.81	6.30	2.28	6.59	2.53
1976	8.55	3.25	6.30	2.28	2.25	0.97
Total	32.61	12.39	15.75	5.70	16.86	6.69

ACKNOWLEDGEMENTS

Having come to the end of our task, it is our pleasant duty to acknowledge with gratitude the valuable assistance received by us from various quarters.

We are indeed indebted to major port authorities, Federations and Unions of workers and the various Associations for their full co-operation in the matter of supply of facts and information required and in presenting their respective viewpoints. They not only submitted replies to our Questionnaire and detailed supplementary memoranda but also readily gave oral evidence whenever requested by us. We are grateful to port administrations for making necessary arrangements for our stay during our visits to the ports and also for their hospitality.

We also thank sincerely and gratefully the eminent experts who spared their valuable time to give us the benefit of their views.

We are thankful to the Ministry of Shipping and Transport who not only gave us this opportunity of examining some intricate aspects of the working of ports but also willingly tendered whatever assistance was required by us.

Last but not the least, we owe a deep sense of gratitude to our Secretariat. It was well-organised and extended to us willing and ungrudging co-operation, working diligently and assiduously for long hours even on Sundays and holidays and taking keen interest in our work.

We had in Shri T. R. Malhotra, a Secretary, who gave us excellent assistance and did very arduous job to our entire satisfaction. His inherent abilities, rich experience in labour problems, his indefatigable energy and above all his pleasant personality, made our task easy. He collected and presented to us the voluminous information in an orderly and co-ordinated manner in the form of objective notes. Besides, he prepared well thought out material for our Report and was extremely helpful in our deliberations. He was also in overall charge of administrative matters.

We would like to make special mention of the effort of our Research Officers, Smt. Meena Mahajan and Shri R. L. Gupta. The burden of compiling and analysing the wealth of data and preparing lucid statements on innumerable topics mostly fell on them and was discharged admirably and with great competence.

Shri B. N. Sen Gupta, our Section Officer, looked after accounts and establishment matters very efficiently. He also performed other duties in connection with the preparation of the Report.

Shri S. D. Vishinani, Private Secretary to the Chairman, was of immense help not only to the Chairman but also to the Members of the Committee. He took keen interest in our work and cheerfully did various jobs out of his line.

Mention must also be made of Shri Y. P. Bhatia, Personal Assistant to Secretary, who, by his sincerity, industry and efficiency, rendered invaluable assistance to the Secretary and to us.

Our special reference only to some members of the Secretariat should not be understood to convey that the others did not play their part well. Every one of them gave of his or her best and we sincerely appreciate their work. We wish particularly to recall that the Investigators and the Typists had a very exacting time.

(B. N. Lokur)
Chairman

(T. S. Sankaran)
Member

(B. V. Mehta)
Member

(T. R. Malhotra)
Secretary

New Delhi
24th January, 1977.

SUMMARY OF CONCLUSIONS AND RECOMMENDATIONS

I. INTRODUCTORY

1. In evolving the wage structure, the main object we placed before us was the need for doing justice to workers and to employers alike in the light of the factors spelt out in our terms of reference, in the light of the changed circumstances and also in the light of Directive Principles in the Constitution in relation to labour matters.

(Paragraph 1.16)

2. The area of difference between the viewpoints of employers and workers was no doubt large; but we have, in a spirit of objectivity, attempted to evolve a rational synthesis, keeping in mind that while the demands of workers are somewhat exaggerated, the resistance of employers to any increase in wages is equally unjustified.

(Paragraph 1.16)

II. WAGE STRUCTURE—BASIC CONSIDERATIONS

3. While we ought necessarily to seek guidance from high policy statements in the matter of fixation of wages, we should, in determining the wage structure, follow the general principles and practices which have been authoritatively laid down in the reports of the various committees and commissions, decisions of the Supreme Court of India and awards of Industrial Tribunals.

(Paragraph 5.10)

4. The concepts of minimum wage, fair wage and living wage are not static and immutable; they change from time to time and from country to country; in determining fair wage, we should not look to wages prevailing in other countries and should confine ourselves to Indian conditions.

(Paragraphs 5.11 and 5.12)

5. We are unable to agree with the proposition that any increase in wages will increase the cost of services which will render them uneconomic to the users of the ports; the proposed increase in wages would not impose any unbearable burden on ports or users thereof; besides, the legitimate needs of workers are entitled to high priority.

(Paragraph 5.13)

6. The character and activities of major ports as non-profit-making service organisations have no relevance in the fixation of wages. Whoever may be the employer and whatever his activities, he must pay a reasonable wage to his employees.

(Paragraph 5.13)

7. A fundamental object of the wage fixing machinery is to strive to promote the welfare of workers by securing, as effectively as possible, social and economic justice. Betterment of the service conditions of industrial labour not only provides for them the ordinary amenities of life consistent with the advancing national standards but also, in that process, promotes industrial peace which would accelerate productivity resulting in prosperity.

(Paragraph 5.14)

8. Our present economy is not in a position to provide a living wage to workers; only a fair wage is in the practical realm. What would be fair wage has to be determined on a consideration of the totality of circumstances. While we are not in favour of a sharp upward movement of wages which would contribute to inflationary forces and render the increase in wages ineffective and illusory, we should evolve, consistently with the capacity of major ports to pay and the legitimate aspirations of workers, a fair wage which would be 'a step towards the progressive realisation of a living wage'.

(Paragraph 5.15)

9. The wage structure evolved by us does not fall very much short of the need-based minimum wage of the concept of the Indian Labour Conference; however, having regard to the capacity of major ports to pay, we are unable to persuade ourselves to fix for employees in major ports a need-based minimum wage at the levels demanded by workers' representatives.

(Paragraph 5.22)

10. We do not find it possible to invoke the industry-cum-region principle in evolving a wage structure for the major port industry for more reasons than one. We have formulated a uniform wage structure for all the eight major ports.

(Paragraph 5.26)

11. In any attempt at wage fixation, the capacity of the employer to pay is a major consideration.

(Paragraph 5.29)

12. We do feel that if any rise in rates or levies cannot be avoided due to escalation in wages as a result of our recommendations, the impact thereof on port users would not be significant.

(Paragraph 5.32)

13. We do not subscribe to the view that any upward revision in wages would result in diversion of traffic to nearby minor or intermediate ports.

(Paragraph 5.33)

14. The expensive and large scale development works planned or undertaken in the various major ports must be presumed to be in the expectation of an increasing trend in traffic.

(Paragraph 5.34)

15. The finances of major ports have considerably improved after the revision of rates and charges in July, 1975. The wage structure which we are recommending would not be beyond the means of major ports.

(Paragraph 5.35)

16. There has been considerable improvement in productivity, at least after the Proclamation of Emergency, if not even earlier, and we have strong hopes that the momentum gathered will not be relaxed.

(Paragraph 5.40)

17. Our recommendations for the revision of pay scales, particularly at the lower levels, are influenced by the experience of productivity during the last year and our optimism for the years to come.

(Paragraph 5.40)

18. The industrial worker, like any other citizen, is entitled to claim a share in the progressive growth of the national economy, particularly as he also has a hand in shaping the economic destiny of the country.

(Paragraph 5.42)

19. If a male worker is to be deemed the sole wage earner for the family, his total wages as on the 1st January, 1974, should not fall below Rs. 312.37 to sustain his family of four persons at the national income level, based on the average of the *per capita* national income for 1973-74 and 1974-75.

(Paragraph 5.48)

20. The principle of social justice is important in fixing wages. Social and economic upliftment is a legitimate aspiration of the present day worker.

(Paragraph 5.49)

21. Our concept of social justice is that though certain levels have to be maintained between the highest and the lowest, the objective should be not to pull down the high-ups but to push up the lowly.

(Paragraph 5.50)

22. Fluctuations in consumer prices have an impact on fair wage. A worker can justifiably claim protection of the real wage. The dearness allowance formula is devised for the purpose.

(Paragraph 5.51)

23. When the general cost of living goes up, every employee has to make some sacrifice and such sacrifice should be comparatively higher at higher level of earnings, but we ought to make an exception in the case of the lowest wage earner who, at his level of wages, should not be called upon to make such sacrifice and neutralisation in his case should be 100 per cent.

(Paragraph 5.57)

24. We do not subscribe to a flat rate of dearness allowance at all wage levels and the principle of a sliding scale appears to us to be reasonable.

(Paragraph 5.58)

25. We have merged into basic pay, dearness allowance admissible under the Wage Board formula at the selected Index Number and provided for variable dearness allowance for its rise.

(Paragraph 5.60)

26. We do not favour the Wage Board scheme of fixed Dearness Allowance and Additional Dearness Allowance.

(Paragraph 5.60)

27. Merger of dearness allowance into basic pay increases the financial burden of major ports in the form of other benefits determined on the basis of basic pay. But that is inevitable whenever any portion of dearness allowance is merged into basic pay, and the port administrations should not grudge it.

(Paragraph 5.60)

28. We have not taken into consideration the monetary value of fringe benefits in devising the wage structure. We believe that these fringe benefits help considerably in bridging the gap between fair wage and living wage and also that in a Welfare State, every employer ought to deem it his duty and responsibility to provide these benefits in addition to fair wage.

(Paragraph 5.65)

29. Since the quantum of *ex gratia* depends upon Government orders, we cannot foresee the amount of *ex gratia* which would be admissible to port and dock workers for the years to follow. It has, therefore, not been possible for us to take into account *ex gratia* payment in formulating our wage structure.

(Paragraph 5.70)

30. On the basis of representations received by us and on a close examination made by us independently after discussions with the concerned interests, we have tried to ensure that the rates of emoluments of employees doing similar jobs are more or less uniform. We find ourselves unable to even out the emoluments of workers governed by piece-rate and incentive schemes in the various ports, as these schemes differ from port to port and a scientific and systematic study is required to ensure that these workers secure the same emoluments for similar jobs in all the ports.

(Paragraph 5.72)

31. In view of overwhelming evidence regarding high rents and scarcity of housing and consequential hardships, we feel that all major ports deserve to be treated alike in the matter of house rent allowance.

(Paragraph 5.79)

32. Having regard to the price data available to us, we take the view that all major ports are eligible to a uniform rate of city compensatory allowance.

(Paragraph 5.83)

33. If all major ports have to be on the same level in regard to house rent allowance and city compensatory allowance, as we think they should be, we are not in favour of treating them as separate and distinct elements and prefer to merge them into basic pay.

(Paragraph 5.84)

34. The total number of pay scales at present in vogue at major ports is more than a hundred. We have compressed the existing pay scales into 24 groups. Reduction in the number of scales not only simplifies the wage structure and reduces paper work, but also facilitates better development of various like categories of employees and more efficient use of manpower.

(Paragraphs 5.86, 5.92, 5.93)

35. We are in agreement with the general thinking on the subject of wage differentials that the disparity should not be unduly large.

(Paragraph 5.98)

36. In the pay scales recommended by us, we have proposed a differential ratio of 1 : 2.77 at the start of the lowest and the highest scales. This differential ratio works at the end of the two pay scales to 1 : 2.89. These differentials, we believe, provide not only for adequate incentives for advancement of skills but also serve the ends of social justice.

(Paragraph 5.99)

37. We are in favour of relating the wage structure to the 1960 series of the All India Consumer Price Index Numbers for Industrial Workers, as it is the latest available series.

(Paragraph 5.99)

38. We have devised a wage structure related to Index Number 250 of the 1960 series, which is the average for the three months of August to October, 1973. We are of the view that the Index Number would not fall below 250.

(Paragraph 5.102)

39. We feel that there is no compelling reason to establish parity between the wage structure of port and dock workers and that of Central Government employees.

(Paragraph 5.104)

III. MAJOR PORT FINANCES

40. A review of major port finances during the period prior to the Fourth Five Year Plan reveals that reliance of major ports on external funds, particularly Government loans, had been increasing in their capital structure and the relative share of internal funds had declined; most of the ports had low levels of return which left very little surplus to finance increasing investments required for development programmes, particularly after the

Second Five Year Plan. Nevertheless, upto 1968-69 the net worth position of all the ports together in relation to borrowed funds was not unsatisfactory.

(Paragraph 6.17)

41. During the period from 1969-70 to 1974-75, the operating surplus continuously increased upto 1971-72. In 1972-73, the surplus was insignificant and thereafter there has been deficit for the next two years. The net surplus after taking into account income and expenditure relating to finance and miscellaneous items was reduced and the deficit was accentuated. The net surplus of Rs. 15.61 crores accumulated in the first three years of the period was completely wiped out by the deficit of the last three years, the major contributory factor being heavy deficit incurred by Calcutta port.

(Paragraph 6.20)

42. The largest revenue during the above period was derived from cargo-handling and storage charges followed generally by port and dock charges (including pilotage fees) and expenditure incurred on providing port and dock services was far in excess of revenue derived from them.

(Paragraphs 6.23 and 6.25)

43. The situation changed from July, 1975, when there was a substantial upward revision in port rates and charges. The figures for 1975-76 and our perusal of the budget estimates for 1976-77 show that even after this revision, certain services at some ports would still be unremunerative.

(Paragraph 6.26)

44. The ratios of net surplus to capital employed and of operating surplus to capital employed in major ports during the years 1969-70 to 1974-75 reveal a story of unmixed gloom so far as the productivity of investment in the major port industry as a whole is concerned. Both the ratios show a little improvement in the first three years but during the last three years they are negative.

(Paragraph 6.28)

45. Failure to give effect to the financial objectives recommended by the Commission on Major Ports, namely, a rate of return of not less than 12 per cent on the capital employed, has resulted in the financial plight of major ports over the years.

(Paragraphs 6.31 and 6.32)

46. The overall picture that emerges about the major port finances for the period 1969-70 to 1974-75 is not altogether a happy one.

(Paragraph 6.42)

47. The year 1975-76 marks the turning point in the finances of major ports. Largely as a result of the revision of the rate structure in July, 1975, every port experienced a substantial rise in its revenue during 1975-76 and the total revenue of major ports increased from Rs. 126.6 crores in 1974-75 to Rs. 178.8 crores in 1975-76, a rise of over Rs. 52 crores. Operating expenditure also increased from Rs. 110.50 crores in 1974-75 to Rs. 126.55 crores in 1975-76 (including expenditure arising out of Interim Relief recommended by us). Even then, the operating surplus in 1975-76 was Rs. 29.56 crores. Even after taking into account the income and expenditure under the head 'Finance and Miscellaneous Expenditure', the surplus in 1975-76 comes to Rs. 24.79 crores.

(Paragraphs 6.43, 6.44 and 6.45)

48. We have reason to believe that the future of major ports is bright, as the budget estimates for the year 1976-77 indicate and also in view of the expected increase in traffic, all-round improvement in productivity, steps taken to reduce unproductive expenditure and surplus labour, and overtime bill brought under control. With further tightening up of the administration, substantial economy could be effected. Our optimism that these healthy development will continue in the years to come has influenced our view that the wage structure formulated by us would not impose any under burden on the finances of the ports.

(Paragraphs 6.46 and 6.47)

49. The outlay for the last two years of the Fifth Five Year Plan is quite substantial and major ports will have to depend heavily on Government loans notwithstanding operating surpluses.

(Paragraph 6.46)

50. The recent revision of the rate structure should not be regarded as the last word; the need for constant watch and, if necessary, further review of the rate structure is obviously indicated as even with the recent increase in the rate structure, the revenue from certain services does not cover their cost.

(Paragraph 6.46)

IV. PROPOSED WAGE STRUCTURE

Minimum Wage

51. A total wage of Rs. 325 corresponding to Index Number 250 of the 1960 series, equivalent to Index Number 303 of the 1949 series, would be a fair wage for the lowest paid worker of ports and docks on the 1st January, 1974.

(Paragraph 7.11)

Pay Scales

52. In building up pay scales, skill alone cannot be made their basis; there are other factors also which have to be taken into consideration e.g., strain of work, environmental conditions of work, hazard involved, disagreeableness of work, etc.

(Paragraph 7.13)

53. It would be equitable and reasonable to work out our pay scales with reference to the Wage Board pay scales after rationalising them by appropriate grouping.

(Paragraph 7.13)

54. Having regard to the minimum basic Wage of Rs. 325, our pay scale for each of the 24 groups of the existing scales formed by us is given in paragraph 7.13.

(Paragraph 7.13)

55. Our proposed scales include House Rent Allowance and City Compensatory Allowance as well as (fixed) Dearness Allowance and Additional Dearness Allowance admissible on the 1st January, 1974. No House Rent Allowance or City Compensatory Allowance will therefore be payable at any major port with effect from the 1st January, 1974, and no Dearness Allowance also will be payable except on rise above the Index Number 250 of 1960 series according to the formula given by us.

(Paragraph 7.14)

56. The Special Allowance of the nature of Compensatory Allowance being paid at present to employees in Paradip port shall be discontinued with effect from the 1st January, 1974.

(Paragraph 7.15)

57. To avoid cumbersome calculations of salary for parts of the month in consequence of increments accruing on different dates of the month, the increments should be given on the 1st of the month in which they fall due.

(Paragraph 7.17)

58. If an employee is assured that he would always, without any let or hindrance, go up to the maximum of the scale, he is apt to relax not only in efficiency but also in discipline and conduct. We have, therefore, provided for Efficiency Bars generally at a stage where there is an increase in the rate of increment to give an opportunity to the employer to review the performance of the employee periodically. We do hope that the authorities concerned will adopt objective standards in enforcing the Efficiency Bars.

(Paragraph 7.18)

59. As stagnation at the maximum of a scale for a long time adversely affects the morale and efficiency of the employee, an employee stagnating at the maximum of our proposed scale for three years should be given personal pay equal to one increment in that scale and if he further stagnates for a further period of three years, he should be given a second increment by way of additional personal pay, such increment being the increment last drawn by him. The personal pay so granted should count for all purposes.

This benefit shall not be available to employees who have not been promoted to the next higher grade due to their not passing the requisite test or are otherwise found unfit or against whom disciplinary proceedings are pending; it shall also not be available to employees on a basic pay of Rs. 1200 in our proposed scales.

(Paragraph 7.20)

60. The existing scheme regarding skilled artisans need not be maintained separately as at present. Our proposed long scales, with a span of 20 years or more, should not prevent the holding of trade tests at some stage and promotion to a higher scale, irrespective of existence of vacancies but within the totality of the skilled posts. It may be decided at the local level, having regard to the present practice, as to at what stage in the first two scales the trade tests should be held.

(Paragraph 7.23)

Fitment in our Proposed Pay Scales

61. If at all there are any employees who are not on Wage Board scales, they should be brought on to our proposed scales by the process of determining first their corresponding Wage Board scales and thereafter fixing them in our appropriate proposed scales in accordance with our fitment formula.

(Paragraph 7.26)

62. We are not in favour of giving to employees as many increments in our proposed scales as they had already earned in their existing scales on the 1st January, 1974, as this would amount to retrospective introduction of our proposed pay scales.

(Paragraph 7.27)

63. Our general fitment formula is given in paragraph 7.29.

(Paragraph 7.29)

64. Piece-rated workers shall be brought on our proposed scales in accordance with our fitment formula on the basis of their notional pay in the existing scales as on the 1st January, 1974; however, processing wage and other features of the various piece-rate schemes shall not undergo any change as a consequence, pending a comprehensive review thereof.

(Paragraph 7.30)

65. Employees appointed to any grade or promoted to a higher grade on or after the 1st January, 1974, shall be brought over to our appropriate proposed scale from the date of their appointment or promotion, as the case may be, and their pay in that scale shall be fixed in accordance with the rules prevailing in the port concerned.

(Paragraph 7.31)

Increments

66. After fixing the pay of an employee in our proposed scale, his next increment shall be due on the anniversary of the last increment drawn by him in the existing scale subject, however, that the date of increment shall be the first of the month in which the increment was last due.

Where the pay of two employees of the same category in the same department is fixed in the same proposed scale at the same stage and the date of increment of the senior of the two employees falls due after the date of increment of the junior of the two employees, the date of increment of the senior employee shall be advanced to coincide with the date of increment of the junior employee.

(Paragraph 7.32)

Option

67. An employee shall be given option to come over to our proposed scale on the date of earning one or more increments falling due during the period from the 1st January, 1974, to the 1st April, 1977. Until he opts to come over to our proposed scale, the employee shall remain on the existing scale and his emoluments shall be determined in accordance with the existing wage structure plus Interim Relief.

Such option shall be exercised within two months of the orders of Government on our recommendations. The option once exercised shall be final.

For the purpose of fixing in our proposed scale the pay of an employee who has exercised the option,—

- (i) total emoluments shall be arrived at by totalling up basic pay and (fixed) Dearness Allowance admissible to him on the date from which he opts to come over to our proposed scale and House Rent Allowance, City Compensatory Allowance and Additional Dearness Allowance as admissible to him on the 1st January, 1974; and
- (ii) compensatory amount and fitment money shall be determined on the basis of his basic pay in the existing scale as on the 1st January, 1974.

(Paragraph 7.33)

Dearness Allowance

68. We are in favour of a graduated scale of dearness allowance on the basis of a percentage of basic pay.

(Paragraph 7.45)

69. The rates of Dearness Allowance for variations in Index Number above 250 of the 1960 series shall be as follows :

<i>Pay slab</i>	<i>Percentage of basic pay for variations above Index Number 250 of the 1960 series</i>
Rs.	
325-399	0.40% with a minimum of Rs. 1.30 per point
400-499	0.35% with a minimum of Rs. 1.60 per point
500-599	0.30% with a minimum of Rs. 1.75 per point
600-799	0.25% with a minimum of Rs. 1.80 per point
800 and above	Rs. 2 per point

(Paragraph 7.46)

70. We are in favour of a quarterly review of Dearness Allowance. For reviewing for the quarter beginning on the 1st January, the average Index Number for the months of August, September and October of the preceding year should be taken into consideration and for subsequent quarters, the average Index Number of subsequent quarters of three months should be taken into account.

(Paragraph 7.49 and 7.50)

71. Review of Dearness Allowance need not be undertaken unless there is a change of five or more points in the quarterly average after the last adjustment.

(Paragraph 7.51)

72. In computing quarterly average of Index Numbers, fraction of 0.5 and above should be rounded off to the next higher integer and fraction below 0.5 be ignored.

(Paragraph 7.52)

V. ALLOWANCES

73. The emoluments of employees in major ports include in many cases various types of special pay, personal pay and special allowance paid locally. Port authorities should closely examine each of these items and their rates with a view to satisfying themselves that their continuation is justified having regard to the changed circumstances and the nature of duties and responsibilities of the post concerned.

(Paragraph 8.1 and 8.2)

86. We have refrained for more than one reason from stipulating that rent payable should not exceed 'standard rent' determined under Fundamental Rules.

(Paragraph 8.59)

Dust Allowance—Special Washing Allowance

87. Potentialities of some hazard to health on account of iron ore dust do exist but monetary payment by way of an allowance like dust allowance cannot be antidote for such hazard.

(Paragraph 8.62)

88. Port managements ought to adopt adequate preventive measures against hazards arising out of iron ore dust. Ports where no such measures have been taken should take steps to reduce iron ore dust in the plants, supply protective equipment and arrange for regular medical check up and treatment of workers connected with iron ore handling.

(Paragraph 8.63)

89. Workers connected with iron ore handling operations whose body and clothes are soiled by iron ore dust in the performance of their duties, shall be paid a Special Washing Allowance of Rs. 10 per month or 40 paise per shift during the period of such employment. This allowance should be paid throughout the year.

Employees who would be paid Special Washing Allowance should not be paid any other washing allowance or dust allowance.

(Paragraphs 8.66 and 8.67)

90. Workers in Calcutta port who are eligible for coal handling allowance at the rate of Rs. 7.50 per month should be paid at the increased rate of Rs. 10 per month or in the alternative 40 paise per shift.

(Paragraph 8.68)

91. The recommendations in 89 and 90 above shall take effect from the date of Government orders on our recommendations.

(Paragraph 8.69)

Running Allowance

92. In view of the decisions of the Supreme Court of India, we feel that the demand of port railway employees for running allowance has no merit; however, the feasibility of introducing suitable incentive schemes as in Madras port should be considered by ports where no such scheme exists.

(Paragraphs 8.74 and 8.75)

Outdoor Work

93. There is no justification in the demand for reduction in the working hours of outdoor clerical staff, nor is there any justification for payment of overtime or special allowance to them for extra hours of work. Where such a practice obtains, the same should be discontinued with effect from the date of Government orders on our recommendations.

(Paragraph 8.82)

Uniforms and Uniform Allowance

94. Port administrations should consider the demand for uniforms to all outdoor staff in the light of the principles enunciated by the Central Government Industrial Tribunal at Calcutta, presided over by Shri A. Das Gupta, with the addition made in 1970 by the Central Government Industrial Tribunal, Calcutta, presided over by Shri B. N. Banerjee.

(Paragraphs 8.83 to 8.88)

95. If a uniform allowance is paid in lieu of supply of uniforms in any port, we do not consider it necessary to require employers to supply uniforms instead of paying uniform allowance.

(Paragraph 8.89)

Washing Allowance

96. In view of the increased cost of soap and detergents, a sum of Rs. 5/- per month should be given as Washing Allowance to all those categories of employees as are entitled to this type of allowance. Other categories of employees whose duties involve continuous contact with dirty or dusty cargo (other than those workers handling iron ore covered by our proposed Special Washing Allowance and workers in Calcutta port who are given coal handling allowance) should also be paid Rs. 5/- per month as Washing Allowance; actual categories of employees who would be entitled to this allowance may be determined by port administrations.

(Paragraph 8.90)

Conveyance Allowance

97. Port administrations should review the scales of conveyance allowance and the categories eligible therefor, keeping in view the increased cost of travelling and of maintaining a conveyance as well as the extent of travelling required in the performance of duties.

(Paragraph 8.91)

Island Allowance in Cochin Port

98. There is no justification for Island Allowance for employees in Cochin port. Island allowance presently being paid to dock workers should be discontinued with effect from the date of Government orders on our recommendations.

(Paragraph 8.94)

VI. PIECE-RATE AND INCENTIVE SCHEMES

99. In view of the criticism of port employers and workers that the existing piece-rate and incentive schemes need to be reviewed and in view of our proposed wage structure, the various existing piece-rate and incentive schemes should be reviewed comprehensively and the desirability of extending these schemes or introducing new schemes for other categories of workers and introducing integrated schemes for cargo-handling workers be also considered.

(Paragraph 9.24)

100. A suitable central machinery should be set up to work out broad principles and guidelines for adoption of piece-rate and incentive schemes by the various ports, for providing assistance to them in the revision of their schemes and also for scrutinising and monitoring from time to time the schemes evolved at the local levels.

(Paragraph 9.25)

VII. ALLEGED ANOMALIES AND SPECIAL REPRESENTATIONS

101. It has not been possible for us to undertake any scientific job evaluation of the innumerable posts in the various major ports; that is a task which would have taken many years to complete. We have, in the circumstances, proceeded on the basis that

the conclusions of the Classification and Categorisation Committee are generally sound. However, we have, in dealing with the representations made to us, borne in mind the fact that the situation today is not the same as it was when that Committee formulated its recommendations.

(Paragraph 10.10)

102. Some of the alleged anomalies and demands are resolved by our grouping of the existing scales.

(Paragraph 10.13)

103. We have made recommendations relating to some common categories in all major ports and also certain individual categories in each port in respect of which only we considered that a change is called for. Our recommendations must be understood subject to the following clarifications :

- (i) Wherever provision has been made by us for more than one scale for a specific category, it should not be considered obligatory for the employer to create posts in each one of these scales;
- (ii) If the existing scale of an employee is higher than our proposed scale for his category, he will be entitled to the protection of his existing scale and should accordingly be brought over to our proposed scale corresponding to his existing scale, which would be personal for him.

(Paragraph 10.14)

Our Recommendations

104. On a consideration of the alleged anomalies and special representations :

- (a) our recommendations in respect of pay scales of loco firemen, shunting staff, loco drivers, train examining staff, serangs, inland masters, engine drivers (marine), tide gauge readers, winch drivers/winchemen, tally clerks, cargo-handling workers of B category, nursing staff, laboratory assistants/laboratory technicians (medical department), junior clerks, telephone operators, motor drivers, sainiks/security guards and school teachers in all ports are set out in paragraphs 10.15 to 10.31; and

- (b) our recommendations in respect of pay scales of certain specified categories of employees in individual ports are set out in paragraphs 10.32 to 10.40.

(Paragraphs 10.15 to 10.40)

VIII. MISCELLANEOUS MATTERS

Applicability of our recommendations

105. Our recommendations will apply to employees as defined in our terms of reference and to all other categories of workers covered by the recommendations of the Wage Board, except such of them who fall outside the framework of those recommendations consequent upon the revision of their pay scales/wage structure.

(Paragraph 11.7)

106. In view of pending court proceedings at the instance of bargemen in Calcutta port, we express no opinion on the question whether bargemen who operate both within and without the port area are covered or not by the recommendations of the Wage Board.

(Paragraph 11.8)

Unified Cargo-Handling Agency

107. In formulating our proposed scales, we have kept in mind not only the observations of the Commission on Major Ports and the Chatterjee Committee regarding the need for a unified cargo-handling agency but also the fact that the question is under the active consideration of Government. Our grouping of scales, read with our recommendations made in Chapter X and paragraphs 11.14 to 11.19, would facilitate integration and interchangeability of cargo-handling workers.

(Paragraph 11.13)

108. On the integration of shore and stevedore cargo-handling workers in the ports of Bombay, Calcutta and Madras, Equation Allowance payable to shore workers in the port concerned shall be discontinued.

(Paragraph 11.14)

Deployability of Manpower

109. Port administrations should attempt, in consultation with the representatives of workers concerned, introduction of arrangements for inter-changeability and improved deployability, keeping in view qualifications required, nature of duties and responsibilities, promotional opportunities, etc.

(Paragraph 11.26)

Labour Inspectors/Section Officers and Accountants under Calcutta Dock Labour Board

110. There is no sufficient justification for recommending for the posts of Labour Inspectors, Section Officers and Accountants under Calcutta Dock Labour Board a pay scale higher than the maximum of Class III posts.

It would, however, be unjust to deprive the present incumbents of these posts of the status and benefits enjoyed by them since 1957 and hence they may be treated as Class II officers, but future incumbents should be placed in Class III on our proposed scale of Rs. 900-1200.

(Paragraphs 11.29 to 11.31)

Typists at Calcutta and Visakhapatnam Ports

111. Employees in the three grades of typists at Calcutta and Visakhapatnam ports, who are qualified and are fit for duties in the clerical cadre, should be considered for a change over to or for promotion in the clerical cadre at the appropriate level.

(Paragraph 11.33)

Other Matters

112. Appropriate authorities should consider the several representations listed in paragraph 11.35.

(Paragraph 11.35)

VIII. FINANCIAL IMPACT OF OUR RECOMMENDATIONS

113. Since reliable data about the number of employees engaged by employers other than Port Trusts and Dock Labour Boards is not available, the estimate of financial impact of our recommendations is confined to Port Trusts and Dock Labour Boards only.

(Paragraph 12.2)

114. The recurring annual increase in the wage bills of Port Trusts and Dock Labour Boards with effect from the 1st January, 1977, would be about Rs. 9.60 crores for 1.05 lakh workers in Port Trusts and Rs. 3.60 crores for 38,000 workers under Dock Labour Boards with effect from the 1st January, 1977. This includes the current liability of Rs. 8.58 crores in respect of Interim Relief.

(Paragraphs 12.3 and 12.6)

115. As regards arrears from the 1st January, 1974, to the 31st December, 1976, payments already made on account of ex gratia, overtime, leave salary, children's education allowance and other benefits, except retirement benefits, need not be recalculated.

(Paragraph 12.7)

116. Our estimate of the total arrears to be paid for the three years, 1974, 1975 and 1976, is about Rs. 17 crores for Port Trusts and about Rs. 7 crores for Dock Labour Boards.

(Paragraph 12.8)

APPENDICES

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APPENDIX-I

(Para 1.2)

MINISTRY OF SHIPPING AND TRANSPORT

RESOLUTION

New Delhi, the 11th December 1974

No. PLO/94/74.—The Government of India have decided to set up a Wage Revision Committee for Port and Dock Workers at the major ports having Port Trusts/Port Commissioners/Dock Labour Boards:

2. The Composition of the Committee will be as follows :—

1. Shri B. N. Lokur, *Chairman*
Retired Judge of Allahabad High Court,
New Delhi.
2. Shri T. S. Sankaran, *Member*
Joint Secretary,
Ministry of Labour,
Government of India,
New Delhi.
3. Dr. B. V. Mehta, *Member*
Professor and Head of
Department of Economics,
South Gujarat University,
Surat.

3. The following will be the terms of reference of the Committee :

- (a) The Committee will be required to enquire into and recommend as to what revision is necessary in the existing "wage structure" of the "Employees" specified in sub-para (d) below.
- (b) In making their recommendations, the Committee will have regard, among other relevant factors, to the following :—
 - (i) The obligation of Port and Dock undertakings to provide adequate and efficient port and dock facilities at a reasonable cost;
 - (ii) the capacity of Port authorities and Dock Labour Boards to pay the wage bill, keeping in view the character of the Port transport industry;
 - (iii) the need for uniformity in the rates of emoluments and benefits of employees doing similar jobs at various major ports;
 - (iv) the total monetary accrual to the workers, inclusive of basic wage, allowances, payment of ex-gratia, etc.;

- (v) duties and responsibilities of various posts, including the skills and hazards involved;
- (vi) the need for adjusting wage differentials in such a manner as to provide incentive to workers for advancing their skills;
- (vii) the economic conditions in the country, and all other factors;
- (viii) the requirements of social justice; and
- (ix) extending the system of payment by results; i.e. linking wages to output.

Explanation :—In applying the system of payment by results, the Committee shall keep in view the need for fixing a minimum (fall-back) wage and also to safeguard against overwork and undue speed.

- (c) Keeping in view the existing level of wages and variations in dearness allowance from time to time as per the formula evolved by the Central Wage Board for Port and Dock Workers, 1969, the Committee will submit its recommendations regarding demand for relief of an interim character within three months from the date the Committee starts its work. In the event of the Committee advising any interim relief, the date from which this relief should take effect will be indicated by the Committee.
- (d) The term "wage structure" as mentioned above would include pay, special pay and allowances.

The term "Employees" mentioned in sub-para (a) above will cover the following, excluding Class I and Class II Officers :—

- (i) persons employed by the major port trusts of Bombay, Madras, Visakhapatnam, Cochin, Mormugao, Kandla and Paradip and the Commissioners for the Port of Calcutta;
 - (ii) persons employed by the Dock Labour Boards and their Administrative Bodies at Bombay, Calcutta, Madras, Visakhapatnam, Cochin, Mormugao and Kandla; and
 - (iii) persons covered under the schedules of various schemes framed under the Dock Workers (Regulation of Employment) Act, 1948.
- (e) The Committee may also look into the cases of such other categories of workers covered by the Central Wage Board for Port and Dock Workers, 1969 but not included herein, if and when referred to by the Ministry of Labour on receipt of requests on behalf of these categories. Such references to the Committee will be made by the Ministry of Labour only.

Sd/- M. RAMAKRISHANAVYA
Secretary

APPENDIX-II

(Para 1.6)

GOVERNMENT OF INDIA
(BHARAT SARKAR)
MINISTRY OF LABOUR
(SHRAM MANTRALAYA)

New Delhi, the 17th June 1975

RESOLUTION

No. V-24027(5)/74-WB.—The Government of India, in the Ministry of Shipping and Transport, by their Resolution No. PLO/94/74, dated the 11th December, 1974, set up a Wage Revision Committee for Port and Dock Workers at the Major Ports having Port Trusts/Port Commissioners/Dock Labour Boards to enquire into and to recommend as to what revision is necessary in the existing “Wage structure” of the “Employees” as defined below :—

The term “Employees” will cover the following excluding Class I and Class II Officers :—

- (i) persons employed by the major port trusts of Bombay, Madras, Visakhapatnam, Cochin, Mormugao, Kandla and Paradip and the Commissioners for the Port of Calcutta;
- (ii) persons employed by the Dock Labour Boards and their Administrative Bodies at Bombay, Calcutta, Madras, Visakhapatnam, Cochin, Mormugao and Kandla, and
- (ii) persons covered under the schedules of various schemes framed under the Dock Workers (Regulation of Employment) Act, 1948.

In para 3(e) of the aforesaid Resolution, it was laid down that the Committee may also look into the cases of such other categories of workers covered by the Central Wage Board for Port and Dock Workers, 1969, but not included herein, if and when referred to by the Ministry of Labour on receipt of requests on behalf of these categories. Such references to the Committee will be made by the Ministry of Labour only.

2. Having regard to the demands already received from and on behalf of some of the categories of workers covered by the Central Wage Board for Port and Dock Workers but not included within the purview

of the Wage Revision Committee and the possibility of similar demands being received from and on behalf of other workers of the excluded categories, the Ministry of Labour have decided to request the Wage Revision Committee to include, within its purview, all categories of workers who were covered by the recommendations of the Central Wage Board for Port and Dock Workers, excepting those to whom wage increases have been given or whose pay scales/wage structures have been revised under any arrangements outside the framework of the Wage Board's recommendations.

Sd/- HANS RAJ CHHABRA
Deputy Secretary

APPENDIX-III

(Para 1.8)

**GOVERNMENT OF INDIA
(BHARAT SARKAR)**

**MINISTRY OF SHIPPING & TRANSPORT
(NAUVAHAN AUR PARIVAHAN MANTRALAYA)**

**OFFICE OF THE WAGE REVISION COMMITTEE
For Port and Dock Workers**

IDA Building,
Jamnagar House,
Shahjahan Road,
New Delhi-110011.

Dated :

No. WRC/Question naire/75

SUBJECT : QUESTIONNAIRE

Sir,

As you may be aware, the Government of India in the Ministry of Shipping and Transport have, by their Resolution No. PLO/94/74 dated 11th December, 1974, set up a Wage Revision Committee for Port and Dock Workers at the Major Ports. The Committee is required to enquire into and recommend as to what revision is necessary in the existing wage structure of employees specified in the Resolution. A copy of the Resolution which, *inter alia* sets out the 'Terms of Reference' of the Committee is annexed.*

2. In order to collect background information and to elicit views on the subject from all concerned, the Committee has prepared a Questionnaire, a copy of which is enclosed. The Committee would be grateful for your kind co-operation and assistance and requests you to furnish your reply to the Questionnaire in quadruplicate.

3. In case you wish to supplement your reply to the Questionnaire with additional information or views relevant to the terms of reference, you may kindly do so in separate sheets.

4. As the Committee is anxious to complete its deliberations as early as possible, you are requested to furnish your reply within a month of the receipt of this letter.

Yours faithfully,

Sd/-

(T. R. MALHOTRA)

Secretary

*(Reproduced in Appendix-I)

**WAGE REVISION COMMITTEE FOR
PORT AND DOCK WORKERS
AT MAJOR PORTS**

QUESTIONNAIRE

Instructions to answer the Questionnaire

1. Please furnish four copies of your reply to the Questionnaire neatly typed.
2. While furnishing replies to the questions, the same serial order of Questions as in the Questionnaire should be followed and same serial numbers as allotted in the Questionnaire should be cited for the replies. Preferably, the Questions may be reproduced at the top followed by the replies.
3. Where a format or table has been prescribed for replies, the same may be adopted while giving replies.
4. Questions not applicable may be indicated by entry 'N.A.' against them.
5. Form 'C' is to be filled up separately for each category of employees. So please use as many separate sheets as there are categories of employees.
6. Questions specifically directed to employers may be answered by others also, if they so desire.
7. The term 'Labour Costs' used in the Questionnaire would include all costs by way of wages, salaries, allowances, terminal and fringe benefits etc. incurred on all employees including those not covered by the terms of reference of the Committee.
8. The information and views submitted by you will be utilised only for the purpose of formulating recommendations of the Committee and will not be used for any other purpose. However in case you desire any particular information or view to be kept strictly confidential, please indicate it specifically.

A. GENERAL.

1. Please give your

- (a) Name
 - (b) Designation/Position
 - (c) Name of the organisation (if any) with which you are connected.
 - (d) Address :
 - (e) Nature of activities of the organisation with which you are connected i.e. Port Management, Dock Labour Board, Stevedoring, Chipping & Painting, Mineral Handling, Shipping Agency, Trade Union, etc. (Please specify).
 - (f) If connected with a Trade Union, please give the following information about your organisation :
 - (i) Registration No.
 - (ii) Date of Registration.
 - (iii) Affiliation, if any, to an All India Organisation of Trade Unions/Federation.
 - (iv) Categories of employees entitled to enrolment as members.
 - (v) Membership of the Union as on 31-12-1974 as reported in the Annual Return to the Registrar of Trade Unions.
 - (g) If connected with an employers' establishment/organisation, please furnish the following information about the establishment/organisation :
 - (i) Whether a Public/Private Limited Company/Proprietary concern/Partnership/Statutory Authority Association of Employers. (Please specify) :
 - (ii) If Association of employers, please furnish details of its coverage and eligibility for membership.
2. Please intimate whether you would like to appear personally before the Committee to add to or amplify the views which you may have expressed in your replies to the Questionnaire.

B. NATURE OF WORK AND EMPLOYMENT

3. Please give a brief description of the nature of work in your establishment(s). (For employers only).
4. Please mention the various sections or departments in your establishment and brief description to activities of each of them. (For employers only).

5. Please furnish a list of various categories of employees with their standard nomenclature and alternative local names if any, employed in your establishment. (For employers only).
6. Please give information in Form 'A' regarding total employment in various categories enumerated in response to Question 5. (For employers only).
7. Please furnish in Form 'B' number and classification of employees of various categories on the basis of tenure of employment. (For employers only).
8. Please furnish in Form 'C' information relating to duties, skills, responsibilities, pay scales, wage rates, promotional channels and other miscellaneous matters in respect of each of the categories of employees in your establishment. A separate sheet should be utilised for each category and comprehensive replies furnished in each case. Unions may furnish this information about their members.

C. WAGE STRUCTURE

9. Please furnish in Form 'D' information relating to total amounts disbursed on account of various items of cash or kind benefits allowed to your employees (covered by the terms of reference of the Committee) for the years 1969, 1973 and 1974. Information may be furnished in respect of corresponding accounting years if the same is not available in respect of calendar years.
10. Please state whether the pay scales/wage rates obtaining in your establishment for all categories are as per the recommendations of the Central Wage Board for Port & Dock Workers (1969) as finally accepted by the Government. If not, please specify the departures if any. Where the employees are on C.C.C. or Pre-C.C.C. scales, please specify those categories and their pay scales.
11. Where the pay scales/wage rates are different from those recommended by the Wage Board, please state whether they have been based upon mutual agreement, settlement in conciliation proceedings, awards or any unilateral action of the management. Please give full details of such pay scales/wage rates along with copies of awards, settlements or orders of the management determining these scales.
12. Do you think wage structure in Ports and Docks is comparable with any other industry on region-cum-industry basis? If so, please specify the same and give reasons.
13. Do you think any reduction in the present multiplicity of scales is desirable and feasible? If so, please give your suggestions in detail regarding regrouping of some of the categories keeping in view the nature of duties and responsibilities of such categories.
14. Do you think any part of the existing dearness allowance should be merged with basic pay? If so, to what extent and on what basis? Please give reasons.

15. Do you consider the dearness allowance formula as evolved by the Wage Board satisfactory? If not what changes would you suggest, with reasons therefor, in regard to the base period of the index, the rates of neutralisation, periodicity of review, etc.

16. Do you consider the dearness allowance should be :—

- (a) a uniform amount for all categories of employees; or
- (b) a uniform percentage of basic pay for all categories of employees; or
- (c) on a varying scale related to salary slabs; or
- (d) any other system.

Please furnish your views with detailed reasons.

D. HOUSE RENT ALLOWANCE

17. Does the present practice and basis of payment of House Rent Allowance/recovery of rent require any modifications? If so, please offer your suggestions with reasons.

18. Please furnish the following information about H.R.A. payments in your establishment during the last three years : (For employers only).

Year	No. of employees entitled to H.R.A.	Total amount paid	Rate & basis of payment
(1)	(2)	(3)	(4)

E. CITY COMPENSATORY ALLOWANCE

19. What are your views regarding the present practice of paying city compensatory allowance in certain costlier port cities? Do you think it needs any modifications? If so, please offer your suggestions.

20. Please furnish the following information about city compensatory allowance payments in your establishment during the last three years; (For employers only).

Year	No. of employees entitled	Total Amount paid	Rate and basis of payment
(1)	(2)	(3)	(4)

F. EX-GRATIA PAYMENT

21. What is the basis on which ex-gratia payment is made to employees at present? Do you consider the present practice and its basis appropriate? If not, have you any suggestions to make in this regard?

22. Please furnish the following information regarding ex-gratia payments made in your establishment during the last three accounting years; (For employer only).

Year	No. of employees entitled to ex-gratia	Amount paid	Rate/Basis of Payment
(1)	(2)	(3)	(4)

23. Please state whether your employees/members get any incentive, customary or any other kind of bonus (apart from ex-gratia). Is so, please furnish their details regarding nature, basis of payment, quantum, eligible categories, etc.
24. Please furnish the following information regarding payments referred to in Question 23 during the last three accounting years in your establishment. If more than one type of payment is made, please furnish information separately for each : (For employers only).

Year	No. of employees entitled	Amount paid	Rate and basis of payment
(1)	(2)	(3)	(4)

G. OVERTIME PAYMENTS

25. Please describe the prevailing practice regarding payments for (a) overtime work on normal working days covered by the statute (b) work on holiday (c) work beyond normal working hours but not treated as overtime work under statute. Please state the basis-statute, award, settlement or mutual agreement-on which the practice is based in each case.
26. Please furnish the following information, category-wise, about overtime work in your establishment during each of the last three years giving information year-wise : (For employers only).

Year	Category of employees	No. of employees in the category	Total No. of man-hours of overtime worked
(1)	(2)	(3)	(4)
Total amount paid for overtime work		Total wages paid exclusive of overtime payments	
(5)		(6)	

H. LEAVE FACILITIES

27. Please furnish information on the quantum and other particulars of various kinds of leave (earned, sick, casual, etc.) available to your employees/members and state separately for each kind of leave, the items of wage such as Basic, Dearness Allowance, House Rent Allowance, City Compensatory Allowance, etc., which are taken into account for calculating leave wages.
28. Please estimate the cash value of the entire leave facilities available to the employees in your establishment for the year 1974. (For employers only).
29. Do you think provision should be made for encashment of a part of leave earned by the employees ? If so, what part and on what basis ?

I. RETIREMENT/TERMINAL BENEFITS

30. Please furnish details of retirement/terminal benefits such as gratuity, pension, provident fund, etc, available to your employees/members and basis of calculation of these benefits.
31. Please furnish statement of actual expenditure incurred by you on the various items of retirement/terminal benefits during the last three years. (For employers only).

Year	Gratuity	Provident Fund	Pension	Others (specify)	Total
(1)	(2)	(3)	(4)	(5)	(6)

32. Do you think any modifications are necessary regarding retirement/terminal benefits? If so, please give your suggestions and reasons therefor.

J. SPECIAL CATEGORIES OF EMPLOYEES

33. Do you have women employees in your establishment? If so, in which categories of employment? How do their wages/salaries compare with those of men employees performing similar duties?
34. Are there any children or adolescents employed in your establishment? If so, in which categories of employment? How do their wages/salaries compare with those of adult employees?

K. EXTENSION OF PIECE-RATE SCHEMES

35. Do you think the Piece-Rate Scheme(s) applicable to your employees/members has worked well? If not, please point out the draw-backs and offer your suggestions for its improvement in various aspects.
36. Would you like some of the existing time-rated categories to be brought under piece-rate system of payment either through extension of existing Piece-Rate Schemes or by evolving new schemes? If so, please give your suggestions, preferably with brief details of the scheme regarding coverage, datum line, system of payments, etc.

L. PRODUCTIVITY

37. What is your concept of productivity in relation to work in your establishment? Do you think, on the basis of this concept, productivity at present is satisfactory? If not, please state reasons for the inadequate productivity and offer your suggestions to improve it.
38. Have there been any studies made so far to assess the productivity of the employees/organisation in your establishment? If so, please give details.
39. Has productivity in general or in relation to a particular operation in your establishment fallen or improved in recent years? If so, please furnish details with reasons.

40. Has your establishment taken any steps to raise productivity in general or in a particular case? If so, please give details and results.
41. Has any basis/machinery been agreed upon in your establishment between the employees and employers for determining fair work loads? If so, please give details. If not, what arrangements do you suggest for determining fair work loads for various jobs/operations.

M. CAPACITY TO PAY

(I) General

42. How in your opinion should the employers' capacity to pay employees connected with Port & Dock work be judged?
43. While ascertaining the capacity to pay, what are the prior charges which, in your opinion, should be deducted out of the earnings of the establishment?

(II) For all Employers (including Dock Labour Boards)

44. What part of the total expenditure of your establishment (connected with Port & Dock work only) is attributable directly to labour costs in respect of such work, for each of the financial years 1968-69 to 1973-74. Please furnish copies of audited Balance Sheet, Profit and Loss Account for each of these years. (For employers only).
45. Please furnish the following information in the proforma indicated below with regard to working of your establishment. In case you also undertake activities other than those connected with Port & Dock work, the information may be confined to Port & Dock work only. The information may be given in respect of last six financial years viz., 1968-69 to 1973-74. (For employers only).

1968-69	1969-70	1970-71	1971-72	1972-73	1973-74.
(1)	(2)	(3)	(4)	(5)	(6)

(1) Total revenue

(2) Total expenditure :

(a) Labour Costs :

(inclusive of all expenses incurred on wages, allowances and other benefits).

(i) For employees covered by the terms of reference of the committee.

(ii) For other employees.

(b) Other expenses.

(3) Total Gross Profit*

(a) Depreciation.

(b) Interest.

(c) Taxation.

(d) Dividends paid.

(e) Retention.

Total (a+b+c+d+e) Rs.

(4) Total net assets.

(5) Total net worth.

(6) Total medium and long-term liabilities.

(7) Bank borrowings.

(8) Rate of dividend.

46. (a) Give details of scheme(s) of capital investment, if any, during each of the financial years 1968-69 to 1974-75. Please also furnish, year-wise, the sources of finance therefor. (For employers only).

(b) Do you have any scheme(s) improvement/modernisation expansion to be undertaken during the next five years? If so, what is the likely expenditure on this account and what are the sources of finance to meet the proposed expenditure? (For employers only).

(c) What will be the effect of the proposed scheme(s) upon employment and unit costs of services? (For employers only).

(II) For Port Administrations and Dock Labour Boards only.

47. Please give details of surplus/deficit on revenue account for each of the five financial years, 1969-70 to 1973-74, furnishing the contributory causes for such surplus/deficit.

48. What are the contributions made during each of the five financial years, 1969-70 to 1973-74, from revenue to the various reserves and other funds maintained by your establishment and the balances standing to the credit of each of such funds at the close of each year? What is your view regarding the adequacy or otherwise of the annual contributions to the various reserves/funds?

49. What is the present rate structure for various services provided by the Port Administration? Was your rate structure revised during the last ten years? If so give details.

50. How does your present rate structure compare with that of countries like Bangla Desh, Burma, Sri Lanka and Pakistan for similar services? Please furnish details.

51. (a) To what extent will the existing rate structure have to be revised to meet the additional expenditure in the event of an upward revision of wage structure, say, by five per cent, over the existing level?

- (b) What would be the likely impact of such upward revision of rate structure on traffic in your Port ?
52. What proportion does your labour costs bear to the total revenue expenditure ? If, in your opinion, the proportion is excessive, please state the reasons therefor.
 53. Please give the break-up of the total imports and exports, commodity-wise, in tonnes at your port during the years 1965 to 1974.
 54. Please furnish the tonnage handled by your Port & Dock labour, year by year, with details of cargoes for the last ten years *i.e.*, 1965 to 1974.
 55. Please give details of capital expenditure incurred, year by year, in the last ten years upto March 1975. What percentage thereof was met from revenue ? What were the other sources of financing this expenditure ? Please give details. Please also give the total value of capital assets and outstanding capital debts, as on the close of the financial year 1973-74.
 56. What is the capital outlay proposed in each of the five years of the Fifth Plan and the proposed sources of finance ? Do you contemplate any upward revision of your rate structure to meet the whole or any part of the proposed outlay ?
 57. Please furnish information regarding detention of ships in your port during each of the last three years with brief reasons therefor.

N. EFFECT OF WAGE INCREASE ON PORT SERVICES

58. Keeping in view the obligation of Port and Dock undertakings to provide adequate and efficient facilities at a reasonable cost, what do you think will be the effect of upward revision of wages on the cost of port services ? Is it possible to quantify this effect ? If so, how ?
59. Do you think some part of the additional cost of port services resulting from increase in wages could be offset by improvements in productivity of workers and efficiency of management ? Please give your suggestions in this respect.
60. What effect did the revision of wage structure, brought about as a result of adoption of Wage Board recommendations, have on the cost of port and dock services ? Please give facts and figures.

O. MISCELLANEOUS

61. Does your organisation prepare annual administrative reports and/or statistical abstracts ? If so, please furnish copies thereof for the last three years.
62. Have you any other suggestions to make in regard to the wage structure and other related matters covered by the terms of reference of the Committee ? If so, please offer the same with reasons.

FORM ' A '

(Question No. 6)

Employment of Various Categories

S. No.	Designation/ Category	Total	Number of Employees on roll as on						Average Number day/shift during the year			*Employed per		
			1-1-1974			1-1-1975			1973			1974		
			Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total
			(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)

*Average number of employees per day will be arrived at by dividing total number of man days/man shifts worked during the year by all employees by the working days/shifts the establishment was working.

FORM 'B'

(Question No. 7)

Classification of Employees

S. No.	Designation/ Category	Number of Employees on Roll as on 1-1-1974								Number of Employees on Roll as on 1-1-1975							
		Permanent		Temporary		Casual		Through Contractor		Permanent		Temporary		Casual		Through Contractor	
		Time ra- ted	Piece ra- ted	Time ra- ted	Piece ra- ted	Time ra- ted	piece ra- ted	Time ra- ted	Piece ra- ted	Time ra- ted	Piece ra- ted	Time ra- ted	Piece ra- ted	Time ra- ted	Piece ra- ted	Time ra- ted	Piece ra- ted
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18

FORM 'C'

(Question No. 8)

Note: Please furnish information in this form in respect of each of the categories of workers employed by you using a separate form for each distinct category.

1. Category/Designation (In addition to the standard nomenclature please mention local name if any).
2. Number of employees in this category on roll on 1-1-1974 and on 1-1-1975.
on 1-1-1974 _____
on 1-1-1975 _____
3. Pay Scale/Rate per day/Rate per Unit of work. (whichever is applicable).
- 4.(a) Earnings of an employee at the minimum of the scale. (Please give fall back wages in the case of piece-rated employees)

	As on 31-12-1968*	As on 1-1-69@	As on 1-1-74	As on 1-1-75
Basic Pay (Including Dearness Pay)
Minimum Dearness Allowance
Variable Dearness Allowance (As per Wage Board formula)
House Rent Allowance
City Compensatory Allowance
Special Dearness Allowance (Interim Relief)
Ex-gratia/Bonus
Special Allowances, if any.
Other Elements of Wage, if any. Please specify. (Here include cash value of uniforms and other benefits in kind such as medical aid, educational facilities for children etc.)
Total Earnings

*Immediately before implementation of the Wage Board recommendations.

@Immediately after implementation of the Wage Board recommendations.

(b) Earnings of an employee at the maximum of the scale. (Please give fall back wages in the case of piece-rated employees).

	As on 31-12-1968*	As on 1-1-69@	As on 1-1-74	As on 1-1-75
Basic-pay (Including Dearness Pay)
Minimum Dearness Allowance
Variable Dearness Allowance (As per Wage Board formula)
House Rent Allowance
City Compensatory Allowance
Special Dearness Allowance (Interim Relief)
Ex-gratia/Bonus
Special Allowances, if any
Other Elements of Wage, if any. Please specify. (Here include cash value of uniforms and other benefits in kind such as medical aid, educational facilities for children etc.)
Total Earnings

*Immediately before implementation of the Wage Board recommendations.

@Immediately after implementation of the Wage Board recommendations.

(c) Actual average earnings per man-shift of this category during 1974
(These may be arrived at by dividing total monthly payments to all
employees in this category by total man-shifts worked during the
month.)

	(Rs.)			
January 1974
February 1974
March 1974
April 1974
May 1974
June 1974
July 1974
August 1974
September 1974
October 1974
November 1974
December 1974

5. If this category is covered by any piece rate system of payment, please state the details of the scheme and the award, statute or agreement, if any, on which it is based. In the case of non-statutory schemes please furnish copies of the agreement giving its details.
6. Is this category covered by the Minimum Wages Act? If so, please state the Minimum Wage fixed for it and the date of last relevant notification.
7. Please specify the changes, if any, in pay scales/wage rates of this category since the adoption of Wage Board recommendations.
8. Please furnish the list of duties of this category in the order of their importance.
 - 1.
 - 2.
 - 3.
 - 4.
 - 5.
9. Whether this category is classified as unskilled, semi-skilled, skilled, highly skilled, supervisory or ministerial? Please specify.
10. Keeping in view the duties attached to this post, do you think the aforesaid classification is correct? If not, what classification you suggest for this category of employees? Please give reasons for your view.
11. What basic educational or trade/professional qualification training, experience, if any, have been prescribed for holding this post?
12. In case employees possessing similar skills and qualifications and performing more or less similar duties are employed in any other industry in the neighbourhood, please furnish the pay scales/wage rates, allowances and all other benefits prevailing in that industry for this category of employees.
13. Please specify the categories which are eligible for promotion to this category (channel of promotion) and their pay scales in each case.
14. What is/are the next higher category(ies) to which this category may be promoted (channel of promotion) and their pay scales in each case.
15. If according to you the channels and opportunities for promotion available to this category are not satisfactory, please offer your suggestions with reasons.

16. (a) Do you think the pay scales/wage rate attached to this category of employees is commensurate with the duties and responsibilities entrusted to it keeping in view the following considerations :
- (a) degree of skill.
 - (b) strain of work.
 - (c) experience involved.
 - (d) training required.
 - (e) responsibility undertaken.
 - (f) mental and physical requirements.
 - (g) disagreeableness of task.
 - (h) hazards attendant on the work, and
 - (i) fatigue involved.
- (b) If not, what other pay scale/wage rate you suggest for this category ? Please give reasons for your views.
17. Do you propose that this category (if presently on time rate) should be brought to piece-rate system of payment (or payment by results) or vice versa ? Please give your suggestions supported by reasons and facts and figures where possible ?
18. Do you consider that the prevailing wage differentials between this category of workers and those below and above them provide adequate incentives to improve their skills and to put in their best in the job ?
19. Have you fixed work load for this category of employees related to hour, a man-shift or any quantum of payment etc. ? If so, please give its details including how it was determined.
20. Do you consider the present work load is reasonable ? If not, what are your suggestions to make it so and also about the feasibility of introducing changes regarding work load ?
21. Have you at any stage undertaken job evaluation/job classification for this category of employees ? If so, please furnish details of your findings and use you made of the same.
22. Do you propose any mechanical aides or changes in system of work—planning and execution—which may improve productivity of this category of employees ? If so, please furnish your reply in detail.

FORM 'D'
(Question No. 9)

Item	Total Amounts Disbursed including Cash Value of Benefits in kind		
	1969	1973	1974
1. Basic Wages/ Salaries			
2. Dearness Allowance			
3. Dearness Pay (if any)			
4. City Compensatory Allowance			
5. House Rent Allowance			
6. Ex-gratia			
7. Production/Incentive Bonus etc.			
8. Other Cash Payments :			
(1) Overtime			
(2) Childrens' Education Allowance			
(3) Others (Please specify)			
9. Cash Value of Benefits in Kind :			
(1) Medical Aid			
(2) Uniforms			
(3) Educational Facilities			
(4) Others (Please specify)			

Note : Information supplied should relate only to such employees as are covered by the terms of reference of the Committee.

APPENDIX IV

(Para 1.9)

Parties Responding to the Questionnaire or Making Representations

A. EMPLOYEES

1. ALL INDIA

1. Federation of Associations of Stevedores, Bombay.
2. Food Corporation of India, New Delhi.
3. Indian National Shipowners' Association, Bombay.

2. BOMBAY

4. Bombay Port Trust.
5. Bombay Dock Labour Board.
6. Chipping & Painting Employers' Association Private Ltd., Bombay.
7. Bombay Custom House Agents' Association.
8. Food Corporation of India, Bombay.

3. CALCUTTA

9. Calcutta Port Trust.
10. Calcutta Dock Labour Board.
11. Calcutta Master Stevedores Association.
12. Master Stevedores' Association, Calcutta.
13. Calcutta Master Ship Contractors' Association.
14. Bengal Chamber of Commerce & Industry, Calcutta.
15. Bengal Builders & Contractors, Calcutta.
16. Ghuznavi & Co., Calcutta.

4. MADRAS

17. Madras Port Trust.
18. Madras Dock Labour Board.
19. Madras Customs Clearing and Shipping Agents' Association.
20. Madras Stevedores' Association, Madras.
21. Mineral Handling Employers' Association (Regd.), Madras.
22. Food Corporation of India, Madras.

5. VISAKHAPATNAM

23. Visakhapatnam Port Trust.
24. Visakhapatnam Dock Labour Board.

6. COCHIN

25. Cochin Port Trust.
26. Cochin Dock Labour Board.
27. United Stevedores' Association of Cochin (P) Ltd.
28. Cochin Chamber of Commerce & Industry.
29. West Coast Employers' Federation, Cochin.

7. MORMUGAO

30. Mormugao Port Trust.
31. Mormugao Dock Labour Board.
32. Goa Mineral Ore Exporters' Association.
33. Mormugao Stevedores' Association, Goa.
34. Goa Chamber of Commerce and Industry.
35. Chowgule & Co., Pvt. Ltd., Mormugao Harbour, Goa.

8. KANDLA

36. Kandla Port Trust.
37. Kandla Dock Labour Board.

9. PARADIP

38. Paradip Port Trust.

B. EMPLOYEES

1. ALL INDIA

1. All India Port & Dock Workers' Federation.
2. Indian National Port & Dock Workers' Federation.
3. Water Transport Workers' Federation of India.

2. BOMBAY

4. Transport & Dock Workers' Union, Bombay.
5. Bombay Port Trust Employees' Union.
6. B.P.T. General Workers' Union, Bombay.
7. National Dock and General Workers' Union, (Regd.), Bombay.
8. New National Dock Workers' Union (Regd.), Bombay.
9. Motor Launch Employees' Association, Bombay.

10. Pattern Maker and other workers of B.P.T. workshops, Bombay.
11. Employees of the Bombay Port Trust Working as Valuers.
12. Shri Bhai Shingre, Municipal Councillor, Bombay.

3. CALCUTTA

13. Calcutta Port Commissioners' Chief Mechanical Engineers' Deptt. Supervising Staff Association.
14. Calcutta Dock Labour Board Gang Workers' Committee.
15. National Union of Waterfront Workers, Calcutta.
(Shri Janaki Mukherjee, Gen. Secretary).
16. Calcutta Dock Workers Union.
(Shri Bacha Prasad, Gen. Secretary).
17. National Union of Waterfront Workers, Calcutta.
(Shri Santoshkar, Jt. Gen. Secretary).
18. Calcutta Port Commissioners' Workers' Union.
19. Calcutta Dock Workers Union.
(General Secy. Shri A. Ahad Khan).
20. West Bengal Dock Mazdoor Union, Calcutta.
21. Calcutta Importers, Exporters and Clearing Agents Employees' Union.
22. Calcutta Dock Labour Board Officers' Forum.
23. West Bengal Dock & Port Mazdoor Union, Calcutta.
24. Staff of the Director, Marine Deptt. Drawing Office, Calcutta Port Trust.
25. Calcutta Dock Labour Board Tally Clerk Committee.
26. Workers of the Litho-press of the D.M.D's Office, Calcutta.
27. Shipping Employees' Union, Calcutta.
28. Subordinate Engineers' Association, Calcutta.
Port Commissioners (C.E's Deptt. Calcutta).
29. Registered & Un-registered Dock Workers' Union, Calcutta.
30. Motor Drivers of Calcutta Port Trust.
31. Hospital Staff of Calcutta Port.
32. Calcutta D.L.B. Signaller Committee.
33. Farashes of Calcutta Port Trust.
34. Librarian, Central Library, Calcutta Port Trust.
35. Asstt. Garage Supdt., C.M.E's Deptt., Calcutta Port Trust.
36. Calcutta Port Trust Estate Management Supervisors' Association.
37. Sounding Supervisors, Port Dredging Surveys, D.M.D's Office, Calcutta Port Trust.
38. Calcutta Dock Labour Board Employees' Association.
39. Dock Sramik Association, Calcutta.
40. Calcutta Port & Shore Mazdoor Union.

41. Association of Shipwrights, Calcutta Port Commissioners.
42. Dock Clerical & Supervisory Staff Association, Calcutta.
43. Asstt. Labour Officers of Calcutta Port Trust.
44. Information Asstt., Calcutta Port Trust.
45. L.D.C's and U.D.C's of Calcutta Port Trust.
46. Chairman, C.E's Deptt., Calcutta Port Trust.
47. Car Drivers of Calcutta Dock Labour Board.
48. Sports' Supervisor, Calcutta Port Trust.
49. Pharmacists, Dressers of Calcutta Port Trust.

4. MADRAS

50. Madras Port Diploma Engineers' Association.
51. Madras Port Trust Junior Engineers' Association.
52. Madras Port Trust Subordinate Officers, Supervisory and Staff Association.
53. Marine Surveyors & Staff of the Hydrographic Division, Madras Port Trust.
54. Stock Verifiers of Madras Port Trust.
55. Statistical Assistants of P&R Cell, Madras Port Trust.
56. Tamil Nadu Port Trust, Dock Labour Board Depressed Class Workers League (Sangam).
57. Madras Port & Dock Worker's Progressive Union.
58. Staff Car Drivers, Madras Port Trust.
59. Office Supdt., C.E's Office, Madras Port Trust.
60. U.D.C., Madras Dock Labour Board.
61. Attenders, Madras Dock Labour Board.
62. Head Clerk, MPT Hospital, Madras.
63. Head Planner, Engg. Deptt., Mech. & Elect. Division, Madras Port Trust.
64. Accountant, Marine Deptt., Madras Port Trust.
65. Telephone Operators, Madras Port Trust.

5. VISAKHAPATNAM

66. O.H.P. Port & Dock Employees' Association, Visakhapatnam.
67. National Port Trust Employees' Union, Visakhapatnam.
68. Port Khalasis Union, Visakhapatnam.
69. Visakhapatnam Dock Labour Board National Employees' Union.
70. Gasual Ship Supervisors, Visakhapatnam Port.

71. Secondary Grade Teachers of Dock Labour Board Upper/ Primary School, Visakhapatnam.
72. Elementary Grade Teachers of DLB Upper Primary School, Visakhapatnam.

6. COCHIN

73. Cochin Port Staff Union.
74. Cochin Dock Labour Board Employees' Guild.
75. Cochin Port Engine Room Staff Association (Diesel Side).
76. Cochin Port Wharf Staff Association.
77. Cochin Dock Labour Board Staff Association.
78. Cochin Port Tally Clerks' Association.
79. I.T.I. Certificate Holders Association, Cochin.
80. Cochin Port Hospital Employees Association.
81. Cochin Port Trust Technical Staff Association.
82. Cochin Port Staff Association.
83. Cochin Port Labour Union.
84. Cochin Port Thozhilali Union.
85. Cochin Harbour Workers Union.
86. Cochin Port Employees Organisation.
87. Cochin Port Porterage Staff Association.
88. Cochin Port Trust Lower Grade Staff Association.
89. Drivers of Cochin Port.
90. Junior Engineer (Electrical), Cochin Port Trust.
91. Switch Board Operators of the Power House, Cochin Port Trust.

7. MORMUGAO

92. Office Supdt., Mormugao Port Trust.
93. Legal Asstt. Mormugao Port Trust.
94. Computers of Mormugao Port Trust.
95. Mormugao Casual Gang Workers Committee.
96. Mormugao Dock Labour Board Employees' Association.
97. Mormugao Gang Leaders Committee.
98. Mormugao Port & Railway Workers' Union.
99. Mormugao Stevedores' Staff Association.
100. Staff of the Guest House, Mormugao Port Trust.
101. Mormugao Waterfront Workers' Union.

8. KANDLA

- 102. Transport & Dock Workers' Union, Kandla Port Trust.
- 103. Kandla Port Karmachari Sangh.
- 104. Kandla Port Trust Accounts Supervisory Staff Association.
- 105. Teachers of Bharatiya Vidya Mandir, New Delhi.
- 106. Head Time Keepers, Traffic Deptt., Kandla Port Trust.

9. PARADIP

- 107. Paradip Port Workers' Union. (Shri Nishamani Khauntia, President).
- 108. Paradip Port Workers' Union.
(Shri Devendra Satpathy, M.P., President).
- 109. Paradip Port Sramika Sangha.
- 110. Paradip Shramik Congress.

APPENDIX—V

(Para 1·11)

Committee's Visits to Ports

Port	Dates of visit
Bombay	8th & 9th August, 1975 23rd to 26th April, 1976 21st to 23rd August, 1976
Kandla	16th to 18th October, 1975
Visakhapatnam	27th to 30th October, 1975
Madras	22nd to 24th December, 1975
Cochin	30th December, 1975 to 1st January, 1976
Mormugao	27th to 29th January, 1976
Calcutta	24th to 29th May, 1976
Paradip	30th May to 2nd June, 1976

APPENDIX—VI

(Para 1·11)

Parties Participating in Discussions

Sl. No.	Date	Names of the Parties
<i>AT KANDLA</i>		
1.	16-10-1975	Kandla Port Karmachari Sangh.
2.	16-10-1975	Kandla Stevedores Association Ltd.
3.	17-10-1975	Food Corporation of India, Kandla.
4.	17-10-1975	Kandla Port Trust.
5.	17-10-1975	Kandla Dock Labour Board.
<i>AT VISAKHAPATNAM</i>		
6.	27-10-1975 and 29-10-1975	Visakhapatnam Port Trust.
7.	27-10-1975 and 29-10-1975	Visakhapatnam Dock Labour Board.
8.	27-10-1975	O.H.P. Port & Dock Employees' Association.
9.	27-10-1975	Port Khalasis Union, Visakhapatnam.
10.	27-10-1975	National Port Trust Employees' Union, Visakhapatnam.
11.	28-10-1975	Food Corporation of India, Visakhapatnam.
12.	28-10-1975	M.M.T.C., Visakhapatnam.
13.	28-10-1975	Visakhapatnam Stevedores' Association.
14.	29-10-1975	Visakhapatnam Dock Labour Board National Employee's Union.
<i>AT MADRAS</i>		
15.	22-12-1975	Madras Port Diploma Engineer's Association.
16.	22-12-1975	Madras Port Trust Junior Engineers' Association.
17.	23-12-1975	Madras Port & Dock Worker's Progressive Union.
18.	23-12-1975	Mineral Handlig Employer's Association (Regd.), Madras.
19.	23-12-1975	Madras Customs Clearing and Shipping Agents Association.

S. No.	Date	Names of the Parties
<i>AT MADRAS—Contd.</i>		
20.	23-12-1975	Madras Stevedores' Association.
21.	23-12-1975	Marine Surveyors, Madras Port Trust.
22.	23-12-1975	Food Corpn. of India, Madras.
23.	23-12-1975	Tamil Nadu Trade Union Congress.
24.	24-12-1975	Madras Port Trust.
25.	24-12-1975	Madras Dock Labour Board.
<i>AT COCHIN</i>		
26.	30-12-1975	Cochin Port Staff Association.
27.	30-12-1975	Cochin Port Wharf Staff Association.
28.	30-12-1975	Cochin Port Staff Union.
29.	30-12-1975	Cochin Port Trust Technical Staff Association.
30.	30-12-1975	Cochin Port Engine Room Staff Association (Diesel Side).
31.	30-12-1975	Cochin Harbour Workers Union.
32.	30-12-1975	Cochin Port Thozhilali Union.
33.	30-12-1975	Cochin Port Tally Clerks' Association.
34.	30-12-1975	Cochin Dock Labour Board Staff Association.
35.	31-12-1975	I.T.I. Certificate Holders Association, Cochin.
36.	31-12-1975	Cochin Dock Labour Board Employees' Guild.
37.	31-12-1975	Cochin Port Labour Union.
38.	31-12-1975	Cochin Port Employees, Organisation.
39.	31-12-1975	Cochin Port Workers Union.
40.	31-12-1975	United Stevedores Association of Cochin (P) Ltd.
41.	31-12-1975	Cochin Chamber of Commerce & Industry.
42.	31-12-1975	West Coast Employers' Federation, Cochin.
43.	31-12-1975	Food Corporation of India, Cochin.
44.	31-12-1975	Cochin Port Portage Staff Association.
45.	1-1-1976	Cochin Thuramugha Thozhilali Union.
46.	1-1-1976	C.P.T. Electric Cranes & Mobile Equipments Staff Association.
47.	1-1-1976	Cochin Port Hospital Employees Association.
48.	1-1-1976	C.P.T. Lower Grade Staff Association.
49.	1-1-1976	Cochin Port Trust.
50.	1-1-1976	Cochin Dock Labour Board.

S. No.	Date	Names of the Parties
<i>AT MORMUGAO</i>		
51.	28-1-1976	Mormugao Port & Railway Workers' Union.
52.	28-1-1976	Mormugao Stevedores' Staff Assocn.
53.	28-1-1976	Mormugao Dock Labour Board Employees' Association.
54.	28-1-1976	Mormugao Waterfront Workers' Union.
55.	28-1-1976	DLB Gang Leaders Committee.
56.	28-1-1976	D.L.B. Casual Gang Workers Committee.
57.	28-1-1976	Mormugao Stevedores' Association.
58.	28-1-1976	Goa Mineral Ore Exporters' Association.
59.	28-1-1976	Goa Chamber of Commerce & Industry.
60.	28-1-1976	M.M.T.C., Goa.
61.	29-1-1976	Mormugao Port Trust.
62.	29-1-1976	Mormugao Dock Labour Board.
<i>AT BOMBAY</i>		
63.	23-4-1976	B.P.T. General Workers' Union, Bombay.
64.	23-4-1976	Motor Launch Employees' Association, Bombay.
65.	23-4-1976	New National Dock Workers' Union (Regd.), Bombay.
66.	23-4-1976	National Dock and General Workers' Union (Regd.), Bombay.
67.	23-4-1976	Indian National Shipowners' Association.
68.	23-4-1976	All India Shippers' Council.
69.	23-4-1976 } and 26-4-1976 }	Transport & Dock Workers' Union, Bombay.
70.	24-4-1976	Federation of Associations of Stevedores, Bombay.
71.	24-4-1976	Bombay Stevedores' Association Ltd.
72.	24-4-1976	Chipping & Painting Employers' Association Private Ltd., Bombay.
73.	24-4-1976	Bombay Custom House Agents' Assocn.
74.	24-4-1976	Food Corporation of India, Bombay.
75.	25-4-1976	Bombay Port Trust Employees' Union.
76.	26-4-1976 } and 21-8-1976 }	Bombay Port Trust.
77.	26-4-1976 } and 21-8-1976 }	Bombay Dock Labour Board.
78.	26-4-1976	Chowgule & Co. Pvt. Ltd. (Mormugao Harbour)

S. No.	Date	Names of the Parties
<i>AT CALCUTTA</i>		
79.	26-5-1976	West Bengal Dock Mazdoor Union, Calcutta.
80.	26-5-1976	National Union of Waterfront Workers, Calcutta.
81.	26-5-1976	Calcutta DLB Employees' Association.
82.	26-5-1976	Calcutta Port & Shore Mazdoor Union.
83.	26-5-1976	Dock Sramik Association, Calcutta.
84.	27-5-1976	Calcutta Port Commissioners' Chief Mechanical Engineers' Deptt. Supervising Staff Association.
85.	27-5-1976	Calcutta Dock Labour Board Officers' Forum.
86.	27-5-1976	West Bengal Dock & Port Mazdoor Union, Calcutta.
87.	27-5-1976	Drawing Office Staff (Marine Deptt.)
88.	27-5-1976	D.L.B. Tally Clerk Committee.
89.	27-5-1976	Calcutta DLB Signallers Committee.
90.	27-5-1976	Calcutta Importers, Exporters & Clearing Agents Employees' Union.
91.	27-5-1976	Calcutta Port Commissioners Workers' Union (New National Union of Waterfront Workers).
92.	27-5-1976	Calcutta Port Shramik Union.
93.	27-5-1976	Calcutta Dock Shramik Union.
94.	28-5-1976	Calcutta Master Stevedores Assocn.
95.	28-5-1976	Master Stevedores' Association.
96.	28-5-1976	Bengal Builders & Contractors.
97.	28-5-1976	Association of Shipwrights.
98.	28-5-1976	Calcutta Master Ship Contractors' Association.
99.	28-5-1976	Food Corporation of India, Calcutta.
100.	29-5-1976	Calcutta Port Trust.
101.	29-5-1976	Calcutta Dock Labour Board.
<i>AT PARADIP</i>		
102.	30-5-1976	Paradip Port Ministerial Employees' Association.
103.	30-5-1976	Paradip Port Workers' Union (Shri Nishamani Khaunta's Group).
104.	30-5-1976	Paradip Port Workers' Union. (Shri Devendra Satpathy, M. P's Group)
105.	30-5-1976	Paradip Port Sramika Sangha.
106.	30-5-1976	Paradip Shramik Congress.

S. No.	Date	Names of the Parties
<i>AT PARADIP (contd.)</i>		
107.	31-5-1976	M.M.T.C., Cuttack.
108.	31-5-1976	Paradip Port Trust.
109.	2-6-1976	Orissa Chamber of Commerce and Industry (Appeared at Bhubaneswar).
<i>AT NEW DELHI</i>		
110.	14-2-1976 15-2-1976 21-6-1976 and 22-6-1976	All India Port & Dock Workers' Federation.
111.	24-7-1976	
112.	24-7-1976	
113.	25-7-1976	
114.	31-7-1976 and 1-8-1976	B.P.T. Employees' Union.
115.	1-8-1976	
116.	19-9-1976	Paradip Port Trust.
117.	9-10-1976 and 3-12-1976	Visakhapatnam Port Trust.
118.	9-10-1976	
119.	9-10-1976 and 3-12-1976	Mormugao Port Trust.
120.	9-10-1976	
121.	10-10-1976 and 3-12-1976	Madras Port Trust.
122.	10-10-1976	
123.	10-10-1976 and 3-12-1976	Cochin Port Trust.
124.	30-10-1976 and 3-12-1976	
125.	30-10-1976	Calcutta Port Trust.
126.	31-10-1976 and 3-12-1976	Calcutta Dock Labour Board.
127.	3-12-1976	
		Bombay Port Trust.
		Kandla Port Trust.

APPENDIX—VII

(Para 1·12)

Specialists Appearing Before the Committee.

Date	Name	Place
23-8-1976	Capt. P. S. Vanchiswar, Nautical Adviser to the Government of India.	Bombay.
17-9-1976	Prof. D. T. Lakdawala, National Professor of Economics, Bombay University, and Ex-Member, Central Wage Board for Port & Dock Workers (1969).	New Delhi.
18-9-1976	Shri K. S. Haravu, Additional Director (Pay Commission), Railway Board, New Delhi.	New Delhi.
18-9-1976	Shri K. N. Narayanaswami, Joint Director, Estt. (Pay & All.), Railway Board, New Delhi.	New Delhi.
18-9-1976	Dr. H. B. Desai, Professor, Indian Institute of Foreign Trade, New Delhi.	New Delhi

APPENDIX—VIII

(Para 2.8)

Report of the Wage Revision Committee for Port and Dock Workers on the subject of Interim Relief

1. By Resolution of the Government of India in the Ministry of Shipping and Transport, No. PLO/94/74 dated the 11th December 1974, this Wage Revision Committee was set up for enquiring into and recommending us to what revision is necessary in the existing wage structure of specified categories of Port and Dock Workers at the Major Ports. Paragraph 3(c) of the terms of reference reads as follows :—

“Keeping in view the existing level of wages and variations in Dearness Allowance from time to time as per the formula evolved by the Central Wage Board for Port and Dock Workers, 1969, the Committee will submit its recommendations regarding demand for relief of an interim character within three months from the date the Committee starts its work. In the event of the Committee recommending any interim relief, the date from which this relief should take effect will be indicated by the Committee.”

2. In order to obtain the views of the concerned parties on the subject of interim relief, a public notice was inserted in leading daily newspapers all over the country, particularly those having circulation in major port cities, inviting the representatives of the workers to present their case before the Committee at a meeting to be held at Delhi on the 27th December, 1974. They were also desired to present memoranda to the Committee at the meeting if possible or otherwise by the 15th January 1975. Telegraphic intimations to the same effect were also sent to the All India Port and Dock Workers' Federation, Indian National Port and Dock Workers' Federation and Port Dock and Waterfront Workers' Federation of India.

3. The response to the Committee's invitation was not satisfactory. Representatives of only two unions of workers attended the meeting of the Committee on the 27th December 1974 and expressed their views on the subject. The three Federations were conspicuous by their absence and the Committee could not have the benefit of their views.

4. The Committee, by another communication dated the 28th December 1974, requested all registered Trade Unions of Port and Dock Workers and the three Federations to submit their written memoranda on the subject latest by the 15th January 1975. The Committee received memoranda from some Unions.

4. The Committee by another communication dated the 28th December and Deputy Chairmen of all the Major Ports and Dock Labour Boards, and representatives of all Stevedores' Associations and Associations of other employers were invited to attend the meetings of the Committee to be held at Delhi on the 9th January 1975 and the 10th January 1975. The case of the employers was placed before the Committee at these two

meetings. A memorandum was also received on behalf of the Chairmen of Major Ports. A representative from one of the Unions also appeared before the Committee on the 10th January 1975 and submitted a memorandum.

6. The Ministry of Shipping and Transport made available to the Committee the representations made to them directly by the All India Port and Dock Workers' Federation and Indian National Port and Dock Workers' Federation.

7. In substance the workers demanded, by way of interim relief, a sum of Rs. 100/- per month for each worker with effect from the 1st January 1974, while the employers contended that there was no case for the grant of any interim relief.

8. In its deliberations on the subject, the Committee took into consideration several relevant matters including the following :—

- (i) the memoranda and representations received by the Committee;
- (ii) the views expressed by those present at the meetings held on the 27th December 1974, the 9th January 1975, and the 10th January 1975;
- (iii) the existing level of wages of the workers and variations in Dearness Allowance from time to time in accordance with the formula evolved by the Central Wage Board for Port and Dock Workers, 1969, in particular the additional Dearness Allowance granted with effect from the 1st April 1974, and the 1st October 1974, and the additional Dearness Allowance expected to be due with effect from the 1st April 1975, and the operations of the formula of the Wage Board for variation of Dearness Allowance, especially in a period of steep rise in prices of essential commodities as during the year 1974, resulting in erosion of the real wages of workers;
- (iv) the employers' capacity to pay;
- (v) the decision of the Central Government on the recommendations of the Third Pay Commission for Central Government Employees, providing for 100% neutralisation of the rise in the Consumer Price Index Number at the lower wage levels;
- (vi) recent wage settlements in other industries; and
- (vii) provisions of the additional Emoluments (Compulsory Deposit) Act, 1974.

9. After careful consideration, the Committee makes the following recommendations on the subject of interim relief :

- (1) subject to (2) below, every employee, as defined in paragraph 3(d) of the terms of reference of the Committee, should be paid :—
 - (i) Rs. 120/- for the period from the 1st January 1974 to the 5th July 1974;

- (ii) Rs. 180/- for the period from the 6th July 1974 to the 31st December 1974.

Note : If any employee has ceased to be in employment at any time during the year 1974 or has taken up employment for the first time during the year 1974 he should be paid the above amounts proportionate to the period of his employment.

- (iii) With effect from the 1st January 1975, Rs. 50/- per month till the date of the decision of the Government of India on the final recommendations of this Committee.
- (2) In the case of daily-paid, time-rated and piece-rated workers, the daily rate of interim relief should be :—
- (i) for the period from the 1st January 1974 to the 5th July 1974 :—
- (a) at the rate of Re. 0.77 per day of attendance, if the worker is not paid for the weekly day of rest; and
- (b) at the rate of Re. 0.67 per day of attendance, if the worker is paid for the weekly day of rest;
- (ii) for the period from 6th July 1974 to the 31st December 1974 :—
- (a) at the rate of Rs. 1.55 per day of attendance, if the worker is not paid for the weekly day of rest; and
- (b) at the rate of Re. 1.00 per day of attendance, if the worker is paid for the weekly day of rest.
- (iii) from the 1st January 1975 till the date of the decision of the Central Government on the final recommendations of this Committee :—
- (a) at the rate of Rs. 1.92 per day of attendance if the worker is not paid for the weekly day of rest; and
- (b) at the rate of Rs. 1.67 per day of attendance, if the worker is paid for the weekly day of rest.
- Note* : 'Day of attendance' means the day on which the worker reports for duty.
- (3) The interim relief recommended by the Committee should be treated as Special Dearness Allowance and should be a separate item and not be treated as a part of basic wage or a part of Dearness Allowance for any purpose and should be subject to adjustment against final payments resulting from the final recommendations of this Committee.

- (4) Meanwhile, the Dearness Allowance Variation Formula evolved by the Wage Board should continue to be in force.

Sd/-
(T. S. SANKARAN)
MEMBER

Sd/-
(B. N. LOKUR)
CHAIRMAN

Sd/-
(B. V. MEHTA)
MEMBER

Sd/- T. R. MALHOTRA
Secretary

New Delhi, the 15th January 1975.

APPENDIX—IX

(Para 2.9)

GOVERNMENT OF INDIA

MINISTRY OF SHIPPING AND TRANSPORT
(TRANSPORT WING)

No. PLO/9/75

New Delhi, the 26th February 1975.

To

1. The Chairman, Bombay, Calcutta, Madras, Visakhapatnam, Cochin, Mormugao (Goa), Gandhidham (Kutch), Paradip.
2. The Deputy Chairman, Bombay, Calcutta, Madras, Visakhapatnam, Cochin, Mormugao (Goa), Gandhidham (Kutch).

SUB : Payment of interim relief to port and dock workers.

Sir,

I am directed to forward herewith a copy of the Wage Revision Committee's Report dated 15-1-1975 regarding grant of interim relief to Port and Dock Workers. Subsequently, as a result of discussions held with the representatives of the All India Port and Dock Workers' Federation, the Indian National Port and Dock Workers' Federation and the Port, Dock and Waterfront Workers' Federation of India, two agreements dated 19-1-1975 and 18-2-1975 were signed with the Labour representatives giving a final shape to the quantum and nature of interim relief to be granted to the Port and Dock Workers and the manner in which it will be disbursed. Copies of these agreements are enclosed.

2. In view of the foregoing, and subject to the provisions of para 3 below, every employee as defined in paragraph 3(d) of this Ministry's Resolution No. PLO/94/74, dated 11-12-1974, should be paid :—

- (i) For the period 1-1-1974 to 5-7-1974—a lump sum of Rs. 120/-.
- (ii) For the period 6-7-1974 to 31-12-1974—a lump sum of Rs. 180/-.

Note :—If any employee has ceased to be in employment at any time during the year 1974 or has taken up employment for the first time during the year 1974, he should be paid the above amount proportionate to the period of his employment.

- (iii) With effect from 1-1-1975—Rs. 50 per month till the date of the decision of the Government of India on the final recommendations of the Wage Revision Committee.

3. In the case of daily-paid, time-rated and piece-rated workers, the daily rate of payment should be as follows subject to para 8 below :—

- (i) for the period from the 1st January 1974 to the 5th July 1974 :—
- (a) at the rate of Re. 0.77 per day of attendance, if the worker is not paid for the weekly day of rest; and
 - (b) at the rate of Re. 0.67 per day of attendance if the worker is paid for the weekly day of rest;
- (ii) for the period from the 6th July 1974 to the 31st December 1974 :—
- (a) at the rate of Rs. 1.15 per day of attendance, if the worker is not paid for the weekly day of rest; and
 - (b) at the rate of Re. 1.00 per day of attendance if the worker is paid for the weekly day of rest.
- (iii) from 1st January 1975 till the date of the decision of the Central Government on the final recommendations of the Wage Revision Committee :—
- (a) at the rate of Rs. 1.92 per day of attendance, if the worker is not paid for the weekly day of rest; and
 - (b) at the rate of Rs. 1.67 per day of attendance, if the worker is paid for the weekly day of rest.

Note : 'Day of Attendance' means the day on which the worker reports for duty.

4. These payments would be in the nature of interim relief and would be treated in accordance with paras 5 and 6 below. These payments would be subject to adjustment against final payments resulting from the decision of the Central Government on the final recommendations of the Wage Revision Committee.

5. Pending final wage revision on the recommendations of the Wage Revision Committee, the total amount of Rs. 300/- to be paid as interim relief for the period 1-1-1974 to 31-12-1974 shall be termed as "Special Dearness Allowance" and shall be a separate item and will not be treated as a part of basic wage or a part of Dearness Allowance for any purpose such as ex-gratia in lieu of bonus, overtime and various retirement benefits.

6. Interim relief of Rs. 50/- per month payable with effect from 1-1-1975 will be termed as "Special Dearness Allowance" and will count for all purposes.

7. The payments to be made as above would be subject to the provisions of the Additional Emoluments (Compulsory Deposit) Act, 1974 as applicable to "Additional Dearness Allowance". Consequently, 50% of the amount of interim relief will be paid in cash and the remaining 50% deposited to their account, as required by the Act.

8. In the case of casual workers or other workers who are paid only for the actual days of work and are not paid any attendance allowance for the days on which they are not provided with work, payments would be made at the rates mentioned in para 3 above only for the days of work.

9. For the periods of leave with wages, payments would be made at the rates mentioned in paras 2 or 3 above, subject to adjustment in accordance with the actual payments due under the normal rules at the time of the final wage revision. No payments would be admissible for the periods of leave/absence without pay and proportionate deductions would be made for such periods from the payments due in accordance with these orders.

10. The Dearness Allowance variation formula as applicable at present on the basis of the Report of the Central Wage Board for Port and Dock Workers would continue to remain in force till the final wage revision.

Yours faithfully,

Sd/- S. S. GILL

Joint Secretary to the Govt. of India

APPENDIX—X

(Para 2.10)

Report of the Wage Revision Committee for Port and Dock Workers regarding Interim Relief to categories of Employees covered by the Ministry of Labour Resolution No. V-24027(5) / 74-WB dated the 17th June 1975

The Government of India, in the Ministry of Shipping and Transport, by their Resolution No. PLO/94/74 dated the 11th December 1974, set up this Wage Revision Committee to enquire into and recommend as to what revision is necessary in the existing wage structure of specified categories of Port & Dock workers at the major ports. In para 3(e) of the aforesaid Resolution, it was laid down that the Committee may also look into the cases of such other categories of workers covered by the Central Wage Board for Port & Dock Workers, 1969, but not included therein, if and when referred to by the Ministry of Labour on receipt of requests on behalf of these categories. The Ministry of Labour by their Resolution No. V-24027(5)/74-WB, dated the 17th June 1975, provided as follows in para 2 of the said Resolution :—

“Having regard to the demands already received from and on behalf of some of the categories of workers covered by the Central Wage Board for Port and Dock Workers but not included within the purview of the Wage Revision Committee and the possibility of similar demands being received from and on behalf of other workers of the excluded categories, the Ministry of Labour have decided to request the Wage Revision Committee to include, within its purview, all categories of workers who were covered by the recommendations of the Central Wage Board for Port and Dock Workers, excepting those to whom wage increases have been given or whose pay scales/wage structures have been revised under any arrangements outside the framework of the Wage Board’s recommendations.”

2. The Committee in its meeting on 8th and 9th August 1975, considered the question of providing interim relief to the categories of employees now brought under the purview of the Committee by the said Resolution of the Ministry of Labour. Having considered all the relevant matters, which were kept in view while recommending interim relief to the categories of employees in Ports and Docks covered by the terms of reference of the Committee as originally proposed by the Ministry of Shipping and Transport, the Committee felt that the interim relief on the same lines as recommended earlier should be given to the categories of employees now covered by the Resolution of Ministry of Labour. The Committee, therefore, recommends that its proposals for interim relief contained in its report dated the 15th January 1975, as finally accepted by the Government of India, in the Ministry of Shipping and Transport and embodied in its letter No. PLO/9/75 dated the 26th February 1975, addressed to the Chairmen of Port Trusts and Dock Labour Boards. be

extended to all the categories of workers who were covered by the recommendations of the Central Wage Board for Port and Dock Workers, excepting those to whom wage increases have been given or whose pay scales/wage structures have been revised under any arrangements outside the framework of the Wage Board's recommendations.

Sd/-
(T. S. SANKARAN)
MEMBER

Sd/-
(B. V. MEHTA)
MEMBER

Sd/-
(B. N. LOKUR)
CHAIRMAN

Sd/-
T. R. MALHOTRA
Secretary

Bombay, the 9th August 1975.

APPENDIX—XI

(Para 2.10)

GOVERNMENT OF INDIA
(BHARAT SARKAR)
MINISTRY OF LABOUR
(SHRAM MANTRALAYA)

New Delhi, the 17th December 1975

RESOLUTION

No. V-24027(5)/74-WB.—The Ministry of Labour by their Resolution, No. V-24027(5)/74-WB, dated the 17th June, 1975, requested the Wage Revision Committee for Port and Dock Workers at the major ports having Port Trusts/Port Commissioners/Dock Labour Boards, set up by the Ministry of Shipping & Transport, Resolution No. PLO/94/74, dated the 11th December, 1974, to include within its purview all categories of workers who were covered by the recommendations of the Central Wage Board for Port and Dock workers, excepting those to whom wage increases have been given or whose pay scales/wage structures have been revised under any arrangements outside the framework of the Wage Board's recommendations. The Committee has accordingly enquired into the matter and made certain recommendations on the subject which are appended.*

2. The Government have considered the Committee's recommendations and have decided to accept them and to request the concerned employers to implement these expeditiously.

Sd./ HANS RAI CHHABRA
Deputy Secretary to the Government of India.

*(Reproduced in Appendix X)

APPENDIX—XII

(Para 5·81)

Average monthly consumer prices of selected articles as published by Labour Bureau, Simla.

Sl. No.	Articles	Unit	Bombay		Calcutta	
			Dec. '73	Jan. '74	Dec. '73	Jan. '74
(1)	(2)	(3)	(4)		(5)	
1.	Rice	Kg.	1·54	1·56	1·25	1·44
2.	Wheat					
	(a) Wheat Whole	Kg.	1·03	1·03	1·03	1·03
	(b) Atta	Kg.	—	—	—	—
3.	Jowar	Kg.	—	—	—	—
4.	Bajra	Kg.	1·45	1·45	—	—
5.	Maize	Kg.	—	—	—	—
6.	Ragi	Kg.	—	—	—	—
7.	Gram Dal	Kg.	2·85	2·85	2·79	2·78
8.	Arhar Dal	Kg.	2·48	2·43	2·56	2·46
9.	Coconut Oil	Kg.	14·04+	14·98+	—	—
10.	Groundnut Oil	Kg.	6·58+	7·60+	—	—
11.	Gingelly Oil	Kg.	—	—	—	—
12.	Mustard Oil	Kg.	—	—	9·31	10·59
13.	Hydrogenated Oil	Kg.	8·72	8·72	8·09	7·94
14.	Sugar	Kg.	2·74	2·78	2·15	2·15
15.	Kerosene Oil	Ltr.	0·81	0·81	0·84	0·84
16.	Soft Coke	40 Kg.	—	—	7·31	7·20
17.	Dhoti	Pair	26·72	26·72	25·34	23·20
18.	Saree	Pair	49·90	50·22	25·47	23·39
19.	Toilet Soap	Cake	0·85	0·85	0·90	0·92
20.	Men's footwear	Pair	32·58	35·60	30·72	31·79

*Per Litre.

Sl. No.	Articles	Unit	Madras		Hyderabad (for Visakhapatnam)		Always (for Cochin)	
			Dec. '73'	Jan. '74	Dec. '73	Jan. '74	Dec. '73	Jan. '74
(1)	(2)	(3)	(6)		(7)		(8)	
1.	Rice	Kg.	1.41	1.45	1.58	1.51	2.22	2.09
2.	Wheat							
	(a) Wheat Whole	Kg.	1.00	1.23	1.02	1.02	1.02	0.99
	(b) Atta	Kg.	—	—	—	—	—	—
3.	Jowar	Kg.	—	—	1.59	1.58	—	—
4.	Bajra	Kg.	—	—	—	—	—	—
5.	Maize	Kg.	—	—	—	—	—	—
6.	Ragi	Kg.	0.69+	0.70+	—	—	—	—
7.	Gram Dal	Kg.	1.82+	2.16+	2.82	2.76	—	—
8.	Arhar Dal	Kg.	2.09+	2.00+	2.41	2.37	2.67	2.69
9.	Coconut Oil	Kg.	14.82	15.19	—	—	13.08	13.50
10.	Groundnut Oil	Kg.	7.28	8.08	7.39	8.08	—	—
11.	Gingelly Oil	Kg.	7.91	8.36	—	—	—	—
12.	Mustard Oil	Kg.	—	—	—	—	—	—
13.	Hydrogenated Oil	Kg.	—	—	8.74	8.72	—	—
14.	Sugar	Kg.	2.15	2.15	2.15	2.15	2.15	2.35
15.	Kerosene Oil	Ltr.	0.88	0.87	0.90	0.91	0.86	0.88
16.	Soft Coke	40 Kg.	—	—	—	—	—	—
17.	Dhoti	Pair	11.10@	12.46@	29.56@	29.56@	6.64	6.64
18.	Shree	Pair	42.66@	38.44@	62.82@	68.84@	33.74	33.74
19.	Toilet Soap	Cake	1.03	1.02	0.89	0.92	0.90	0.90
20.	Men's footwear	Pair	9.06	9.19	29.90	30.90	7.00	7.00

+Per Litre.

@Variety substitute & price used by splicing for index compilation.

APPENDIX—XII (Contd.)

Sl. No.	Articles	Unit	Bhavnagar (for Kandla)		Sambalpur (for Paradip)	
			Dec. '73	Jan' 74	Dec. '73	Jan. '74
(1)	(2)	(3)	(9)		(10)	
1.	Rice	Kg.	2.80	2.74	1.32	1.39
2.	Wheat					
	(a) Wheat Whole	Kg.	1.52	1.84	1.05	1.05
	(b) Atta	Kg.	—	—	—	—
3.	Jowar	Kg.	0.84	0.84	—	—
4.	Bajra	Kg.	1.56	1.34	—	—
5.	Maize	Kg.	—	—	—	—
6.	Ragi	Kg.	—	—	—	—
7.	Gram Dal	Kg.	2.72	2.72	—	—
8.	Arhar Dal	Kg.	2.68	2.54	2.43	2.41
9.	Coconut Oil	Kg.	—	—	—	—
10.	Groundnut Oil	Kg.	6.94	7.44	8.75	10.25
11.	Gingelly Oil	Kg.	7.99	8.52	—	—
12.	Mustard Oil	Kg.	—	—	10.10	11.88
13.	Hydrogenated Oil	Kg.	8.26	8.14	10.60	7.85
14.	Sugar	Kg.	3.02	3.11	2.15	2.15
15.	Kerosene Oil	Ltr.	0.88	0.87	0.92	0.92
16.	Soft Coke	40 Kg.	14.50	14.40	—	—
17.	Dhoti	Pair	43.20	43.20	17.04	17.04
18.	Saree	Pair	75.20	75.20@	24.37	24.37
19.	Toilet Soap	Cake	0.92	0.92	0.95	0.95
20.	Men's footwear	Pair	32.95	32.95	—	—

@Variety substitute & price used by splicing for index compilation.

Source : Indian Labour Journal, April 1974.

APPENDIX—XIII

(Para 5.82)

Prices of Essential Commodities in Port Cities as collected by the Committee

Sl. No.	Articles	Unit	Bombay (as on 28-4-76)			Calcutta (as on 26-5-76)			
			Price at Super Bazar	Price at employees Coop. Store	Price at Open Market	Controlled Rate (Ration)	Price at Super Bazar	Price at employees Coop. Store	Price at Open Market
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1.	Rice								
	(a) Fine . . .	Kg.	—	*2.75	*3.30	3.12	—	—	—
	(b) Coarse . . .	Kg.	—	*1.64	*1.64	1.70	—	—	—
2.	Wheat								
	(a) Whole . . .	Kg.	—	*1.38 to 1.75	*2.00	1.40	—	—	—
	(b) Atta . . .	Kg.	—	—	*1.20	1.50	—	—	—
3.	Coconut Oil . . .	Kg.	12.00	10.40	10.00	—	Shalimar (Green) 450 Gm. —7.45 Lion —7.35	Shalimar 13.60 (900 G.m)	13.40

*Available on ration card/permit only.

APPENDIX—XIII (Contd.)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
4. Groundnut Oil	.	Kg.	8.50 (Refined)	5.50 (Ordinary)	5.25 (Ordinary)	—	33.85 (Postman) (4 Kg.)	—	7.00 (Postman)
5. Gingelly Oil	.	Kg.	—	—	5.50	—	—	—	—
6. Mustaid Oil	.	Kg.	9.95	6.20 to 6.90	6.50	—	Ganesh 28.80 (4 Kg.)	Ganesh 6.10	(Hatimark) 6.00
7. Hydrogenated Oil	.	Kg.	10.19	(Loose) 7.20 (in tin) 9.62	8.00	—	Dalda 37.47 (4 Kg.)	—	Dalda 37.00 (4 Kg.)
8. Sugar	.	Kg.	4.70	*2.15 to 4.70	4.60	2.15	—	—	4.50
9. Kerosene Oil	.	Ltr.	—	*1.21	*1.21	—	—	—	1.25
10. Soft Coke	.	.	—	—	0.70 (Kg.)	—	—	—	—
11. Sooji	.	Kg.	—	*2.14	*2.14	2.56	—	—	—
12. Maida	.	Kg.	—	*2.08	*2.08	2.27	—	—	—
13. Red Gram	.	Kg.	2.10	2.10	2.25	—	2.20	2.40	2.10
14. Green Gm.	.	Kg.	3.10	2.45	3.00	—	2.60	2.50	2.55
15. Black Gm.	.	Kg.	2.20	2.15	3.00	—	3.15	—	3.20
16. Bengal Gm.	.	Kg.	3.30	2.40	3.30	—	1.85	—	1.80

*Available on ration card/permit only.

Sl. No.	Articles	Unit	Madras			Visakhapatnam			
			(as on 23-12-75)			(as on 28-10-75)			
			Price at Super Bazar	Price at employees Coop. Store	Price at Open Market	Price at Super Bazar	Price at employees Coop. Store	Price at Open Market	
(1)	(2)	(3)	(11)	(12)	(13)	(14)	(15)	(16)	
1.	Rice								
	(a) Fine	Kg.	3.00	2.65	3.10	2.05	2.00	2.20	
	(b) Coarse	Kg.	2.30	—	2.40	NA	NA	1.90	
2.	Wheat								
	(a) Whole	Kg.	1.80	—	1.90	*1.35	*1.35	3.25	
	(b) Atta	Kg.	—	—	1.30	—	—	—	
3.	Coconut Oil	Kg.	10.60	10.80	11.00	10.00	9.50	12.00	
4.	Groundnut Oil	Kg.	5.90	6.14	6.00	7.75	7.40	7.80	
5.	Gingelly Oil	Kg.	7.80	7.93	8.00	11.00	—	11.00	
6.	Mustard Oil	Kg.	—	—	—	—	—	—	
7.	Hydrogenated Oil	Kg.	—	—	8.50	—	—	—	
8.	Sugar	Kg.	4.40	—	4.15	*2.15	*2.15	4.50	
9.	Kerosene Oil	Ltr.	—	—	1.31	—	—	1.15	
10.	Soft Coke		—	—	0.80	—	—	26.00	
					(Kg.)			(30 Kg.)	
11.	Sooji	Kg.	2.70	—	2.75	*2.15	*2.15	3.20	
12.	Malda	Kg.	2.40	—	2.40	*2.37	*2.37	3.00	
13.	Red Gram	Kg.	2.90	3.15	3.20	2.80	2.80	2.80	
14.	Green Gram	Kg.	2.90%	2.60%	2.60%	2.80	2.75	2.80	
15.	Black Gram	Kg.	2.90%	2.85%	2.80%	3.50	3.50	3.40	
16.	Bengul Gram	Kg.	2.90%	2.83%	2.70%	2.80	2.75	3.00	

* Available on ration card/permit only.

% Prices in respect of dals.

APPENDIX—XIII (Contd.)

Sl. No.	Articles	Unit	Cochin (as on 30-12-75)		Mormugao (as on 27-1-76)			
			Price at Super Bazar	Price at employees Coop. Store	Price at Open Market	Price at Super Bazar	Price at employees Coop. Store	Price at Open Market
(1)	(2)	(3)	(17)	(18)	(19)	(20)	(21)	(22)
1.	Rice							
	(a) Fine	Kg.	—	—	4.00 to 5.00	3.30	—	4.20
	(b) Coarse	Kg.	3.00 to 3.25	3.05 to 3.20	3.10 to 3.30	2.50	—	3.25
2.	Wheat							
	(a) Whole	Kg.	—	—	—	—	—	2.80
	(b) Atta	Kg.	—	—	—	1.33	—	2.00
3.	Coconut Oil	Kg.	8.95	9.00	9.25	9.50	9.50	10.00
4.	Groundnut Oil	Kg.	—	8.30	8.50	6.00	6.00	6.00
5.	Gingelly Oil	Kg.	6.60	10.00	10.00	—	—	10.00
6.	Mustard Oil	Kg.	—	—	—	8.00	—	8.50
7.	Hydrogenated Oil	Kg.	—	—	9.00	7.90 to 8.00	8.00	8.05
8.	Sugar	Kg.	4.40	4.45	4.50	4.45	—	4.50
9.	Kerosene Oil	Ltr.	—	1.28	—	—	1.26	1.26

10. Soft Coke	.	.	.	.	.	—	—	—	—	—	15.00
											per bag (30 to) 40 kg*
11. Sooji	.	.	.	.	.	—	—	2.70	2.17	2.17	3.50
12. Maida	.	.	.	.	.	—	—	2.70	2.15	2.15	3.00
13. Red Gram	.	.	.	.	.	2.42	2.00	3.00	—	—	2.30
14. Green Gram	.	.	.	.	.	2.45	2.35	2.50	—	—	2.25
15. Black Gram	.	.	.	.	.	2.70	—	2.80	—	—	4.00
16. Bengal Gram	.	.	.	.	.	4.00	4.10	4.50	—	—	2.40

APPENDIX—XIII (Contd.)

Sl. No.	Articles	Unit	Kandla (as on 18-10-75)		Paradip (as on 31-5-76)	
			Price at Open Market		Price at employees Coop. Store	Price at Open Market
(1)	(2)	(3)	(23)	(24)	(25)	
1.	Rice					
	(a) Fine	Kg. }		—	2.40	
	(b) Coarse	Kg. }	2.60	—	2.20	
2.	Wheat					
	(a) Whole	Kg.	1.90	1.50	1.80	
	(b) Atta	Kg.	2.10	—	1.90	
3.	Coconut Oil	Kg.	10.00	16.67 (Packed tin)	10.50	
4.	Groundnut Oil	Kg.	7.00	8.50	6.00	
5.	Gingelly Oil	Kg.	13.00	NA	NA	
6.	Mustard Oil	Kg.	8.00 to 10.00	—	6.20	
7.	Hydrogenated Oil	Kg.	9.50	10.50	9.00	
8.	Sugar	Kg.	4.70	2.15	4.40	
9.	Kerosene Oil	Ltr.	1.10	—	1.80	
10.	Soft Coke		—	—	30.00 (Per 100 Kg.)	

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11. Sooji	Kg.	—	2.70
12. Maida	Kg.	—	2.40
13. Red Gram	Kg.	2.00	2.00
14. Green Gram	Kg.	2.20	2.30
15. Black Gram	Kg.	—	2.80
16. Bengal Gram	. . . . .	Kg.	N.A.	N.A.

APPENDIX—XIV

(Para 5.103)

*Minimum Wages for the Lowest Category of Employees in some Public Sector Undertakings
as on 1-1-74 and 1-1-1975*

(In rupees)

Sl. No.	Name of the Undertaking	Basic Pay	Fixed D.A.	Variable D.A.	H.R.A.	C.C.A.	Other allowances	Total	Remarks
1	2	3	4	5	6	7	8	9	10
	1. Cochin Refineries Ltd.								
	As on 1-1-74	145·00	—	223·00	35·00	—	—	403·00	In addition, fixed amount of Rs. 180 is paid once a year in lieu of Home Leave Travel concession, Education allowance, Fuel allowance, Washing allowance etc.
	As on 1-1-75	145·00	—	297·00	35·00	—	—	477·00	
	2. Mazgaon Docks Ltd.								
	As on 1-1-74	40·30	—	269·36	—	—	—	309·66	Employees not provided with company's Quarters are given H.R.A @ 10% of their basic pay subject to a minimum of Rs. 10·00 per month
	As on 1-1-75	40·30	—	344·76	—	—	—	385·06	

3. Goa Shipyard Ltd.							
As on 1-1-74	106-00	78-00	—	10-00	—	—	194-00
As on 1-1-75	106-00	78-00	—	10-00	—	—	224-00
		30-00					
4. Cochin Shipyard Ltd.							
As on 1-1-74	120-00	121-00	72-30	18-00	10-00	15-00	356-30
As on 1-1-75	120-00	121-00	156-50	18-00	10-00	15-00	440-50
5. Heavy Engineering Corporation Ltd., Ranchi.							
As on 1-1-74	267-00	58-00	15-60	15-00	—	—	355-60
As on 1-1-75	267-00	58-00	110-50	15-00	—	—	450-00
6. Bharat Heavy Electricals Ltd.							
(n) In other than 'A' class Cities.							
As on 1-1-74	260-00	—	58-50	26-00	—	—	350-50
As on 1-1-75	260-00	—	157-30	26-00	—	—	449-30
			6-00				
			6-00				

Additional DA of Rs. 38/- per month shown under fixed DA is being paid to all employees w.e.f. 1-10-1974.

Rs. 15/- per month shown under other allowances as given given as Transport allowance to those not provided with company's conveyance to and from shipyard.

Additional variable DA of Rs. 6/- per month is reported to have been paid retrospectively w.e.f. 1-9-1973.

APPENDIX—XIV—(Contd.)

(In Rupees)

Sl. No.	Name of the Undertaking	Basic Pay	Fixed D.A.	Variable D.A.	H.R.A.	C.C.A.	Other allowances	Total	Remarks
1	2	3	4	5	6	7	8	9	10
(b)	In Bombay								
	As on 1-1-74	260-00	—	58-50 6-00	78-00	16-00	—	418-50	Additional Variable DA of Rs. 6/- per month is reported to have been paid retrospectively w.e.f. 1-9-73.
	As on 1-1-75	260-00	—	157-30 6-00	78-00	16-00	—	517-30	
(c)	In other 'A' Class Cities								
	As on 1-1-74	260-00	—	58-50 6-00	65-00	16-00	—	405-00	Additional variable DA of Rs. 6/- per month is reported to have been paid retrospectively w.e.f. 1-9-1973.
	As on 1-1-75	260-00	—	157-30 6-00	65-00	16-00	—	504-30	
7.	Bharat Coking Coals Ltd. Dhanbad								
	As on 1-1-74	130-00	—	79-56	—	—	52-00	261-56	Other allowances of Rs. 52-00 as on 1-1-1974 include Rs. 39-00 as Interim Increase and Rs. 13-00 as Attendance Bonus.

As on 1-1-75	260·00	39·00	98·80	—	—	26·00	423·80	Other allowances of Rs. 26·00 as on 1-1-75 are on account of Attendance Bonus.
8. Cement Corpn. of India Ltd., New Delhi.								
As on 1-1-74	196·00	—	31·40	49·00	12·75	5·00	294·15	Other allowances of Rs. 5·00 on 1-1-1974 and Rs. 7·00 on 1-1-1975 are on account of Washing Allowance.
As on 1-1-75	196·00	—	70·60	58·80	12·75	7·00	345·15	
9. Shipping Corpn. of India Ltd., Bombay.								
As on 1-1-74	82·00	—	380·00	30·00	—	70·00	562·00	Other allowances of Rs. 70·00 per month consist of Rs. 30·00 as family allowance and Rs. 40·00 as special allowance.
As on 1-1-75	82·00	—	505·00	30·00	—	70·00	687·00	
10. Hindustan Shipyard Ltd., Visakhapatnam.								
As on 1-1-74	163·54	—	127·92	12·27	—	—	303·73	
As on 1-1-75	163·54	—	222·92	12·27	—	—	398·73	
11. The Fertilizer Corpn. of India Ltd., New Delhi.								
As on 1-1-74	238·00	—	38·08	87·00	15·47	—	378·55	
As on 1-1-75	238·00	—	110·70	87·00	15·47	—	451·17	

APPENDIX—XIV (Contd.)

									(In Rupees)
Sl. No.	Name of the Undertaking	Basic Pay	Fixed D.A.	Variable D.A.	H.R.A.	C.C.A.	Other allowances	Total	Remarks
1	2	3	4	5	6	7	8	9	10
12. Madras Refineries Ltd., Madras.									
	As on 1-1-74	200·00	—	57·50	50·00	16·00	—	323·50	
	As on 1-1-75	200·00	—	152·50	50·00	16·00	—	418·50	
13. Hindustan Steel Ltd.									
	As on 1-1-74	200·00	40·00	81·90	—	—	13·00	334·90	Conveyance allowance of Rs. 13·00 per month as shown under other allowances is paid to employees not using company's transport.
	As on 1-1-75	300·00	62·00	79·30	—	—	13·00	454·30	
14. Indian Bank's Association.									
(A Class Banks)									
	As on 1-1-74	116·00	—	167·04	14·00	15·00	—	312·04	
	As on 1-1-75	116·00	—	255·20	14·00	15·00	—	400·20	
15. Reserve Bank of India									
	As on 1-1-74	135·00	—	226·80	24·00	18·00	—	403·80	
	As on 1-1-75	135·00	—	302·40	24·00	18·00	—	479·40	

16. State Trading Corpn.
of India.

(A Class Cities)

As on 1-1-74	224.00	33.60	80.00	33.60	15.00	386.20
As on 1-1-75	224.00	33.60	210.00	33.60	15.00	516.20

17. Garden Reach Workshops
Ltd., Calcutta.

As on 1-1-74	194.00	78.50	23.00	—	9.10	304.60
As on 1-1-75	196.50	78.50	109.25	—	9.10	393.35

Rs. 9.10 per month
shown under other
allowances that are
paid as Hot-meal
Allowance to all
employees on the
basis of days of
attendance.

Source : As per information supplied by the undertakings concerned.

APPENDIX—XV

(Para 6·21)

Financial Position of Major Ports for the Period 1969-70 to 1976-77

(Rupees in Lakhs)

Post	Year	Operating Income	Operating Expenditure	Operating Surplus (+) Deficit (—)	Finance & Misc.		Net Surplus(+)/ Deficit (—)
					(+) Income	(—) Expenditure	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
BOMBAY							
	1969-70	1988·94	1765·14	(+) 223·80	328·91	384·19	(+) 168·52
	1970-71	2176·99	2054·88	(+) 122·11	336·89	149·40	(+) 309·60
	1971-72	2663·87	2169·01	(+) 494·86	379·73	351·67	(+) 522·92
	1972-73	2548·40	2241·35	(+) 307·05	424·46	247·51	(+) 484·00
	1973-74	2915·28	2450·57	(+) 464·71	417·59	621·93	(+) 260·37
	1974-75	3364·37	3068·06	(+) 296·41	582·37	343·16	(+) 535·52
	1975-76	4209·20	3660·26	(+) 548·94	841·63	326·19	(+) 1064·38
	1976-77(BE)	4097·33	3862·99	(+) 234·34	588·77	205·58	(+) 617·53
CALCUTTA@							
	1969-70	2205·34	2732·47	(—) 527·13	619·14	550·77	(—) 458·76
	1970-71	2205·89	2791·07	(—) 585·18	450·19	473·51	(—) 608·51
	1971-72	2878·94	2992·63	(—) 113·69	627·13	550·94	(—) 37·50
	1972-73	2588·26	3274·68	(—) 686·42	628·84	571·72	(—) 629·30

	1973-74	2423.10	3605.19	(-)	1182.09	672.00	692.98	(-)	1203.07
	1974-75	3196.19	4200.02	(-)	1003.83	1018.16	626.49	(-)	612.16
	1975-76	4586.24	4326.49	(+)	259.75	982.05	1075.21	(+)	166.59
	1976-77(BE)	5382.00	4894.00	(+)	488.00	907.00	1375.00	(+)	20.00
MADRAS									
	1969-70	903.34	677.01	(+)	226.33	36.55	126.12	(+)	136.76
	1970-71	1111.01	698.74	(+)	412.27	58.70	153.72	(+)	317.25
	1971-72	1163.31	769.59	(+)	393.72	84.57	244.47	(+)	233.82
	1972-73	1076.81	782.96	(+)	293.85	75.27	259.23	(+)	109.89
	1973-74	1235.39	1007.01	(+)	228.38	44.79	277.00	(-)	3.83
	1974-75	1403.67	1169.73	(+)	233.94	92.57	328.64	(-)	2.13
	1975-76	2213.18	1470.42	(+)	742.76	92.18	415.18	(+)	419.76
	1976-77(BE)	2365.49	1703.90	(+)	661.59	46.26	407.57	(+)	300.28
VISAKHAPATNAM									
	1969-70	821.05	500.01	(+)	321.04	26.62	90.23	(+)	257.43
	1970-71	928.96	564.38	(+)	364.58	16.22	96.65	(+)	284.15
	1971-72	994.32	648.61	(+)	345.71	93.61	122.69	(+)	316.63
	1972-73	936.06	661.52	(+)	274.54	53.76	159.15	(+)	169.15
	1973-74	1016.18	729.30	(+)	286.88	1.87	126.18	(+)	162.57
	1974-75	1029.26	952.08	(+)	77.18	58.51	196.22	(+)	60.53
	1975-76	1701.46	1235.51	(+)	465.95	75.08	462.80	(+)	78.23
	1976-77(BE)	2533.77	1957.38	(+)	576.39	61.15	631.58	(+)	5.96
COCHIN									
	1969-70	370.06	281.73	(+)	88.33	44.49	83.92	(+)	48.90
	1970-71	381.72	312.04	(+)	69.68	40.23	52.32	(+)	57.59
	1971-72	403.94	333.70	(+)	70.24	36.35	111.56	(-)	4.97
	1972-73	348.17	340.25	(+)	7.92	32.21	103.48	(-)	63.35
	1973-74	391.15	429.13	(-)	37.98	24.65	127.32	(-)	140.65
	1974-75	571.69	526.88	(+)	44.81	38.54	172.29	(-)	88.94
	1975-76	993.22	650.44	(+)	342.78	60.28	164.58	(+)	238.48
	1976-77(BE)	1105.90	925.57	(+)	180.33	158.93	146.81	(+)	192.45

@ Government subsidy for River Dredging & Maintenance has been included in Finance & Miscellaneous.

APPENDIX XV—contd.

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)		
MORMUGAO	1969-70	198·01	161·12	(+)	36·89	23·94	12·40	(+)	48·43
	1970-71	264·73	175·82	(+)	88·91	23·94	26·41	(+)	86·44
	1971-72	257·64	192·05	(+)	65·59	17·36	19·76	(+)	63·19
	1972-73	297·72	211·93	(+)	85·79	13·19	20·59	(+)	78·39
	1973-74	342·48	245·86	(+)	96·62	14·51	32·06	(+)	79·07
	1974-75	416·83	269·87	(+)	146·96	12·94	37·36	(+)	122·54
	1975-76	538·81	311·79	(+)	227·02	20·22	50·74	(+)	196·50
	1976-77(BE)	506·52	404·00	(+)	102·52	13·07	45·78	(+)	69·81
KANDLA	1969-70	201·38	194·92	(+)	6·46	59·25	58·64	(+)	7·07
	1970-71	197·64	218·32	(-)	20·68	43·85	40·46	(-)	17·29
	1971-72	228·89	219·17	(+)	9·72	42·07	47·56	(+)	4·23
	1972-73	261·14	247·98	(+)	13·16	53·86	52·44	(+)	14·58
	1973-74	299·69	291·10	(+)	8·59	50·25	57·56	(+)	1·28
	1974-75	403·03	473·50	(-)	70·47	76·97	77·92	(-)	71·42
	1975-76	694·44	424·70	(+)	269·74	98·16	79·38	(+)	288·52
	1976-77(BE)	760·11	543·18	(+)	216·93	50·32	92·84	(+)	174·41
PARADIP	1969-70	138·85	119·66	(+)	19·19	8·07	25·20	(+)	2·06
	1970-71	172·26	149·90	(+)	22·36	5·67	31·05	(-)	3·02
	1971-72	153·78	340·08	(-)	186·30	39·33	26·77	(-)	173·74
	1972-73	158·50	449·45	(-)	290·95	50·75	68·14	(-)	308·34
	1973-74	188·15	485·93	(-)	297·78	58·35	105·20	(-)	344·63
	1974-75	316·56	389·48	(-)	72·92	79·31	134·05	(-)	127·66
	1975-76	674·48	575·16	(+)	99·32	97·21	170·26	(+)	26·27
	1976-77(BE)	812·67	604·06	(+)	208·61	82·50	166·86	(+)	124·25

TOTAL								
1969-70	6826.97	6432.06	(+)	394.91	1146.97	1331.47	(+)	210.41
1970-71	7439.20	6965.15	(+)	474.05	975.68	1023.52	(+)	426.21
1971-72	8744.69	7664.84	(+)	1079.85	1320.15	1475.42	(+)	924.58
1972-73	8215.06	8210.12	(+)	4.94	1332.34	1482.26	(-)	144.98
1973-74	8811.42	9244.09	(-)	432.67	1284.01	2040.23	(-)	1188.89
1974-75	10701.60	11049.62	(-)	348.02	1959.87	1916.13	(-)	304.78
1975-76	15611.03	12654.77	(+)	2956.26	2266.81	2744.34	(+)	2478.73
1976-77(BE)	17563.79	14895.08	(+)	2668.71	1908.00	3072.02	(+)	1504.69

SOURCE :

- (i) Annual Reports of the Ministry of Shipping & Transport, 1971-72 to 1975-76.
- (ii) Annual Administration Reports & Annual Accounts of Port Trusts for 1975-76.
- (iii) Budget Estimates of Port Trusts for 1976-77.

APPENDIX—XVI

(Para 6·22)

Percentage of Revenue from Various Heads to Total Revenue

Port and Items	1969-70	1970-71	1971-72	1972-73	1973-74	1974-75	1975-76
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
<i>Bombay</i>							
(a) Cargo handling & Storage	61	62	65	61	61	59	52
(b) Port & Dock charges (including Pilotage Fees)	7	8	8	9	11	12	17
(c) Railway Earnings	6	6	5	5	5	4	4
(d) Estate Rentals	12	11	10	11	11	10	10
(e) Non-Operating Income	14	13	12	14	12	15	17
<i>Calcutta</i>							
(a) Cargo handling & Storage	46	50	56	53	48	51	51
(b) Port & Dock charges (including Pilotage Fees)	14	13	11	10	11	10	16
(c) Railway Earnings	9	10	8	10	10	7	8
(d) Estate Rentals	9	10	7	8	10	8	7
(e) Non-Operating Income	22	17	18	19	21	24	18

Madras

(a) Cargo handling & Storage.	77	79	78	78	81	79	71
(b) Port & Dock charges (including Pilotage Fees)	8	7	8	8	8	7	15
(c) Railway Earnings . . .	10	8	7	7	7	7	9
(d) Estate Rentals . . .	1	1	1	1	1	1	1
(e) Non-Operating Income .	4	5	6	6	3	6	4

Visakhapatnam

(a) Cargo handling & Storage	76	79	72	72	73	70	66
(b) Port & Dock charges (including Pilotage Fees)	4	4	6	9	10	10	81
(c) Railway Earnings . . .	12	13	12	11	11	11	9
(d) Estate Rentals . . .	5	2	2	3	6	4	3
(e) Non-Operating Income .	3	2	8	5	0·2	5	4

Cochin

(a) Cargo handling & Storage.	67	69	70	67	70	75	62
(b) Port & Dock charges (including Pilotage Fees)	13	12	13	14	13	10	24
(c) Railway Earnings . . .	0·4	1	1	1	1	1	1
(d) Estate Rentals . . .	9	8	8	10	10	8	7
(e) Non-Operating Income .	11	10	8	8	6	6	6

Mormugao

(a) Cargo handling & Storage.	64	62	66	70	72	67	67
(b) Port & Dock charges (including Pilotage Fees)	15	19	16	16	16	21	25
(c) Railway Earnings . . .	8	7	10	8	6	7	3
(d) Estate Rentals . . .	2	4	2	2	2	2	1
(e) Non-Operating Income .	11	8	6	4	4	3	4

APPENDIX—XVI—(contd.)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
<i>Kandla</i>							
(a) Cargo handling & Storage.	54	56	60	62	63	66	57
(b) Port & Dock charges (including Pilotage Fees)	11	11	10	9	14	11	26
(c) Railway Earnings . . .	—	—	—	—	—	—	—
(d) Estate Rentals . . .	12	15	14	12	9	7	5
(e) Non-Operating Income . .	23	18	16	17	14	16	12
<i>Paradip</i>							
(a) Cargo handling & Storage.	N.A.	N.A.	75	71	72	73	74
(b) Port & Dock charges (including Pilotage Fees)	N.A.	N.A.	3	3	3	3	11
(c) Railway Earnings . . .	N.A.	N.A.	—	—	—	3	1
(d) Estate Rentals . . .	N.A.	N.A.	2	2	2	1	1
(e) Non-Operating Income . .	N.A.	N.A.	20	24	23	20	13

APPENDIX—XVII

(Para. 6-29)

OPERATIONAL INDICATORS

1. Rate of Growth of Traffic over Previous Year

Port	1969-70	1970-71	1971-72	1972-73	1973-74	1974-75	1975-76
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Bombay	-8.35	-4.20	12.00	-3.68	18.81	-3.99	-5.28
Calcutta	-13.44	-12.66	22.36	-9.23	-5.31	19.15	2.16
Madras	23.32	4.42	-1.50	-0.07	13.70	2.14	3.64
Visakhapatnam	3.24	5.06	-0.86	-14.00	6.92	-10.14	27.50
Cochin	-7.63	0.94	-3.00	-10.48	-11.47	29.39	-11.53
Mormugao	2.85	21.89	6.32	9.79	11.59	-1.42	-9.65
Kandla	3.63	-23.60	26.05	19.44	28.64	13.52	-9.62
Paradip	41.08	23.40	-11.64	6.14	13.10	13.90	27.24
ALL PORTS	-0.88	2.10	6.49	-2.23	10.32	2.29	-0.10

APPENDIX—XVII—Contd.

2. Profitability Ratio : Percentage of Operating Surplus to Operating Income

Port	1969-70	1970-71	1971-72	1972-73	1973-74	1974-75	1975-76
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Bombay	11.25	5.61	18.58	12.05	15.94	8.81	13.04
Calcutta	-23.90	-26.53	-3.95	-26.52	-48.78	-31.41	5.66
Madras	25.05	37.11	33.84	27.29	18.49	16.67	33.56
Visakhapatnam	39.10	39.25	34.77	29.33	28.23	7.50	27.39
Cochin	23.87	18.25	17.39	2.27	-9.71	7.84	34.51
Mormugao	18.63	33.59	25.46	28.82	28.21	35.26	42.13
Kandla	3.21	-10.46	4.25	5.04	2.87	-17.49	38.84
Paradip	13.82	12.98	-121.15	-158.27	-23.04	-23.04	14.73
ALL PORTS	5.78	6.37	12.35	0.06	-4.91	-3.25	18.94

3. Profitability Ratio : Percentage of Net Surplus to Operating Surplus

Port	1969-70	1970-71	1971-72	1972-73	1973-74	1974-75	1975-76
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Bombay	75.30	253.54	105.67	157.63	56.03	180.73	193.90
Calcutta	-87.03	-103.99	-32.98	-91.68	-101.77	-60.98	64.13
Madras	60.43	76.95	59.39	37.40	-1.68	-0.91	56.51
Visakhapatnam	80.19	77.94	91.59	61.61	56.67	-78.43	16.79
Cochin	55.36	82.65	7.08	-799.87	-370.33	-198.48	69.57
Mormugao	131.28	97.22	96.34	91.37	81.84	83.38	86.56
Kandla	109.44	-83.61	43.52	110.79	14.90	-101.35	106.96
Paradip	10.73	-13.51	-93.26	105.98	-115.73	-175.07	26.45
ALL PORTS	53.28	89.91	85.62	-2934.82	-274.78	-87.58	83.85

4. *Percentage of Operating Income to Total Income*

Port	1969-70	1970-71	1971-72	1972-73	1973-74	1974-75	1975-76
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Bombay	85.81	86.60	87.52	85.72	87.47	85.24	83.34
Calcutta	78.08	83.05	82.11	80.45	78.29	75.84	82.36
Madras	96.11	94.98	93.22	93.47	96.50	93.81	96.00
Visakhapatnam	96.86	98.28	91.40	94.57	99.82	94.62	95.77
Cochin	89.27	90.47	91.74	91.53	94.07	93.68	94.28
Mormugao	89.21	91.71	93.69	95.76	95.94	96.99	96.38
Kandla	77.27	81.84	84.47	82.90	85.64	83.96	87.62
Paradip	94.51	96.81	79.63	75.75	76.33	79.97	87.40
ALL PORTS	85.62	88.41	86.88	86.04	87.28	84.52	87.32

APPENDIX—XVII—(Contd.)

5. Income Percentage of Operating Expenditure to Total Expenditure

Port	1969-70	1970-71	1971-72	1972-73	1973-74	1974-75	1975-76
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Bombay	82·13	93·22	86·05	90·06	79·76	89·94	91·82
Calcutta	83·22	85·50	84·45	85·14	83·88	87·02	80·09
Madras	84·30	81·97	75·89	75·13	78·43	78·07	77·98
Visakhapatnam	84·71	85·38	84·09	80·61	85·25	82·91	72·75
Cochin	77·05	85·64	74·94	76·68	77·12	75·36	79·81
Mormugao	92·85	86·94	90·67	91·14	88·46	87·84	86·00
Kandla	76·87	84·37	82·17	82·54	83·49	85·87	84·25
Paradip	82·60	82·84	92·70	86·84	82·20	74·39	77·16
ALL PORTS	82·85	87·19	83·86	84·71	81·92	85·22	82·18

APPENDIX—XVIII

(Para 6-34)

Capital Debts for the period 1969-70 to 1974-75

(Rs. in crores)

Port and Items	1969-70	1970-71	1971-72	1972-73	1973-74	1974-75
(1)	(2)	(3)	(4)	(5)	(6)	(7)
<i>Bombay</i>						
(i) Loans from Govt.	6.46	5.94	5.40	4.83	4.24	3.63
(ii) Loans & advances from the public	4.96	4.40	3.58	2.48	1.68	0.55
TOTAL	11.42	10.34	8.98	7.31	5.92	4.18
<i>Calcutta</i>						
(i) Loans from Govt.	49.91	59.35	70.70	86.42	103.86	143.96@
(ii) Loans & advances from World Bank & other Foreign Countries.	26.82	25.09	23.28	21.22	18.92	16.44
(iii) Loans & advances from the public.	31.22	32.72	24.72	35.22	35.72	34.32
(iv) Loans from other sources (from freight surcharge pool A/c)	—	—	—	—	4.10	—
TOTAL	107.95	117.16	128.20	142.86	162.60	194.72

@Includes Rs. 14.00 crores accumulated debt servicing charges on Govt. Loans utilised on Haldia Dock, capitalised but not paid.

APPENDIX XVIII—(contd.)

(Rs. in crores)

Port and Items	1969-70	1970-71	1971-72	1972-73	1973-74	1974-75
(1)	(2)	(3)	(4)	(5)	(6)	(7)
<i>Madras</i>						
(i) Loans from Govt.	14.99	20.31	24.60	28.34	32.01	39.03
(ii) Loans & advances from World Bank & other Foreign Countries	6.34	5.77	5.12	4.39	3.42	2.21
(iii) Loans & advances from the public.	—	—	—	1.10	2.20	2.20
TOTAL	21.33	26.08	29.72	33.83	37.63	43.44
<i>Visakhapatnam</i>						
(i) Loans from Govt.	12.51	15.22	27.21	39.20	54.93	74.92
(ii) Grants-in-aid from Govt.	—	—	—	—	—	0.50
(iii) Loans & advances from World Bank & other Foreign Countries	—	1.34	1.21	1.06	0.88	0.62
(iv) Loans & advances from the Public	—	—	—	2.20	4.95	4.95
TOTAL	12.51	16.56	28.42	42.46	60.76	80.99

Cochin

(i) Loans from Govt.	5.62	6.97	7.82	8.65	9.45	11.36
(ii) Grants-in-aid from Govt. (for Fisheries Harbour)	—	—	0.25	0.50	0.75	1.05
(iii) Loans from other sources	0.46	0.40	0.63	0.51	0.34	0.15
TOTAL	6.08	7.37	8.70	9.66	10.54	12.56

Mormugao

(i) Loans from Govt.	1.41	1.91	5.91	11.91	13.91	21.41
(ii) Loans from other sources	0.64	0.51	0.38	1.32	3.49	3.30
(iii) Capital Liabilities	1.51	1.51	1.51	1.51	1.51	1.51
TOTAL	3.56	3.93	7.80	14.74	18.91	26.22

Kandla

Loans from Govt.	18.52	19.06	19.82	20.87	20.84	24.11
TOTAL	18.52	19.06	19.82	20.87	20.84	24.11

Paradip

(i) Loans from Govt.	—	28.00	33.30	40.30	42.79	50.29
(ii) Loans from other sources	—	—	—	—	0.34	—
TOTAL	—	28.00	33.30	40.30	43.13	50.29

APPENDIX—XVIII—(Concl'd.)

(Rs. in crores)

Ports and Items	1969-70	1970-71	1971-72	1972-73	1973-74	1974-75
(1)	(2)	(3)	(4)	(5)	(6)	(7)
ALL PORTS						
(i) Loans from Govt.	137.42*	156.76	194.76	240.52	282.03	368.71
(ii) Grants-in-aid from Govt.	—	—	0.25	0.50	0.75	1.55
(iii) Loans & advances from World Bank & other Foreign Countries	33.16	32.20	29.61	26.67	23.22	19.27
(iv) Loans & advances from the Public	36.18	37.12	37.80	41.00	44.55	42.02
(v) Loans from other sources	1.10	0.91	1.01	1.83	8.27	3.45
(vi) Capital Liabilities. (Mormugao port only)	1.51	1.51	1.51	1.51	1.51	1.51
TOTAL	209.37*	228.50	264.94	312.03	360.33	436.51

*The figures under 1969-70 for "All Ports" include 1970-71 figures of Paradip port,

APPENDIX—XIX

(Para 6·36)

Balance Sheet of Major Ports

(Rs. in crores)

Sl. No.	Liabilities	1969-70	1970-71	1971-72	1972-73	1973-74	1974-75	Additions during the period 1969-70 to 1974-75
BOMBAY PORT TRUST—LIABILITIES								
1.	<i>Reserves & Surplus (Total)</i>	84·39	87·49	92·96	97·86	100·59	106·38	(+)21·99
	(a) Capital Reserve	52·79	54·81	56·15	57·46	59·19	62·97	(+)9·18
	(b) Revenue Reserve	28·30	30·63	35·01	38·85	40·10	42·36	(+)14·06
	(c) Reserve for repayment of loans from Govt.	2·30	2·05	1·80	1·55	1·30	1·05	(—)1·25
2.	<i>Depreciation of Capital Assets (Total)</i>	23·31	24·74	25·99	27·49	29·11	30·39	(+)7·08
	(a) Provision for Depreciation	17·74	19·73	21·80	24·40	26·82	29·22	(+)11·48
	(b) General Sinking Fund	5·57	5·01	4·19	3·09	2·29	1·17	(—)4·40
3.	Capital Debts	11·42	10·34	8·98	7·31	5·92	4·18	(—)7·24
4.	Pension & Provident Fund	13·25	15·03	17·06	19·58	22·69	26·14	(+)12·89
5.	Current Liabilities	10·70	9·13	10·70	11·99	13·96	17·52	(+)6·82
6.	<i>Others</i>							
	Bombay Port Trust Centenary Commemoration Fund	—	—	—	—	1·00	1·00	(+)1·00
	Total	143·07	146·73	155·69	164·23	173·27	185·61	(+)42·54

APPENDIX XIX—(Contd.)

(Rs. in Crores)

Sl. No.	Assets	1969-70	1970-71	1971-72	1972-73	1973-74	1974-75	Additions during the period 1969-70 to 1974-75
BOMBAY PORT TRUST—ASSETS								
1.	Capital Assets at Original Cost.	76.84	80.31	82.48	84.86	88.89	90.05	(+)13.21
2.	Investment	33.31	34.84	37.60	41.23	46.43	54.24	(+)20.93
3.	Current Assets	32.92	31.58	35.61	38.14	37.95	41.32	(+) 8.40
	(a) Stores & Material	3.07	2.85	2.70	3.22	3.24	4.17	(+) 1.10
	(b) Sundry Debtors	1.66	1.81	1.94	2.83	3.49	4.42	(+) 2.76
	(c) Advances & Deposits	1.90	1.88	1.98	1.87	2.11	2.63	(+) 0.73
	(d) Bank and Cash	26.29	25.04	28.99	30.22	29.11	30.10	(+) 3.81
	Total	143.07	146.73	155.69	164.23	173.27	185.61	(+)42.54

CALCUTTA PORT TRUST—LIABILITIES								
1.	Reserves & Surplus (Total)	13.17	15.82	16.82	19.01	20.66	22.54	(+) 9.37
	(a) Capital Reserve	9.39	11.87	12.72	14.72	16.13	17.85	(+) 8.46
	(b) Revenue Reserve	3.62	3.79	3.93	4.13	4.37	4.53	(+) 0.91
	(c) Other Reserve £	0.16	0.16	0.17	0.16	0.16	0.16	—
2.	Depreciation of Capital Assets (Total)	34.87	37.15	39.44	41.80	45.45	47.90	(+)13.03
	(a) Provision for Depreciation	23.87	25.29	24.94	24.70	24.59	24.90	(+) 1.03

(b) Provision for repayment of Govt. and I.B.R.D. Loans	—	—	1·63	3·28	5·97	8·52	(+) 8·52
(c) General Sinking Fund	11·00	11·86	12·87	13·28	14·95	14·48	(+) 3·48
3. Capital Debts	107·95	117·16	128·20	142·86	162·60	194·72	(+)86·77
4. Pension & Provident Fund%	0·90	1·73	2·68	3·71	6·08	6·93	(+) 6·03
5. Current Liabilities	17·70	20·94	23·03	25·73	37·32	45·75	(+)28·05
Total	174·59	192·80	210·17	233·11	272·11	317·84	(+)143·25

CALCUTTA PORT TRUST—ASSETS

1. Capital Assets at Original Cost	136·23	148·30	160·05	178·45	205·90	241·88	(+)105·65
2. Investment Including Deferred Charges	13·45	14·12	15·41	16·23	16·64	16·26	(+) 2·81
(a) Investment \$	12·28	12·95	14·22	15·03	15·44	14·86	(+) 2·58
(b) Deferred Charges (&)	1·17	1·17	1·19	1·20	1·20	1·46	(+) 0·23
3. Current Assets	16·56	15·94	24·15	20·42	19·53	23·54	(+) 6·98
(i) Stores & Material	2·22	2·10	2·15	2·27	2·73	3·19	(+) 0·97
(b) Sundry Debtors	8·21	11·17	17·96	15·88	13·78	18·74	(+)10·53
(c) Advances & Deposits	0·41	0·49	0·79	0·57	0·94	1·06	(+) 0·65
(d) Bank and Cash	5·72	2·18	3·25	1·70	2·08	0·55	(-) 5·17
4. Others (Deficit)	8·35	14·44	10·56	18·01	30·04	36·16	(+) 27·81
Total	174·59	192·80	210·17	233·11	272·11	317·84	(+)143·25

£ Liability Reserve on account of Indian Seamen's Home Building Fund.

% Miscellaneous Provisions for Retirement Benefits. This has been taken under Reserves & Surplus by the Calcutta port in their Balance Sheets.

\$ Includes General Sinking Fund not invested.

(&) Un-amortised Debt charges.

APPENDIX—XIX—(Contd.)

(Rs. in crores)

Sl. No.	Liabilities	1969-70	1970-71	1971-72	1972-73	1973-74	1974-75	Additions during the period 1969-70 to 1974-75
MADRAS PORT TRUST—LIABILITIES								
1.	<i>Reserves & Surplus (Total)</i>	26.88	29.98	32.40	33.42	33.25	35.30	(+) 8.42
	(a) Capital Reserve	22.84	23.61	27.33	28.75	31.74	34.59	(+) 11.75
	(b) Revenue Reserve	4.04	6.37	5.07	4.67	1.51	0.71	(—) 3.33
2.	<i>Depreciation of Capital Assets (Total)</i>	4.85	5.54	6.36	7.12	8.59	10.11	(+) 5.26
	(a) Provision for Depreciation	4.85	5.54	6.36	7.09	8.46	9.83	(+) 4.98
	(b) General Sinking Fund	—	—	—	0.03	0.13	0.28	(+) 0.28
3.	Capital Debts	21.33	26.08	29.72	33.83	37.63	43.44	(+) 22.11
4.	Pension & Provident Fund	2.63	3.19	3.67	4.09	4.45	5.07	(+) 2.44
5.	Current Liabilities	3.46	2.91	3.64	4.31	5.21	6.61	(+) 3.15
	Total	59.15	67.70	75.79	82.77	89.13	100.53	(+) 41.38

MADRAS PORT TRUST—ASSETS

1.	Capital Assets at Original Cost	46.17	51.60	59.05	64.38	70.98	79.46	(+) 33.29
2.	Investment	3.49	3.75	4.13	4.10	3.92	2.83	(—) 0.66
3.	<i>Current Assets (Total)</i>	9.49	12.35	12.61	14.29	14.23	17.84	(+) 8.35
	(a) Stores & Material	1.94	2.24	1.84	1.97	2.24	2.85	(+) 0.91

(b) Sundry Debtors	0.30	0.26	0.27	0.26	0.35	0.52	(+) 0.22
(c) Advances & Deposits	1.43	1.96	1.75	2.79	3.08	5.74	(+) 4.31
(d) Bank & Cash	5.82	7.89	8.75	9.27	8.56	8.73	(+) 2.91
4. Others							
(a) Deficit in working	—	—	—	—	—	0.40	(+) 0.40
Total	59.15	67.70	75.79	82.77	89.13	100.53	(+) 41.38

VISAKHAPATNAM PORT TRUST—LIABILITIES

1. Reserves & Surplus (Total)	11.55	14.80	17.95	9.93	21.53	21.16	(+) 9.61
(a) Capital Reserve	10.63	13.87	16.10	8.28	19.90	20.47	(+) 9.84
(b) Revenue Reserve	0.92	0.93	1.85	1.65	1.63	0.69	(—) 0.23
2. Depreciation of Capital Assets (Total)	4.67	5.25	6.39	7.33	8.43	9.54	(+) 4.87
(a) Provision for Depreciation	4.67	5.25	6.39	7.32	8.39	9.44	(+) 4.77
(b) General Sinking Fund	—	—	—	0.01	0.04	0.10	(+) 0.10
3. Capital Debts	12.51	16.56	28.42	42.46	60.76	80.99*	(+) 68.48
4. Pension & Provident Fund	1.42	1.65	1.94	2.22	2.54	2.88	(+) 1.46
5. Current Liabilities	2.88	3.53	4.12	4.77	4.69	5.43	(+) 2.55
Total	33.03	41.79	58.82	76.71	97.95	120.00	(+) 86.97

*Includes Rs. 0.50 crores as Grants from Govt. of India.

APPENDIX—XIX—(Contd.)

(Rs. in crores)

Sl. No.	Assets	1969-70	1970-71	1971-72	1972-73	1973-74	1974-75	Additions during the period 1969-70 to 1974-75
VISAKHAPATNAM PORT TRUST—ASSETS								
1.	Capital Assets at Original cost	26.80	34.36	48.58	65.50	85.91	106.69	(+) 79.89
2.	Investment	1.28	1.29	1.65	2.17	2.43	2.83	(+) 1.55
3.	Current Assets (Total)	4.95	6.14	8.59	9.04	9.61	10.48	(+) 5.53
	(a) Stores & Material	0.58	0.93	0.95	1.27	1.89	1.83	(+) 1.25
	(b) Sundry Debtors	1.48	1.93	3.16	3.14	1.94	2.18	(+) 0.70
	(c) Advances & Deposits	1.64	2.44	3.87	4.47	4.09	5.40	(+) 3.76
	(d) Bank and Cash	1.25	0.84	0.61	0.16	1.69	1.07	(—) 0.18
	Total	33.03	41.79	58.82	76.71	97.95	120.00	(+)86.97
COCHIN PORT TRUST—LIABILITIES								
Liabilities								
1.	Reserves & Surplus (Total)	11.45	12.02	11.99	11.50	11.32	11.36	(—) 0.09
	(a) Capital Reserve	8.63	8.86	9.74	10.36	10.36	10.36	(+) 1.73
	(b) Revenue Reserve	2.82	3.16	2.25	1.14	0.96	1.00	(—) 1.82
2.	Depreciation of Capital Assets (Total)	1.71	1.97	2.22	2.47	2.72	2.98	(+) 1.27
	(a) Provision for Depreciation	1.71	1.97	2.22	2.47	2.72	2.98	(+) 1.27
	(b) General Sinking Fund	—	—	—	—	—	—	—

3. Capital Debts	6.08	7.37	8.70	9.66	10.54	12.56	(+) 6.48
4. Pension & Provident Fund	0.97	1.05	1.17	1.21	1.31	1.36	(+) 0.39
5. Current Liabilities	1.59	1.37	1.72	2.89	3.70	4.26	(+) 2.67
Total	21.80	23.78	25.80	27.73	29.59	32.52	(+)10.72

Assets		COCHIN PORT TRUST—ASSETS						
1. Capital Assets at Original Cost	14.34	15.17	16.89	17.44	18.36	19.99	(+) 5.65	
2. Investment	0.86	0.75	0.76	0.64	0.64	0.57	(—) 0.29	
3. <i>Current Assets (Total)</i>	6.60	7.86	8.15	9.52	9.24	9.67	(+) 3.07	
(a) Stores & Material	0.29	0.28	0.38	0.44	0.42	0.44	(+) 0.15	
(b) Sundry Debtors	0.27	0.32	0.35	0.52	0.48	0.53	(+) 0.26	
(c) Advances & Deposits	0.92	1.33	2.12	3.87	5.61	6.59	(+) 5.67	
(d) Bank & Cash	5.12	5.93	5.30	4.70	2.73	2.11	(—) 3.01	
4. <i>Others</i>								
(a) Net Deficit	—	—	—	0.12	1.35	2.29	(+) 2.29	
Total	21.80	23.78	25.80	27.72	29.59	32.52	(+)10.72	

Liabilities		MORMUGAO PORT TRUST—LIABILITIES						
1. <i>Reserves & Surplus (Total)</i>	7.41	8.28	8.92	9.70	10.49	11.72	(+) 4.31	
(a) Capital Reserve	5.60	6.62	6.83	7.05	7.31	7.58	(+) 1.98	
(b) Revenue Reserve	1.81	1.66	2.09	2.65@	3.18@	4.14@	(+) 2.33	
2. <i>Depreciation of Capital Assets (Total)</i>	1.60	1.82	2.06	2.30	2.63	2.87	(+) 1.27	
(a) Provision for Depreciation	1.60	1.82	2.06	2.30	2.63	2.87	(+) 1.27	
(b) General Sinking Fund	—	—	—	—	—	—	—	
3. Capital Debts	3.56	3.93	7.80	14.74	18.91	26.22	(+)22.66	
4. Pension & Provident Fund	0.35	0.42	0.48	0.55	0.77	1.04	(+) 0.69	
5. Current Liabilities	1.00	1.32	3.05	2.84	2.05	1.54	(+) 0.54	
Total	13.92	15.77	22.31	30.13	34.85	43.39	(+)29.47	

@ Includes Rs. 0.07, 0.16 and 0.36 crores for the years 1972-73, 1973-74 and 1974-75 respectively as provision for Sinking Fund.

APPENDIX—XIX (Contd.)

(Rs. in crores)

Sl. No.	Assets	1969-70	1970-71	1971-72	1972-73	1973-74	1974-75	Additions during the period 1969-70 to 1974-75
MORMUGAO PORT TRUST—ASSETS								
1.	Capital Assets at Original Cost	7.47	8.91	15.21	21.95	28.06	36.49	(+)29.02
2.	Investment	1.02	1.07	0.62	0.71	0.72	0.83	(—) 0.19
3.	Current Assets (Total)	5.43	5.79	6.48	7.47	6.07	6.07	(+) 0.64
	(a) Stores & Material	0.22	0.24	0.51	1.05	1.32	2.16	(+) 1.94
	(b) Sundry Debtors	0.22	0.22	0.22	0.27	0.37	0.33	(+) 0.11
	(c) Advances & Deposits	2.51	2.74	1.94	1.97	1.93	2.09	(—) 0.42
	(d) Bank and Cash	2.48	2.59	3.81	4.18	2.45	1.49	(—) 0.99
	Total	13.92	15.77	22.31	30.13	34.85	43.39	(+)29.47
KANDLA PORT TRUST—LIABILITIES								
	Liabilities							
1.	Reserves & Surplus (Total)	3.01	2.99	3.18	3.41	3.47	2.86	(—) 0.15
	(a) Capital Reserve	1.72	1.81	1.95	2.03	2.13	2.26	(+) 0.54
	(b) Revenue Reserve	1.29	1.18	1.23	1.38	1.34	0.60	(—) 0.69
2.	Depreciation of Capital Assets (Total)	2.35	2.66	2.95	3.24	3.49	3.78	(+) 1.43
	(a) Provision for Depreciation	2.35	2.66	2.95	3.24	3.49	3.78	(+) 1.43
	(b) General Sinking Fund	—	—	—	—	—	—	—

3. Capital Debts	18.52	19.06	19.82	20.87	20.84	24.11	(+) 5.59
4. Pension & Provident Fund	0.66	0.81	0.96	1.08	1.14	1.27	(+) 0.61
5. Current Liabilities	0.93	0.85	0.87	1.08	1.52	2.65	(+) 1.72
Total	25.47	26.37	27.78	29.68	30.46	34.67	(+) 9.20

Assets

KANDLA PORT TRUST—ASSETS

1. Capital Assets at Original Cost	20.25	20.70	21.49	23.10	24.35	27.77	(+) 7.52
2. Investment including Pilotage Revenue A/c	0.63	0.85	1.01	1.20	1.25	1.35	(+) 0.72
(a) Investment	0.58	0.73	0.85	1.02	1.10	1.18	(+) 0.60
(b) Pilotage Revenue A/c	0.05	0.12	0.16	0.18	0.15	0.17	(+) 0.12
3. Current Assets (Total)	4.59	4.82	5.28	5.38	4.86	5.55	(+) 0.96
(a) Stores & Material	0.17	0.16	0.26	0.23	0.23	0.25	(+) 0.08
(b) Sundry Debtors	0.27	0.26	0.31	0.36	0.38	0.30	(+) 0.03
(c) Advances & Deposits	0.34	0.41	0.32	0.41	1.09	0.38	(+) 0.04
(d) Bank & Cash	3.81	3.99	4.39	4.38	3.16	4.62	(+) 0.81
Total	25.47	26.37	27.78	29.68	30.46	34.67	(+) 9.20

Liabilities

PARADIP PORT TRUST—LIABILITIES

1. Reserves & Surplus (Total)	0.03	(0.002)	(0.004)	(0.004)	0.01	(-) 0.02
(a) Capital Reserve	—	—	—	—	—	—
(b) Revenue Reserve	0.03	(0.002)	(0.004)	(0.004)	0.01	(-) 0.02
2. Depreciation of Capital Assets (Total)	1.68	2.19	2.75	3.32	4.38	(+) 2.70
(a) Provision for Depreciation	1.68	2.19	2.75	3.32	4.38	(+) 2.70
(b) General Sinking Fund	—	—	—	—	—	—

APPENDIX—XIX—(Contd.)

(Para. 6.36)

(Rs. in crores)

Sl. No.	Liabilities	1970-71	1971-72	1972-73	1973-74	1974-75	Additions during the period 1969-70 to 1974-75
3.	Capital Debts	28.00	33.30	40.30	43.13	50.29	(+)22.29
4.	Pension & Provident Fund	0.05	0.09	0.12	0.16	0.23	(+) 0.18
5.	Current Liabilities	0.85	1.61	3.36	6.36	7.19	(+) 6.34
	Total	30.61	37.19	46.53	52.97	62.10	(+)31.49

PARADIP PORT TRUST—ASSETS

1.	Capital Assets at Original Cost	27.32	29.65	32.22	34.79	38.24	(+)10.92
2.	Investment	—	—	0.10	0.15	0.22	(+) 0.22
3.	Current Assets (Total)	3.29	5.70	9.07	9.30	13.56	(+)10.27
	(a) Stores & Material	0.68	0.86	1.06	1.27	1.91	(+) 1.23
	(b) Sundry Debtors	0.04	0.08	0.14	0.17	1.43	(+) 1.39
	(c) Advances & Deposits	2.06	4.01	6.14	7.50	8.81	(+) 6.75
	(d) Bank and Cash	0.51	0.75	1.73	0.36	1.41	(+) 0.90
4.	Others	—	1.84	5.14	8.73	10.08	(+)10.08
	(a) Deferred Revenue Expenditure	—	0.13	0.35	0.49	0.56	(+) 0.56
	(b) Deficit in Revenue A/c	—	1.71	4.79	8.24	9.52	(+) 9.52
	Total	30.61	37.19	46.53	52.97	62.10	(+)31.49

TOTAL ALL PORTS— LIABILITIES

1. Reserve & Surplus (Total)	157·89	171·41	184·22	194·83	201·31	211·33	(+) 53·44
(a) Capital Reserve	112·60	121·45	130·82	138·65	146·76	156·08	(+) 43·48
(b) Revenue Reserve	42·83	47·75	51·43	54·47	53·09	54·04	(+) 11·21
(c) Reserve for repayment of loans from Government (Bombay port only)	2·30	2·05	1·80	1·55	1·30	1·05	(—) 1·25
(d) Other Reserve i. e. liability Reserve (Calcutta port only)£	0·16	0·16	0·17	0·16	0·16	0·16	—
2. Depreciation of Capital Assets	75·04	80·81	87·60	94·50	103·74	111·95	(+) 36·91
3. Capital Debts	209·37	228·50	264·94	312·03	360·33	436·51	(+)227·14
4. Pension & Provident Fund	20·23	23·93	28·05	32·56	39·14	44·92	(+) 24·69
5. Current Liabilities	39·11	40·90	48·74	56·97	74·81	90·95	(+) 51·84
6. Others							
Bombay Port Trust Centenary Commemoration Fund	—	—	—	—	1·00	1·00	(+) 1·00
Total	501·64	545·55	613·55	690·89	780·33	896·66	(+)395·02

£Liability Reserve on account of Indian Seamen's Home Building Fund.

NOTE :—The figures under "1969-70" for "Total All Ports" include 1970-71 figures of Pradip port since comparable accounts for 1969-70 are not available.

APPENDIX XIX—(contd.)

(Rs. in crores)

Sl. No.	Assets	1969-70	1970-71	1971-72	1972-73	1973-74	1974-75	Additions during the period 1969-70 to 1974-75
TOTAL ALL PORTS—ASSETS								
1.	Capital Assets at Original Cost	355.42	386.67	433.40	487.90	557.24	640.57	(+)285.15
2.	Investment	54.04	56.67	61.18	66.38	72.18	79.13	(+) 25.09
3.	<i>Current Assets (Total)</i>	83.83	87.77	106.57	113.34	110.79	128.03	(+) 44.20
	(a) Stores ; Material	9.17	9.48	9.65	11.51	13.34	16.80	(+) 7.63
	(b) Sundry Debtors	12.45	16.01	24.29	23.40	20.96	28.45	(+) 16.00
	(c) Advances & Deposits	11.21	13.31	16.78	22.09	26.35	32.70	(+) 21.49
	(d) Bank & Cash	51.00	48.97	55.85	56.34	50.14	50.08	(—) 0.92
4.	<i>Others (Total)</i>	8.35	14.44	12.40	23.27	40.12	48.93	(+) 40.58
	(a) Deficit	8.35	14.44	12.27	22.92	39.63	48.37	(+) 40.02
	(b) Deferred Revenue Expenditure (Paradip port only)	—	—	0.13	0.35	0.49	0.56	(+) 0.56
	Total	501.64	545.55	613.55	690.89	780.33	896.66	(+)395.02

NOTE :—The figures under "1969-70" for "Total All Ports," include 1970-71 figures of Paradip port since comparable accounts for 1969-70 Are not available.

APPENDIX—XX

(Para 6·38)

Interest paid on Loans during 1969-70 to 1974-75

(Rs. in lakhs)

Port and Items	1969-70	1970-71	1971-72	1972-73	1973-74	1974-75
(1)	(2)	(3)	(4)	(5)	(6)	(7)
B O M B A Y						
(i) Loans from Govt.	27·37	25·34	23·26	21·01	18·75	16·38
(ii) Debenture Loans	20·95	19·20	16·65	13·52	9·05	5·76
Total	48·32	44·54	39·91	34·53	27·80	22·14
C A L C U T T A						
(i) Loans from Govt.	107·07	105·13	150·14**	121·68**	128·63**	96·32**
(ii) Interest on Ruppes Loans	124·31	134·16	149·37	180·44	133·68	159·90
(iii) Interest on srteling Loans	18·00	18·00	18·00	18·00	18·00	18·00
(iv) Loans from I.B.R.D.	147·92	140·26	131·15	131·86	136·18	129·12
Total	397·30	397·55	448·66	451·98	416·49	403·34

APPENDIX XX—(Contd.)

(Para 6-38)

(Rs. in lakhs)

Port and Items	1969-70	1970-71	1971-72	1972-73	1973-74	1974-75
(1)	(2)	(3)	(4)	(5)	(6)	(7)
M A D R A S						
(i) Loans from Govt.	59.26	84.10	124.20	146.25	173.38	214.81
(ii) Loans from I.B.R.D.	27.14	25.25	24.49	24.33	25.68	21.92
(iii) Loans from Dutch Financiers	9.85	11.42	11.15	10.53	11.14	9.88
(iv) Debenture Loans	—	—	—	3.00	9.94	11.59
Total	96.25	120.77	159.84	184.11	220.14	258.20
VISAKHAPATNAM						
(i) Loans from Govt.	47.35	44.27	45.48	45.40	45.32	45.24
(ii) Loans from other Countries	—	7.45	8.36	8.24	9.70	10.53
(iii) Debenture Loans	—	—	—	6.53	20.33	28.01
Total	47.35	51.72	53.84	60.17	75.35	83.78
COCHIN						
(i) Loans from Govt.	28.57	30.70	38.20	43.05	51.02	48.48
(ii) Loans from other Sources	—	1.71	3.15	4.11	3.00	1.40
Total	28.57	32.41	41.35	47.16	54.02	49.88

MORMUGAO(i) Loans from other Sources
(For acquisition of S/D
Zuari)

	3.84	3.20	2.66	2.19	1.68	0.75
Total	3.84	3.20	2.66	2.19	1.68	0.75

KANDLA

(i) Loans from Govt.

	23.71	26.30	29.56	34.49	41.33	54.26
Total	23.71	26.30	29.56	34.49	41.33	54.26

PARADIP

(i) Loans from Govt. (*)

(ii) Loans from other Sources

	25.16	29.10	45.94	86.42	120.89	150.86
	—	—	0.06	0.05	—	0.71
Total	25.16	29.10	46.00	86.47	120.89	151.57

ALL PORTS

(i) Loans from Govt. (*)**

(ii) Loans from I.B.R.D.

(iii) Loans from other Countries£

(iv) Debenture Loans@

(v) Loans from other Sources

	318.49	344.94	456.78	498.30	579.32	626.35
	175.06	165.51	155.64	156.19	161.86	151.04
	27.85	36.87	37.51	36.77	38.84	38.41
	145.26	153.36	166.02	203.49	173.00	205.26
	3.84	4.91	5.87	6.35	4.68	2.86
Total	670.50	705.59	821.82	901.10	957.70	1023.92

**Includes interest on Government Loans for payment of arrears in respect of implementation of Wage Board award.

(*) Includes interest capitalised on Major Works in Paradip Port.

**Includes interest on Government Loans for payment of arrears in respect of implementation of Wage Board award in Calcutta Port.

£Includes interest on Sterling Loans in Calcutta Port.

@Includes interest on Rupees Loans in Calcutta Port.

APPENDIX—XXI

(Para 6-38)

Capital Loans repaid during 1969-70 to 1974-75

(Rs. in lakhs)

Port and Items	1969-70	1970-71	1971-72	1972-73	1973-74	1974-75
(1)	(2)	(3)	(4)	(5)	(6)	(7)
BOMBAY						
(i) Govt. Loans	50.26	52.28	54.37	56.54	58.80	61.16
<i>Total</i>	50.26	52.28	54.37	56.54	58.80	61.16
CALCUTTA						
(i) Govt. Loans	50.15	55.90	64.85	77.63	106.07	
(ii) Loans from I.B.R.D.	173.26	172.45	181.76	205.93	230.08	247.76
(iii) Debenture Loans	100.00	200.00	150.00	—	50.00	140.24
(iv) Loans from other Sources@	—	—	—	—	—	410.00
<i>Total</i>	323.41	428.35	396.61	283.56	386.15	798.00

MADRAS

(i) Govt. Loans	16.95	17.69	20.80	25.93	32.74	48.09
(ii) Loans from I.B.R.D.	44.52	42.11	46.75	53.19	73.75	94.73
(iii) Loans from Other Countries	2.33	17.01	18.16	19.98	23.34	26.21
Total	63.80	76.81	85.71	99.10	129.83	169.03

VISAKHAPATNAM

(i) Govt. Loans	1.50	1.50	1.50	1.50	1.50	1.50
(ii) Loans from Other Countries	—	1.51	13.02	14.80	18.48	25.47
Total	1.50	3.01	14.52	16.30	19.98	26.97

COCHIN

(i) Govt. Loans	13.88	14.51	15.17	16.70	19.43	11.91
(ii) Loans from other Sources	5.76	6.15	6.91	12.45	16.61	19.11
Total	19.64	20.66	22.08	29.15	36.04	31.02

@Loans from the freight surcharge.

*Calcutta port had made the following entry in respect of Capital Debts in Schedule 3 to the Balance Sheet for 1974-75 :
 'Less : Loans repaid during 1974-75 Cr. 87,64,592.52'

However, the amount of Rs. 87,64,592.52 is added to the total outstanding Capital Debt instead of deducting therefrom. It is hence assumed that there was no repayment of loan.

APPENDIX XXI—(contd.)

(Rs. in lakhs)

Port and Items	1969-70	1970-71	1971-72	1972-73	1973-74	1974-75
(1)	(2)	(3)	(4)	(5)	(6)	(7)
MORMUGAO						
(i) Loans from other Sources	12.72	12.84	13.54	15.19	18.28	19.23
Total	12.72	12.84	13.54	15.19	18.28	19.23
KANDLA						
(i) Govt. Loans	0.35	0.67	1.40	2.17	2.71	3.87
Total	0.35	0.67	1.40	2.17	2.71	3.87
PARADIP						
(i) Govt. Loans	—	—	—	—	1.25	—
Total	—	—	—	—	1.25	—
ALL PORTS						
(i) Govt. Loans	133.09	142.55	158.09	180.47	222.50	126.53
(ii) Loans from I.B.R.D.	217.78	214.56	228.51	259.12	303.83	342.49
(iii) Loans from Other Countries	2.33	18.52	31.18	34.78	41.82	51.68
(iv) Debenture Loans	100.00	200.00	150.00	—	50.00	140.24
(v) Loans from other Sources	18.48	18.99	20.45	27.64	34.89	448.34
Total	471.68	594.62	588.23	502.01	653.04	1109.28

APPENDIX XXII

(Para 7·34)

EXAMPLES OF FITMENT

1. Employee getting Basic pay of Rs. 110 in the existing Scale of Rs. 100-2-130 at Bombay, Calcutta & Madras.

	Not Occu- pying Quarters	Occupying Quarters
	(Rs.)	(Rs.)
(i) Basic Pay as on 1-1-1974	110·00	110·00
(ii) Dearness Allowance (fixed) as on 1-1-1974	72·00	72·00
(iii) Additional Dearness Allowance as on 1-1-1974 (On Index Number 268 of 1949 series)	41·34	41·34
(iv) House Rent Allowance as on 1-1-1974 (16% subject to minimum of Rs. 20)	20·00	—
(v) City Compensatory Allowance as on 1-1-1974 (10%)	11·00	11·00
Total	254·34	234·34
(vi) Additional Notional House Rent Al- lowance as on 1-1-1974	—	20·00
(vii) Compensatory Amount (Additional D. A. for 35 points)	27·30	27·30
(viii) Fitment Money	50·00	50·00
Total	331·64	331·64
Rounded to	332·00	332·00

(ix) Our Corresponding Proposed Scale : Rs. 325-4-365-E.B.-5-415.

(x) Stage of Fitment in Our proposed Scale : Rs. 333·00

APPENDIX XXII—(contd.)

2. Employee getting Basic Pay of Rs. 110 in the Existing Scale of Rs. 100-2-130 at Visakhapatnam.

	Not Occu- pying Quarters	Occupying Quarters
	(Rs.)	(Rs.)
(i) Basic Pay as on 1-1-1974	110-00	110-00
(ii) Dearness Allowance (fixed as on 1-1-1974)	72-00	72-00
(iii) Additional Dearness Allowance as on 1-1-1974 (On Index Number 268 of 1949 series)	41-34	41-34
(iv) House Rent Allowance as on 1-1-1974 (8% subject to minimum of Rs. 10)	10-00	—
(v) City Compensatory Allowance as on 1-1-1974 (5%)	5-50	5-50
Total	238-84	228-84
(vi) Additional Notional H. R. A. & C. C. A. (26 per cent of basic pay, subject to minimum HRA of Rs. 20, minus amounts actually paid on 1-1-1974	15-50	25-50
(vii) Compensatory Amount (Additional D. A. for 35 points)	27-30	27-30
(viii) Fitment Money	50-00	50-00
Total	331-64	331-64
Rounded to	332-00	332-00

(ix) Our Corresponding Proposed Scale : Rs. 325-4-365-E.B.-5-415

(x) Stage of Fitment in Our Proposed Scale : Rs. 333-00.

APPENDIX XXII--(contd.)

3. Employee getting Basic Pay of Rs. 110 in the Existing Scale of Rs. 100-2-130 at Cochin.

	Not Occu- pying Quarters	Occupying Quarters
	(Rs.)	(Rs.)
(i) Basic Pay as on 1-1-1974	110.00	110.00
(ii) Dearness Allowance (fixed) as on 1-1-1974	72.00	72.00
(iii) Additional Dearness Allowance as on 1-1-1974 (On Index Number 268 of 1949 series).	41.34	41.34
(iv) House Rent Allowance as on 1-1-1974 (10% subject to minimum of Rs. 15).	15.00	—
(v) City Compensatory Allowance as on 1-1-1974 (5%)	5.50	5.50
Total	243.84	228.84
(vi) Additional Notional H. R. A. & C. C. A. (26 per cent of basic pay, subject to minimum H. R. A. of Rs. 20, minus amounts actually paid on 1-1-1974)	10.50	25.50
(vii) Compensatory Amount (Additional D. A. for 35 points)	27.30	27.30
(viii) Fitment Money	50.00	50.00
Total	331.64	331.64
Rounded to	332.00	332.00

(ix) Our Corresponding Proposed Scale : Rs. 325-4-365-EB-5-415.

(x) Stage of Fitment in Our proposed Scale : Rs. 333.00.

APPENDIX XXII—(Contd.)

4. Employee getting Basic Pay of Rs. 110 in the Existing Scale of Rs. 100-2-130 at Mormugao.

	Not Occu- pying Quarters	Occupying Quarters
	(Rs.)	(Rs.)
(i) Basic Pay as on 1-1-1974	110.00	110.00
(ii) Dearness Allowance (fixed as on 1-1-1974)	72.00	72.00
(iii) Additional Dearness Allowance as on 1-1-1974 (On Index Number 268 of 1949 Series)	41.34	41.34
(iv) House Rent Allowance as on 1-1-1974 (8% subject to minimum of Rs. 10).	10.00	—
(v) City Compensatory Allowance as on 1-1-1974 (8%)	8.80	8.80
Total	242.14	232.14
(vi) Additional Notional H. R. A. & C. C. A. (26 per cent of basic pay, subject to minimum H. R. A. of Rs. 20, minus amounts actually paid on 1-1-1974)	12.20	22.20
(vii) Compensatory Amount (Additional D.A. for 35 points)	27.30	27.30
(viii) Fitment Money	50.00	50.00
Total	331.64	331.64
Rounded to	332.00	332.00

(ix) Our Corresponding proposed Scale : Rs. 325-4-365-EB-5-415.

(x) Fitment in Our Proposed Scale : Rs. 333.

APPENDIX XXII—(Contd.)

5. Employee getting Basic Pay of Rs. 110 in the Existing Scale of Rs. 100-2-130 at kandla.

	Not Occu- pying Quarters	Occupying Quarters
	(Rs.)	(Rs.)
(i) Basic Pay as on 1-1-1974	110.00	110.00
(ii) Dearness Allowance (fixed) as on 1-1-1974	72.00	72.00
(iii) Additional Dearness Allowance as on 1-1-1974 (On Index Number 268 of 1949 Series)	41.34	41.34
(iv) House Rent Allowance as on 1-1-1974 (8% subject to minimum of Rs. 10)	10.00	—
Total	233.34	223.34
(v) Additional Notional H. R. A. & C.C. A. (26 per cent of basic pay, subject to minimum H. R. A. of Rs. 20, minus amounts actually paid on 1-1-1974)	21.00	31.00
(vi) Compensatory Amount (Additional D. A. for 35 points)	27.30	27.30
(vii) Fitment Money	50.00	50.00
Total	331.64	331.64
Rounded to	332.00	332.00

(viii) Our Corresponding Proposed Scale : Rs. 325-4-365-EB-5-415.

(ix) Stage of Fitment in Our Proposed Scale : Rs. 333.00.

APPENDIX XXII—(Contd.)

6. Employee getting Basic Pay of Rs. 110 in the Existing Scale of Rs. 110-2-130 at Paradip.

	Not Occu- pying Quarters	Occupying Quarters
	(Rs.)	(Rs.)
(i) Basic Pay as on 1-1-1974	110·00	110·00
(ii) Dearness Allowance (fixed) as on 1-1-1974	72·00	72·00
(iii) Additional Dearness Allowance as on 1-1-1974 on Index Number 268 of 1949 Series)	41·34	41·34
Total	223·34	223·34
(iv) Notional H. R. A. & C. C. A. (26 per cent of basic pay, subject to minimum H. R. A. of Rs. 20)	31·00	31·00
(v) Compensatory Amount (Additional D. A. for 35 points)	27·30	27·30
(vi) Fitment Money	50·00	50·00
Total	331·64	331·64
Rounded to	332·00	332·00

(vii) Our Corresponding Proposed Scale : Rs. 325-4-365-EB-5-415.

(viii) Stage of Fitment in Our Proposed Scale : Rs. 333·00.

NOTE :—Special Allowance of the nature of Compensatory Allowance shall be discontinued w. e. f. 1-1-1974.

APPENDIX-XXII—(Contd.)

7. Employee getting Basic Pay of Rs. 315 in the Existing Scale of Rs. 250-10-300-15-375-EB-20-475 at Bombay, Calcutta & Madras.

	Not Occu- pying Quarters.	Occupying Quarters
	(Rs.)	(Rs.)
(i) Basic Pay as on 1-1-1974	315.00	315.00
(ii) Dearness Allowance (fixed) as on 1-1-1974	147.00	147.00
(iii) Additional Dearness Allowance as on 1-1-1974 (On Index Number 268 of 1949 Series)	66.78	66.78
(iv) House Rent Allowance as on 1-1-1974 (16%)	50.40	—
(v) City Compensatory Allowance as on 1-1-1974 (10%)	31.50	31.50
Total	610.68	560.28
(vi) Additional Notional House Rent Allowance as on 1-1-1974	—	50.40
(vii) Compensatory Amount (Additional D. A. for 35 points)	44.10	44.10
(viii) Fitment Money (Rs. 60 subject to ma- ximum of Rs. 100 as total of Compensa- tory Amount and Fitment Money)	55.90	55.90
Total	710.68	710.68
Rounded to	711.00	711.00

(ix) Our Corresponding Proposed Scale : Rs. 600-15-675-EB-20-875-EB-25-1000.

(x) Stage of Fitment in Our Proposed Scale : Rs. 715.00.

NOTE :—In case of other ports :

(i) H. R. A. and C. C. A. will be as actually paid on 1-1-1974.

(ii) Additional Notional H. R. A. and C. C. A. will be 26 per cent of basic pay minus amounts actually paid as H. R. A. and C. C. A. on 1-1-1974.

APPENDIX XXII—(Contd.)

8. Employee getting Basic Pay of Rs. 175 in the Existing Scale of Rs. 160-5-190-8-270-10-320 at Bombay, Calcutta & Madras having put in 3 years of service in the said scale as on 1-1-1974.

	Not Occu- pying Quarters	Occupying Quarters
	(Rs.)	(Rs.)
(i) Basic Pay as on 1-1-1974	175-00	5-00
(ii) Dearness Allowance (fixed) as on 1-1-1974	99-00	9-00
(iii) Additional Dearness Allowance as on 1-1-1974 (On Index Number 268 of 1949 Series)	50-35	10-35
(iv) House Rent Allowance as on 1-1-1974 (16%)	28-00	—
(v) City Compensatory Allowance as on 1-1-1974 (10%)	17-50	7-50
Total	369-85	341-85
(vi) Additional Notional House Rent Allowance as on 1-1-1974	—	28-00
(vii) Compensatory Amount (Additional D. A. for 35 points)	33-25	33-25
(viii) Fitment Money	50-00	50-00
Total	453-10	453-10
Rounded to	453-00	453-00

(ix) Our Corresponding Proposed Scale : Rs. 465-10-515-EB-12-635-EB-15-725.

(x) Since the Fixation Amount i. e. Rs. 453 is less than the minimum of the scale, his pay in our proposed scale gets fixed at minimum of the scale i. e. Rs. 465. Further as he has put in 3 years of service in the existing scale and gets fixed at the minimum of our proposed scale, he may be given one increment in our proposed scale. Accordingly he will be fixed at Rs. 465 + Rs. 10 = Rs. 475.

NOTE :—In case of other ports :

- (i) H. R. A. and C. C. A. will be actually paid on 1-1-1974
- (ii) Additional Notional H. R. A. and C. C. A. will be 26 per cent of basic pay minus amounts actually paid as H. R. A. and C. C. A. on 1-1-1974.

APPENDIX XXII—(Contd.)

9. Employee getting Basic Pay of Rs. 225 as on 1-1-1974 in the Existing Scale of Rs. 150-4-170-5-195-6-225-EB-7-281 and promoted on 1-5-1974 to the Existing Scale of Rs. 170-5-190-8-270-10-300-EB-10-330-12-366 at Bombay, Calcutta & Madras.

	Not Occu- pying Quarters	Occupying Quarters
	(Rs.)	(Rs.)
(i) Basic Pay as on 1-1-1974	225.00	225.00
(ii) Dearness Allowance (fixed) as on 1-1-1974	123.00	123.00
(iii) Additional Dearness Allowance as on 1-1-1974 (On Index Number 268 of 1949 Series)	59.89	59.89
(iv) House Rent Allowance as on 1-1-1974 (16%)	36.00	—
(v) City Compensatory Allowance as on 1-1-1974 (10%)	22.50	22.50
Total	466.39	430.39
(vi) Additional Notional House Rent Allowance as on 1-1-1974	—	36.00
(vii) Compensatory Amount (Additional D. A. for 35 points)	39.55	39.55
(viii) Fitment Money	50.00	50.00
Total	555.94	555.94
Rounded to	556.00	556.00
(ix) Our Corresponding Proposed Scale : Rs. 425-8-465-EB-10-535-EB-12-655 as on 1-1-1974		
(x) Stage of Fitment in Our Proposed Scale : Rs. 559.00 as on 1-1-1974		
(xi) Our Corresponding Proposed Scale : Rs. 480-10-530-EB-15-680-EB-20-800 as on 1-5-1974 (on promotion)		
(xii) Stage of Fitment in Our Proposed Scale : as on 1-5-1974 (On promotion)	Will be fixed according to Port Trust rules on the basis of basic pay of Rs. 559 in Our Proposed Scale of Rs. Rs. 425-655.	

NOTE :— In case of other ports :—

- (i) H. R. A. and C. C. A. will be as actually paid on 1-1-1974.
- (ii) Additional Notional H. R. A. and C. C. A. will be 26 per cent of basic pay, minus amounts actually paid as H. R. A. and C. C. A. on 1-1-1974.

APPENDIX XXII—(Contd.)

10. Employee getting Basic Pay of Rs. 175 as on 1-1-1974 and Rs. 180 as on 1-6-1974 in the Existing Scale of Rs. 150-4-170-5-190 at Bombay, Calcutta & Madras and opting for Our Proposed Scale w.e.f. 1-6-1974.

	Not Occu- pying Quarters	Occupying Quarters
	(Rs.)	(Rs.)
(i) Basic Pay as on 1-1-1974	180.00	180.00
(ii) Dearness Allowance (fixed) as on 1-6-1974	123.00	123.00
(iii) Additional Dearness Allowance as on 1-1-1974 (on basic Pay of Rs. 175)	50.35	50.35
(iv) House Rent Allowance as on 1-1-1974 (16% of basic pay of Rs. 175)	28.00	—
(v) City Compensatory Allowance as on 1-1-1974 (10% of basic pay of Rs. 175)	17.50	17.50
Total	398.85	370.85
(vi) Additional Notional House Rent Allowance as on 1-1-1974	—	28.00
(vii) Compensatory Amount (Additional D. A. for 35 points on basic pay of Rs. 175)	33.25	33.25
(viii) Fitment Money (on basic pay of Rs. 175)	50.00	50.00
Total	482.10	482.10
Rounded to	482.00	482.00
(ix) Our Corresponding Proposed Scale : Rs. 400-7-435-EB-8-515-EB-10-565		
(x) Stage of Fitment in Our Proposed Scale : Rs. 483.00 (on 1-6-1974)		

NOTE :—In case of other ports :—

- (i) H. R. A. and C. C. A. will be as actually paid on 1-1-1974 on basic pay of Rs. 175.
- (ii) Additional Notional H. R. A. and C. C. A. will be 26 per cent of basic pay of Rs. 175 minus amounts actually paid as H. R. A. and C. C. A. on 1-1-1974.

APPENDIX—XXIII

(Para 8.15)

Rates of Attendance Allowance paid to Workers under Dock Labour Boards

Port/Deptt.	Scheme	Category or worker	Rate of Attendance Allowance per worker per shift as on 1-1-76		Remarks
			Rate Rs.	Total Amount Rs.	
(1)	(2)	(3)	(4)	(5)	(6)
Bombay Dock Labour Board	(i) The Bombay Dock Workers (Regulation of Employment) Scheme 1956.	Stevedore Workers (All Categories)	1.75 (consolidated)	1.75	Allowances are built in Daily Wage.
	(ii) The Bombay Chipping and Painting Workers (Regulation of Employment) Scheme, 1969.	Chipping & Painting Workers (All Categories)	1.75 (consolidated)	1.75	Allowances are built in Daily Wage.

APPENDIX XXIII—contd.

Port/Deptt.	Scheme	Category of Worker	Rate of Attendance Allowance per worker per shift as on 1-1-76		Remarks
			Rate Rs.	Total Amount Rs.	
(1)	(2)	(3)	(4)	(5)	(6)
Bombay Dock Labour Board—Contd.	(iii) The Bombay Foodgrain Handling Workers (Regulation of Employment) Scheme, 1975.	Registered Food-grain Workers			
		Loading/Filling Mukadam	1·75+H.R.A.+ C.C.A.	3·39	
		Mac. Maz./Tank Mazdoor Mukadam	1·75+H.R.A.+ C.C.A.	3·39	
		Loaders/Fillers	1·75 only	1·75	
		Tindals			
		Loaders	1·75+H.R.A.+ C.C.A.	3·13	
		Fillers/Stitchers	1·75+H.R.A.+ C.C.A.	2·97	
		Palawalas/Palawalies			
		Dock Mazdoor and Tank Mazdoors	1·75+H.R.A.+ C.C.A.	2·86	
	(iv) The Bombay Unregistered Clearing and Forwarding Workers (Regulation of Employment) Scheme, 1973.	Clearing & Forwarding Section. ('A' Category Workers).	C.C.A.		
			1·00+D.A.+H.R.A.+ C.C.A.	10·82	

Calcutta Dock Board	Labour	(i) The Calcutta Dock Workers (Regulation of Employment) Scheme, 1970.	All Categories of Workers	1.75 + All allowances paid at the monthly rates.	—
		(ii) The Calcutta Chipping and Painting Workers (Regulation of Employment) Scheme, 1970.	All Categories of Workers	1.75 + All allowances paid at the monthly rates.	—
		(iii) The Calcutta Dock Clerical & Supervisory Workers (Regulation of Employment) Scheme, 1970.	All Categories of Workers	1.75 + All allowances paid at the monthly rates.	—
Madras Dock Board.	Labour	(i) Madras Dock Workers (Regulation of Employment) Scheme, 1956.	Tally Clerk	1.75 + Full Allowances	16.22
			Tindal	1.75 + Full Allowances	14.87
			Winchman	1.75 + Full Allowances	13.93
			Signalman	1.75 + Full Allowances	13.82
			Mazdoor	1.75 + Full Allowances	13.42
			(ii) Madras unregistered Dock Workers (Regulation of Employment) Scheme, 1957.	(a) Listed Shore Workers	1.75 + H.R.A. + C.C.A.	3.33
			Mazdoor	1.75 + H.R.A. + C.C.A.	3.02

APPENDIX XXIII—*contd.*

Port/Deptt.	Scheme	Category of worker	Rate of Attendance Allowance per shift as on 1-1-1976		Remarks	
			Rate Rs.	Total Amount Rs.		
(1)	(2)	(3)	(4)	(5)	(6)	
Madras Dock Labour— <i>Contd.</i>		New Mazdoor	1.75 + H.R.A.+C.C.A.	2.97		
		Tally Clerk	1.75 + H.R.A.+C.C.A.	3.60		
		(b) Listed Chipping & Painting Workers.				
		Tindal	1.75 + H.R.A.+C.C.A.	3.55		
		Mazdoor	1.75 + H.R.A.+C.C.A.	3.23		
		New Mazdoor	1.75 + H.R.A.+C.C.A.	3.17		
	(iii) The Madras Stevedores' Association (Pool of Casual Workers)	Supervisor and Rigging Foreman	1.75 +C.C.A.+H.R.A.+ +I.R.	5.76		
		Receipt Clerk	1.75 +C.C.A.+H.R.A.+ +I.R.	5.14		
		Watchman, Basket Mender, Net Sling Mender, Mazdoor & Cleaning Mazdoor	1.75 +C.C.A.+H.R.A.+ +I.R.	4.62		

		Rigging Mazdoor	1.75	4.80
		Trimming Stitcher	+ C.C.A. + H.R.A. + I.R. 1.75	4.72
		Carpenter	+ C.C.A. + H.R.A. + I.R. 1.75	4.66
		+	+ C.C.A. + H.R.A. + I.R.	
(iv)	The Madras Port Clearing and Forwarding Labour (Regulation of Employment) Scheme.	Maistry	1.00	11.27
		Mazdoor	+ Full Allowances 1.00	10.82
			+ Full Allowances	
(v)	The Food Corporation of India Madras.	Loaders (Regular)	1.75	3.13
			+ H.R.A. + C.C.A.	
		Fillers (Regular)	1.75	2.96
			+ H.R.A. + C.C.A.	
Visakhapatnam Labour Board	Dock	(i) The Visakhapatnam Dock Labour Board Unregistered Dock Workers (Regulation of Employment) Scheme, 1968.	Listed Workers	
			'B' Category	2.00 + I.R.
			'C' Category	1.00 (consolidated)
				3.67
				1.00
		(ii) Visakhapatnam Dock Workers (Regulation of Employment) Scheme, 1959.	Registered Workers	
			Tally Clerk	1.75
				+ Full Allowances
			Leading Mazdoor-cum-Stitcher	1.75
			Maistry	+ Full Allowances
				14.02
				13.19

APPENDIX XXIII—contd.

Port/Deptt.	Scheme	Category of worker	Rate of Attendance Allowance per worker per shift as on 1-1-76		Remarks	
			Rate Rs.	Total Amount Rs.		
(1)	(2)	(3)	(4)	(5)	(6)	
Viskhapatnam Dock Labour Board—contd.		Tindal	1.75	13.21		
		Winchman	+ Full Allowances 1.75	13.14		
		Tipper/Signalman	+ Full Allowances 1.75	12.65		
		Mazdoor-cum-Stitchers	+ Full Allowances 1.75	12.65		
		Sub-Pool Mazdoor	} 1.75 + D.A.	8.93		
		(i) First batch of 220 Mazdoors				
		(ii) Second batch of 105 Mazdoors	2.00 + I.R.	3.67		
Cochin Dock Labour Board	Cochin Dock Workers (Regulation of Employment) Scheme, 1959.	Tindal	2+ Full Allowances	14.41		
		Mazdoor	2+ Full Allowances	13.01		
		Winch Driver	2+ Full Allowances	13.51		
		Tally Clerk	2+ Full Allowances	14.81		
		Table Clerk	2+ Full Allowances	17.35		
		Rigger	2+ Full Allowances	13.49		
Mormugao Dock Labour Board	Mormugao Dock Workers	Gang Worker	1.75 + Full Allowances	13.64		

			(Regulation of Em- ployment) Scheme, 1965.	Winchman	1.75 + Full Allowances	15.77	
Kandla Board	Dock Labour	(i)	Kandla Dock Workers (Regulation of Employment) Scheme, 1969.	Registered Workers' Tindal/Worker (Reserve Pool)	1.75 + I.R.	3.42	
		(ii)	Kandla Unregis- tered Dock Wor- kers (Regulation of Employment) Scheme, 1968.	-Do-	1.75 +H.R.A.+I.R.	4.22*	*This amount is for the lowest paid worker; amount will vary for higher paid workers.

APPENDIX—XXIV

(Para 8-15)

Rates of Attendance Allowances paid to workers of Port Trusts

Port/Trust	Category of Worker	Rate of attendance per worker per shift as on 1-1-1976		Remarks
		Rate Rs.	Total Amount Rs.	
(1)	(2)	(3)	(4)	(5)
Bombay Port Trust	'A' Category	2.31+7.95 D.A.	10.26	
	'B' Category	1.75 only	1.75	
Calcutta Port Trust				No Attendance Allowance is stated to be paid to regular workers.
Madras Port Trust	(i) Shore Worker	1.75+D.A.+A.D.A.+ I.R.+C.C.A.+H.R.A. +Equation Allowance	N.A.	

	(ii) Welders, Maistry Mazdoors, Fitter etc. (Labour Pool of Engineering Deptt.	1.75+1/30th of H.R.A. & C.A. Payable on Rs. 100/- p.m. being the mini- mum of a lowest paid Mazdoor.	N.A.
Visakhapatnam Port Trust	Ore Handling Workers Maistries	1.75+Full Allowances	12.36
	'A' Category Worker	1.75+Full Allowances	12.36
	'B' Category Worker	1.75 + I.R.	3.42
	Shore Handling Workers 'A' Category Maistry	1.75 + Full Allowances	13.20
	'A' Category Worker	1.75 +Full Allowances	12.36
Cochin Port Trust	'A' Loader	1.75+(1.00 D.A.+ +0.39 I.R.)+0.40 (Diffe- rential)+I.R.	5.21
	'A' Mazdoor	1.75+(1.00 D.A.+ 0.39 I.R.)+I.R.	4.81
	'B' Loader	1.75+Full H.R.A.+ Full C.C.A.+Ad-hoc+ I.R.+0.25 (Differential)	4.67
	'B' Mazdoor	1.75+Full H.R.A.+ Full C.C.A.+Ad hoc+ I.R.	4.42
Mormugao Port Trust*	(i) 'A' Category	1.50 plus differential of allowance	—
	(ii) 'B' Category	1.75	—

*Position as on
1-1-1974

APPENDIX XXIV—contd.

Port/Trust	Category of Worker	Rate of attendance per worker per shift as on 1-1-1976		Remarks
		Rate Rs.	Total Amount Rs.	
(1)	(2)	(3)	(4)	(5)
Kandla Port Trust	(i) 'A' Category shore workers Mukadam	1·50+Full D.A.+Full A.D.A.+I.R.	10·57	
	Sr. Workers	1·50+Full D.A.+Full A.D.A.+I.R.	10·06	
	(ii) 'B' Category shore workers Mukadam	1·75+I.R.	3·42	
	Sr. Worker	1·75+I.R.	3·42	
Paradip Port Trust	N I L			

APPENDIX XXV

(Para 8.23)

*Amount Paid By Way of Attendance Allowance During the year
1974-75*

Dock Labour Board	Scheme	Total Amount of Attendance Allowance paid during the year (Rs.)
(1)	(2)	(3)
Bombay	(i) The Bombay Dock Workers (Regulation of Employment) Scheme, 1956.	2,45,472.00
	(ii) The Bombay Foodgrain Handling Workers (Regulation of Employment) Scheme, 1975.	39,667.00
	(iii) The Bombay Chipping & Painting Workers (Regulation of Employment) Scheme, 1969.	29,864.00
	(iv) The Bombay Unregistered Clearing and Forwarding Workers (Regulation of Employment) Scheme, 1973.	5,27,538.00
Calcutta	(i) The Calcutta Dock Workers (Regulation of Employment) Scheme, 1970.	9,56,300.00
	(ii) The Calcutta Dock Clerical and Supervisory Workers* (Regulation of Employment) Scheme, 1970.	30,596.75
	(iii) The Calcutta Chipping and Painting Workers (Regulation of Employment) Scheme, 1970.	37,06,000.00*
Madras	(i) The Madras Dock Workers (Regulation of Employment) Scheme, 1956.	1,13,940.42

*This includes Payments on account of minimum guaranteed and leave wages also.

SOURCE : Annual Reports of Dock Labour Boards.

	(ii) The Madras Unregistered Dock Workers (Regulation of Employment) Scheme, 1957.	2,83,239.45
Visakhapatnam	(i) The Visakhapatnam Dock Workers (Regulation of Employment) Scheme, 1959.	2,88,979.12
	(ii) The Visakhapatnam Dock Labour Board Unregistered Dock Workers (Regulation of Employment) Scheme, 1968.	2,99,495.19
Cochin	The Cochin Dock Workers (Regulation of Employment) Scheme, 1959.	5,11,604.35
Mormugao	The Mormugao Dock Workers (Regulation of Employment) Scheme, 1965.	2,32,049.00
Kandla	The Kandla Dock Workers (Regulation of Employment) Scheme, 1969.	2,350.25

APPENDIX XXVI

(Para 8.45)

Copy of Letter No. L-39011/3/72-P&D dated the 24th May, 1973 from the Government of India, Ministry of Labour and Rehabilitation, New Delhi to the Chairman Port Trusts, Dock Labour Boards and Federations.

SUBJECT :—*Recovery of house rent from port and dock workers provided with quarters—Government's decision on recommendations of the Central Wage Board for Port & Dock Workers.*

Sir,

I am directed to refer to para 4(iii) of this Ministry's Resolution No. WB-21(7)/69, dated the 28th March, 1970 on the report of the Central Wage Board for Port and Dock Workers wherein it was stated *inter alia* that the question of recovery of house rent from workers who have been provided with accommodation by the port authorities will be examined separately and decided.

2. The matter has since been examined and formula as in the Annexure for recovery of house rent for different types of accommodation allotted by the Port Trusts and Dock Labour Boards has been evolved.

3. The formula will take effect from 1st January, 1969 except where otherwise provided in the formula:

ANNEXURE I.

RECOVERY OF HOUSE RENT FROM PORT AND DOCK WORKERS

I. *Standard houses*

- (i) In all cases where Port/Dock quarters are allotted, no house rent allowance would be payable.
- (ii) House rent would be paid all employees to whom quarters are allotted, provided that such employees who are at present in occupation of Port/Dock quarters on a rent free basis and the holders of ports to which a free house is admissible as a condition of service, would continue to enjoy the concession of rent free accommodation so long as they continue to be in occupation of these quarters, or the relevant condition of service continues to be applicable.
- (iii) House rent would be charged at the rate of 7½% of basic pay (and not City Compensatory Allowance) where the basic pay is less than Rs. 200 p.m. and at the rate of 10% if it is Rs. 200 p.m. or more. In any case, the rent would not exceed the standard rent as determined under the Fundamental Rules.
- (iv) Where concession is given to piece-rate shore workers, the principles governing such concession would continue to apply to determine the rent for quarters allotted to them. Those dock workers who have been allotted quarters and who in addition are being paid House Rent Allowance by certain Dock Labour Boards will continue to receive House Rent Allowance.
- (v) Where a person is allowed to occupy a quarter of a type than what he is entitled to and a quarter of the type to which he is entitled to is not offered to him, the rent will be on the basis of the maximum of the pay range for which such quarters are allotted.

II. *Dormitory accommodation*

Dormitory accommodation has been provided in Ports mainly to serve the interests of the Ports on free or nominal rent basis to enable the employees to work at odd hours and in emergency. Employees who are in occupation of such accommodation or who are expected to occupy such accommodation in future in exigencies of work will continue to do so on the terms applied hitherto. In particular, if they are eligible to full house rent allowance e.g. in cases where their families are occupying hired accommodation in the city they will get the benefit. It may be that some of the present occupants of the dormitories may not be satisfying the condition of being required to stay on the premises. They will, however, continue to enjoy the concessions available to them at present. If an employee is allowed to occupy Dormitory accommodation, even if not require to do so in exigencies of service, he will have to pay standard rent.

III. *Sub-standard accommodation*

Reduced or nominal rent will be recovered from employees occupying sub-standard houses, as may be fixed by the Port Trust, having regard to the extent of sub-standardness of the houses depending on the scale of accommodation, amenities provided, nature and condition of the accommodation and such factors. They will not be eligible to any house rent allowance. To be eligible to get house rent allowance, the employee shall have to pay market rent for such accommodation, to be assessed by the Port Trust.

IV. *Sharing of accommodation and joint allotment of accommodation*

- (i) Where two or more employees share accommodation, falling under I or III, the allottee would be governed by the arrangements as applicable under I or III above. The sharer or sharers (allottee excluded) will, however, be paid the house rent allowance under the rules to be framed by the Port Trusts and Dock Labour Boards. If the allottee occupies accommodation on a rent free basis, the sharer will not be entitled to house rent allowance. The sharers will pay proportionate rent to the allottee by direct arrangement.
- (ii) Where joint allotment of quarters is made by the Port authorities, both the allottees should get 50% of the house rent allowance, where otherwise admissible to them, under the rules to be framed by the Port Trusts and Dock Labour Boards. Both of them would also pay 50% of the house rent applicable to them according to the formula mentioned under I or III above.

V. *Date of effect*

The above arrangements will take effect from 1-1-1969 except in the case of para IV which will take effect from the dates from which the relevant rules are framed.

APPENDIX XXVII

(Para 9.1)

List of Incentive and Piece-rate Schemes in Ports

1. Calcutta Port

- (i) Revised Incentive Piece-Rate Scheme, 1964 (for shore workers).
- (ii) Incentive Scheme for 18 Berth, Mechanical Coal Leading Plant.
- (iii) Revised Incentive Scheme for the Calcutta Port Trust Railway Shunting Staff.
- (iv) The Incentive Scheme for Shed Clerks, Shed Checkers and Sorters.
- (v) Payment by Result Scheme (for stevedore workers).
- (vi) Incentive Tonnage Scheme for Salt Workers.
- (vii) Manning-cum-Incentive Scheme for Chipping & Painting Workers.

2. Bombay Port

- (i) Incentive-cum-Piece Rate Scheme (1956) (as modified by Sri-ramamurty Committee).
- (ii) Incentive Piece Rate Scheme for Food Corporation of India employees.
- (iii) Manning-cum-Piece Rate Scheme for Chipping & Painting Workers.

3. Madras Port

- (i) Piece-rate Scheme for Shore Gang Workers.
- (ii) Piece-rate Scheme for Stevedore Workers.
- (iii) Piece-rate Scheme for Shore Crane Drivers.
- (iv) Piece-rate Scheme for Lightermen.
- (v) Piece-rate Scheme for listed workers (Manual handling).
- (vi) Piece-rate Scheme for Madras Port Trust & Dock Labour Board employees engaged in the mechanical handling of iron ore at Jawahar Dock (East) berths and handling of barytes at S.Q. III.
- (vii) Piece-rate Scheme for transporter crane drivers/powershovel operators, pay loader drivers, electric crane drivers Gr. I, slingers, tindals and signellers for mechanical handling of iron ore at S.Q. III.
- (viii) Incentive Scheme for stockers, helping shore gang men, mobile crane drivers, forklift and platform truck drivers, sorters, tally clerks, shed masters, asstt. shed masters and labour supervisors.

- (ix) Incentive Scheme for good attendance.
- (x) Incentive Scheme for Improved Loco Output.
- (xi) Scheme for award of cash prizes for best maintained unit.
- (xii) Incentive Piece-rate Scheme for departmental FCI workers.

4. Cochin Port

- (i) Piece Rate Scheme for Stevedore Labour.
- (ii) Piece Rate Scheme for the Shore Labour.
- (iii) Incentive Scheme for Electric Crane Drivers.
- (iv) Incentive Scheme for Fork lift/Mobile Crane/Tractor Drivers.
- (v) Incentive Scheme for Tally Supervisors, Shed Writers, Shed Clerks, Labour Supervisors Gr. II & I, Markers/Sorters/Checkers.
- (vi) Incentive Scheme for Tally Clerks of Cochin Dock Labour Board.

5. Visakhapatnam Port

- (i) Payment by Results Scheme for Port Workers of Traffic and Mechanical Deptt.
- (ii) Piece-rate-Scheme for Store Handling Labour.
- (iii) Piece-rate-Scheme for Registered Workers.
- (iv) Piece-rate Scheme for Listed Workers.
 - (a) Piece-rate-Scheme for Wagon Unloading Workers.
 - (b) Piece-rate-Scheme for Iron & Steel (Mechanical) Workers..
 - (c) Piece-rate-Scheme for Boat Handling Workers.
 - (d) Piece-rate-Scheme for Godown Khalasis.
 - (e) Piece-rate-Scheme for Gunny Clerks/Supervisors.
 - (f) Piece-rate-Scheme for Sampling Workers.
 - (g) Piece-rate-Scheme for Sulphur/Rock phosphate workers..
 - (h) Piece-rate-Scheme for Drums Handling Workers.
 - (i) Piece-rate-Scheme for Iron & Steel (Manual) Workers..
- (v) Incentive Piece-rate-Scheme for FCI Workers.

6. Kandla Port

- (i) Piece-rate-Scheme for Registered Stevedore Workers..
- (ii) Piece-rate-Scheme for listed workers of FCI.

7. Mormugao Port

Incentive Scheme for Dock Workers.

APPENDIX XXVIII

(Para 10.8)

Copy of Letter No. PLO/83/74 dated the 7th May, 1975 from the Ministry of Shipping and Transport (Transport Wing) New Delhi to the Chairmen Bombay, Calcutta and Madras Port Trusts.

SUBJECT :—*Report of the Two-Man Committee to examine Anomalies in regard to the pay scale recommended by the Central Wage Board for Port and Dock Workers.*

Sir,

I am directed to refer to the Report of the Two-Man Committee constituted to examine Anomalies in regard to the pay scales recommended by the Central Wage Board for Port and Dock Workers and to say that the recommendations contained therein have been examined carefully and the Government's decisions thereon are as below :—

BOMBAY PORT

1. *Wireless Telegraphist/Signalman*

The post of Chief Wireless Telegraphist & Signalman will continue to be in the scale of Rs. 214—8—270—10—320 plus a special pay of Rs. 15/- per mensem, as there does not seem to be any justification for revision of the scale as recommended by the Committee. However, the posts of (i) Leading Wireless Telegraphist & Signalman, and (ii) Wireless Telegraphist & Signalman should have a combined scale of Rs. 190—8—270—EB—10—290 with a special pay of Rs. 15/- per mensem, with effect from 1-1-1969. This scale would be applicable only to those persons who possess the prescribed certificate of proficiency. They would be given a common designation to be decided by the Bombay Port Trust.

2. *Syrang (Flotilla)—Marine Department*

The Committee's recommendation that the scale of pay of Syrangs (flotilla) who are incharge of launches (propelled crafts) should be Rs. 214—8—270—10—280 has been accepted and this should be implemented with effect from the date of issue of this letter. As regards the Syrangs who have actually worked as incharge of launches during the period from 1-1-1969 to 6-5-1975, they should be paid an Incharge Allowance at the rate of Rs. 25/- per month in lieu of the higher scale.

3. *Master Gr. II—Marine Department*

The Committee's recommendation that the scale of pay of Master Gr. II who are incharge of launches should be Rs. 246—8—270—10—330—12—354 has been accepted and it should be implemented with effect from 1-1-1969.

4. *Engine Driver Gr. I*

The scale of pay of Engine Driver Gr. I in the Floating Crane "Sarus" should be revised to Rs. 246—8—270—10—330—12—354. This should be implemented with effect from 1-1-1969.

5. *Water Supply Lascars Gr. B*

The Committee's recommendation that the scale of pay of the category of Water Supply Lascars Gr. B should be revised to Rs. 115—3—136—4—140—EB—4—160 has been accepted and this should be

implemented with effect from 1-1-1969. All the Water Supply Lascars would then be designated as "Water Supply Lascar".

6. *Nowganee (Jib Head Pulley)*

The scale of pay recommended by the Committee for this category viz. Rs. 115—3—136—4—140—EB—4—160 has been accepted and this should be implemented with effect from 1-1-1969.

7. *Clerk Gr. II (Docks Department)*

The Committee recommended that 250 posts of Clerk Gr. II should be upgraded as Clerk Gr. I. This recommendation does not involve revision of any existing scale of pay or anomaly but only involves change in the proportion of posts in different grades. The Bombay Port Trust should, therefore, take action on this recommendation under their own powers. As this involves promotion to a higher grade, this should be implemented prospectively.

8. *Shed Superintendent Gr. II*

The Committee's recommendation that the posts of Shed Superintendent Gr. II should be placed in the grade of Rs. 310—15—370—20—490—20—510 has been accepted and this should be implemented with effect from 1-1-1969. The posts of Shed Superintendent Gr. I and Gr. II should then be designated as "Shed Superintendent".

CALCUTTA PORT TRUST

9. *Lascars working as Poriwallas*

As the Committee's recommendation does not involve revision of any existing scale of pay, there is no anomaly as such. The question of converting certain posts of lascars to those of Poriwallas should be decided by the Calcutta Port Trust themselves under their own powers taking into account the actual number of lascars working as Poriwallas.

10. *Radio Officers (1st Class and 2nd Class)*

The Committee's recommendation that the Radio Officers of both Class I and Class II should be placed in the scale of pay of Rs. 475—25—650 cannot be accepted as this would involve wage revision which can be done only by the Wage Revision Committee. For the purpose of rectification of the anomaly involved in Radio Officers 2nd Class having a lower scale, it has been decided that the Radio Officers 2nd Class should also be placed in the scale of Rs. 370—20—550 and this should be implemented with effect from 1-1-1969. All the posts of Radio Officers 1st Class and 2nd Class would then be re-designated as "Radio Officer".

11. *Lascar (Dumb Water Barge)*

The Committee's recommendation that 10 Lascars of Dumb Water Barge who are in the scale of Rs. 100—130 should be placed in the scale of pay of Rs. 110—2.50—120—3—135—EB—3—147 has been accepted by the Government and should be implemented with effect from 1-1-1969.

MADRAS PORT

12. *Sukhani Gr. I and Gr. II—(Marine Department)*

The recommendation does not involve any anomaly or revision of any existing scale of pay. The matter should, therefore, be decided by the Madras Port Trust themselves in the light of their usual practice. However, this should be implemented prospectively.

APPENDIX XXIX

(Para 11.3)

Categories of employees covered by the Wage Board

(Para 6.9 of Wage Board Report)

6.9 The Board has unanimously decided that the undermentioned categories of employees (except class I and class II officers) and who are doing manual, clerical, technical, supervisory, etc. work should be brought within the scope of the proposed wage fixation.

(i) *Persons employed by major port authorities*

- (a) All categories of class III and class IV employees, irrespective of their nature of work and place of posting, employed by the port authorities of Bombay, Calcutta, Madras, Visakhapatnam, Cochin, Mormugao, Kandla and Paradeep.

Note : Labour members wanted the words "including Haldia" to be added after 'Calcutta', i.e., they wanted that all workers at Haldia should have the same wage structure (including C.A. and H.R.A.) as the workers at Calcutta. Employer members agreed to workers recruited at Haldia getting same basic pay and dearness allowance but not necessarily to the C.A. and H.R.A.

- (b) Cargo handling shore workers of all categories employed by the port authorities including 'A', 'B' and 'C' categories and all other employees directly employed by them on daily or other basis.
- (ii) Employees engaged by the dock labour boards and their administrative bodies irrespective of their nature of work and place of posting.
- (iii) Dock workers, as defined under the Dock Workers (Regulation of Employment) Act, 1948.
- (iv) Employees covered under the Scheduled of the Dock Workers (Regulation of Employment) Schemes, relating to the major ports of Bombay, Calcutta, Madras, Visakhapatnam, Cochin, Mormugao and Kandla.
- (v) Employees covered by the Unregistered Dock Workers (Regulation of Employment) Schemes at the ports of Bombay, Calcutta, Madras and Kandla.
- (vi) Similar categories of employees as covered under clause (iv) above at Paradeep Port.

- (vii) Similar categories of employees as covered under clause (v) above at the ports of Cochin, Visakhapatnam, Mormugao and Paradeep.
- (viii) Employees engaged by the registered and listed employers and who are dock workers as defined in the Dock Workers (Regulation of Employment) Act, 1948.
- (ix) Employees of employers other than port authorities, dock labour boards and their administrative bodies, registered employers and listed employers, namely:
 - (a) Ore employees at jetties, drums, or depots;
 - (b) Employees engaged for handling cargoes in warehouses and transit sheds;
 - (c) Crews of boats, lighters and barges wholly engaged in the docks and stream whose work is connected with loading and unloading of vessels and other processes of port and dock work;
 - (d) Employees engaged in loading and unloading of all cargoes (including tea-chest) in the dock areas from river crafts, vessels, boats trucks, etc.;
 - (e) Crew working on boats and launches for transporting port and dock labour/staff in port waters and on tugs for towage of barges, lighters, etc. in port waters in connection with the loading, unloading movement or storage of cargoes of work in connection with the preparation of ships or other vessels for the receipt of discharge of cargoes or leaving port;
 - (f) Licensed measures' workers; and
 - (g) Ore sampling workers, wholly employed in the port area.

APPENDIX XXX

(Para 11.6)

Categories of Employees not Covered by the Wage Board

(Para 6.24 of Wage Board Report)

6.24 The labour members have urged that the undermentioned categories of workers should also be covered by the Board's recommendations. The other members did not agree with their suggestion because they did not consider them dock workers as defined in the Dock Workers (Regulation of Employment) Act, 1948 :

- (1) Ship repairing workers wholly engaged in docks not covered by the Engineering Wage Board.
- (2) Transport workers wholly engaged in carrying and handling cargoes to and from docks.
- (3) Watchmen, sealmen, ship chandlers, caulkers, dubashing staff, and water boatmen in all major ports.
- (4) Clerical, supervisory and other categories of employees, including those doing manual and heavy work in the employment of stevedores, chipping and painting employers, barge and launch owners and all other dock employers, employed outside docks and covered by the definition of dock workers as given in the Dock Workers. (Regulation of Employment) Act.
- (5) Construction workers wholly employed in ports and docks.