

PORT

AND

DOCK WORKERS

REPORT OF
AN ENQUIRY INTO DEMANDS
OF LABOUR

by

P. C. CHAUDHURI, I. C. S.

Ministry of Transport & Communications
Government of India
1957.

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PART I



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INTRODUCTION

The Terms of Reference as finalised on 27th November, 1956, following discussions held by the Minister of Transport with the Indian National Dock Workers' Federation and the All India Port and Dock Workers' Federation, required me to enquire into the disparities and anomalies in the pay scales and allowances of Class III and Class IV employees of the Major Ports and to submit proposals for their rationalisation. I was further asked to consider the question of reducing to a minimum the number of casual shore workers, and the drawing up of departmental schemes for decasualisation, and to examine the disparities between the wages of permanent, temporary and casual workers and between those of shore labour and stevedore labour on time rate. The enquiry was also intended to cover posts, corresponding to Class III and Class IV posts in the Major Ports, under the Dock Labour Boards, subject to the proviso that the final decision would rest with the respective Boards.

The Terms of Reference further included a number of items relating to the conditions of service of Port and Dock workers such as working hours, night work, weekly off, provident fund, retiring gratuity, overtime payment, holidays and leave. An Interim Report was desired on the last four items.

Immediately on receipt of the Terms of Reference, the Labour Federations and the Stevedores Associations were invited to express their views, generally and specifically; the Federations were requested to specify their demands against each item. Detailed *proformae* were also prepared to facilitate the collection of data and these were forwarded to the Port authorities to furnish the required information. The Indian National Dock Workers' Federation submitted their Memoranda, in two instalments, on 14th and 28th February, 1957, and the All India Port and Dock Workers' Federation presented their Memoranda, in four instalments, from 14th March to 9th April, 1957. A number of Memoranda were also received from individual Unions, some of whom were not affiliated to either of the Federations, and from groups of employees in the Ports. The Stevedores Associations of Bombay, Calcutta and Madras, who had earlier expressed their views on some of the matters, asked for time to submit their comments on receipt of the precise demands of the Labour Federations; their further Memoranda were received from 19th to 29th May, 1957. The Indian National Steamship Owners' Association also desired an opportunity to express their views on the demands. Meetings were held with the representatives of all the organisations from 23rd March to the end of May,

1957, the last discussions being with the delegation of the Indian National Steamship Owners' Association on 27th May. Visits were also paid to the Ports of Calcutta, Bombay, Madras, Cochin and Visakhapatnam.

It became evident from the submissions made on behalf of the various organisations as well as from a general consideration of the problems involved that it would be difficult to reach conclusions on the items of the Interim Report without formulating views on some of the related matters. For instance, in order to consider the incidence of overtime, it was necessary to determine the working hours, and the extent of night work. Similarly, the number of paid holidays involved consideration of existing disparities and of the weekly off day and weekly half-day of rest. The question of leave terms had a bearing on such privileges as railway and steamer passes. All the above conditions of service were, therefore, covered by the Interim Report.*

Following the assurance given that other connected matters could be included in the enquiry, if during the investigation it was felt that such a step would be of advantage, a number of related points were raised during the discussions. The enquiry has now been completed and the Final Report contains my recommendations on all the remaining items of the further adjustments as necessary.

Chapter I gives some background information relating to the Ports. In Chapter II the general principles and certain factors which have a bearing on the problem of rationalisation have been discussed in detail. Rationalisation concerns the bulk of employees of the Major Ports, representing 98 per cent of the total strength. An attempt has been made in Chapter III to cover the whole field of rationalisation by making specific proposals in respect of representative scales and indicating the relativities and differentials so that the Port Administrations may be able to make further adjustments as necessary.

The important subject of decasualisation has been dealt with in Chapter IV and recommendations have been made with due regard to the larger interests of the successful working of such vital organisations as the Ports. The last Chapter deals with the connected matters mainly related to the question of quicker turn round of shipping.

I have endeavoured to make an exhaustive survey in the shortest possible time. This is the first time a comprehensive enquiry has been undertaken in respect of all the Major Ports and covering a variety of important subjects concerning them. My work has been greatly facilitated by the full co-operation I have received from the Federations of Labour, the Associations of Stevedores and Ship-owners and the Port Administrations, without whose assistance the Reports could not have been completed within the last three months.

*Since incorporated as part III of this Report.

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My proposals for rationalisation have been framed in the light of the pay scales recommended by the Central Pay Commission. The Government of India have now constituted a new Commission of Enquiry. It is possible that some of the principles which have governed my proposals in regard to pay scales and conditions of service, particularly of the three Ports under Central administration, may come up for review by the Commission of Enquiry and my recommendations may require modifications to that extent.

NEW DELHI,
31st August, 1957.

P. C. CHAUDHURI.

CHAPTER I

MAJOR PORTS

Ports in general

With a coastline of nearly 4,400 miles, and its situation at the head of the Indian Ocean, India occupies an important place in the maritime world. In tropical waters, with the exception of the western parts of Australia, India has the longest coastline. Lying between the Atlantic and the Pacific, the international sea routes connecting the countries of the Western and Eastern Hemispheres pass through the region of the Indian waters. With the Red Sea and the Persian Gulf to the west and the South China Sea and the Java Sea to the east, India is well placed in the traffic lanes of international commerce.

2. It is not, therefore, surprising that India's coast has been studded with Ports and anchorages from time immemorial. Six of these have been declared Major Ports. As regards Minor Ports, the official counts have varied from time to time, in the absence of any definite standard as to what constitutes such a unit. Since Independence, however, various enquiries have been instituted, principally in regard to the development of the West Coast and the Minor Ports in general; the total number of Minor Ports have now been assessed as 226 of which about 150 have been found to be working Ports. Eighteen of these Ports, handling cargo exceeding 100,000 tons annually, have been classified as Intermediate Ports and the rest as Minor Ports and Sub-Ports. Under the Constitution the Major Ports are a Central subject, while the Minor Ports appear in the Concurrent Legislative List and are at present under the administrative control of the State Governments concerned.

Location of Major Ports

3. Of the six Major Ports, two are practically on the borders, at the two extreme ends of India's coastline. Kandla is only 185 miles from the nearest point on the West Pakistan land frontier; by sea, it is 258 miles from Karachi. Calcutta, to the east, is 135 miles from the East Pakistan border round the Sundarbans, and 35 miles direct; its distance, from Pakistan's other important Port of Chittagong, is about 385 nautical miles. Bombay lies about half way on the West Coast; its distance from Kandla is over 405 miles. On the East Coast, the Port of Madras is 775 miles away from Calcutta. The absence of any other Major Port over

such long stretches of the East Coast was remedied to some extent by the opening of Visakhapatnam Port, 330 miles north-east of Madras. The possibilities of a sheltered deep-sea Port between Calcutta and Visakhapatnam and another between Madras and Visakhapatnam were examined by the Ports (Technical) Committee in 1946; the Committee were unable to make any specific recommendation on this point beyond endorsing the Madras Government's request for an engineering survey of the existing Minor Port of Kakinada (Cocanada).

4. On the West Coast, over a distance of 990 miles between Kandla and Cochin, the only Major Port is Bombay, which has been called upon to meet the needs of a vast hinterland reaching practically a Continental scale. In April, 1948, the West Coast Major Port Development Committee emphasised the immediate and imperative necessity of having a Major Port on the coastline of Kathiawar and Cutch; an important ground for the recommendation was as follows :

“Congestion in the Port of Bombay has been acute, although there has been only a partial diversion of traffic from the Port of Karachi. Diversion could not have been but partial because of the essential fact that trade takes time to shift and that the trade of Punjab and Delhi has been almost at a standstill. . . . In the Port of Bombay there have been times when six food ships were working in Port and as many as fourteen food ships had to wait outside. Some of these ships had to wait for days, in extreme cases up to even a month, before getting berths to discharge.”

The Gulf of Kutch possesses several sheltered anchorages and harbours. Port Okha, which has regular steamer communications with other coastal Ports of the Peninsula, lies at the northern end and has an annual trade of about half a million tons; other Minor Ports of importance in this region are Bhavanagar and Bedi. At the head of the Gulf is the Rann which during the South-West monsoon becomes a great inland sea. This vast sheet of water is drained by three large creeks which are subject to regular tides; about four miles from the entrance to the Kandla Creek is the newly constructed Major Port of Kandla.

5. Bombay is the principal seaport on the West Coast. It stands on Bombay Island which consists of a low-lying plain flanked by two parallel ridges of low hills, and connected by Railway embankments with the larger island of Salsette northwards and so continuously with the mainland. The harbour itself contains several islets, rocks and shoals, and its shores are indented by bays and inlets; it is some 70 square miles in extent and provides ample shelter for shipping at all seasons of the year. Colaba, the

low peninsula at the end of the eastern ridge, protects the southern part of the harbour, while the western ridge terminates in Malabar Hill. The Port of Bombay has extensive land estates said to be approximately one-eighth of the total area of the City and Island of Bombay; much of the land for the Port was made available by reclamations, carried on over many decades. Round the Peninsular coast, the distance between Bombay and Madras is 1,453 miles. Distances of other Ports of the Indian Ocean from Bombay are, Aden 1,657 miles, Mombasa 2,400, Durban 3,809, Colombo 890, Rangoon 2,140, and Fremantle in Western Australia 3,982 miles.

6. The West Coast from Bombay southwards has a number of Ports, from Mangalore on the north, with an annual tonnage of over a quarter of a million, to Tuticorin in the Gulf of Mannar with a trade of half a million tons. The West Coast Major Port Development Committee, in their second Report in May—July, 1949, recommended the construction of a new deep-sea Port at Malpe, 164 miles south of Marmugao, to deal with the import and export traffic of the region now in the State of Mysore; the project has not so far been taken up. The Major Port of Cochin is 585 miles to the south of Bombay and 839 from Madras on the East Coast. The sheltered backwaters run parallel with the coast and connect the sea with lagoons which, in their turn, lead through innumerable canals into one of the richest hinterlands, yielding such valuable products as copra, pepper, cardamom, cashewnut, tea, coffee and rubber. The back-waters afford cheap transport and excellent waterway connection with the interior of Kerala. For centuries small cargo boats or lighters had taken cargo from Cochin to ocean-going steamers outside and brought in rice, the principal import. Cochin is only 307 miles to the north of Colombo. It is about 300 miles nearer Aden than Bombay and over 300 miles nearer Durban. A vessel sailing from Aden to Fremantle will add only 39 miles to her voyage by calling at Cochin instead of Colombo.

7. Madras, the principal harbour on the Coromandal Coast, is situated on a low and sandy stretch exposed to heavy surf. The harbour itself is entirely artificial. The coast south of the harbour is advancing seaward, whilst north of the harbour, except where protected, it is receding. The main problem of Madras, that of the littoral drift of sand typical of the East Coast, has not been satisfactorily solved. The surf breaks at 300 ft. from the beach in fine weather and 450 ft. in squally weather; during gales it breaks at a distance of 1,000 ft. upward from the beach. There are two lines of surf of which the outer is the more formidable; with the wind of shore, the surf is often very high; in ordinary weather the surf wave is 2 to 4 ft., but in rough weather it is 6 ft. and during a gale rises to 12 to 14 ft. Madras is frequently subject to cyclones and the period from the middle of April to the middle of December is liable to tropical storms.

The harbour itself is formed by two breakwaters. An old proposal to connect the Bay of Bengal with the Arabian Sea by means of a canal, joining the Gulf of Mannar with Palk Strait has so far failed to mature, and the route from Madras to Colombo is, therefore, round the East Coast of Ceylon over a total distance of 590 miles.

8. Northeastwards, on the Coromandal Coast, are some historic roadsteads, particularly between Kakinada and Ganjam, which had provided anchorage for vessels engaged in direct trade with Burma and further east for centuries; on these open roads are Bheemunipatnam and Kalingapatam which are still used by coastal ships. About the middle of this coast, known as the Circars, lies Visakhapatnam. It is now a Major Port, with many natural advantages, at the mouth of the Maundari river which flows into a small bight northward of a remarkable headland, the Dolphin's Nose. A major engineering problem here was the coastal sand drift amounting to a million tons a year; this was solved by constructing a unique breakwater which directs the sand drift into a trap where it is dredged running close to the range of hills. The Port was opened to ocean for disposal. The land-locked harbour has an entrance channel running close to the range of hills. The port was opened to ocean-going steamers in October, 1933.

9. The Coromandal Coast extends up to the borders of West Bengal, beyond the Balasore roadstead, in the track of cyclonic storms. Across the mouths of several rivers, almost choked with sandbanks, are the approaches to the Hooghly river. The main entrance to the river is through a channel south of Sagar Island. Nearby is the cruising station; known as the Sandheads, where a pilot vessel, equipped with radio and direction finders, is stationed throughout the year. The Hooghly is the westernmost of the tidal channels by which the Ganga enters the Bay of Bengal. Some of these form waterways for steamer traffic from Calcutta, through the Sundarbans, to East Pakistan and Assam. Calcutta is one of the world's most difficult tidal Ports. From the mouth of the river, the Port is about 80 miles upward, while from the deltaic region, with its centre at the Sandheads, it is 126 miles away. The authority of the Port Commissioners extends over this long stretch from Budge Budge to Konnagar and from the Sandheads to half a mile up the rivers Bhagirathi and Jalangi. The Port is thus placed within a complicated deltaic system, subject to the vagaries of river silt, tidal bores, high knot currents and the cyclonic effects of the North-East and the South-West monsoons. The Port has a permanent River Survey system, with tidal seamaphores and track boards to indicate the latest depths; the bars are sounded to the nearest three inches. Even small craft may be exposed to grave danger in the absence of sufficient information, though ordinarily it is not difficult

for such vessels to navigate in an otherwise well-marked channel. The work of dredging has to continue without interruption throughout the year.

10. Calcutta is the nearest Port for traffic with South-East Asia, the Far East and the Pacific Coast of the American Continent, whereas Bombay is the principal Port for ships for the African Coast and the Persian Gulf, and those proceeding through the Suez Canal to countries of Europe and the Eastern seaboard of America. Calcutta is 779 miles from Rangoon and 1,301 miles from Penang; it is 1,650 miles from Singapore and 3,684 miles from Fremantle over a fairly straight run. The distance between Calcutta and Colombo is 1,244 miles.

History and Constitution

11. Of the six Major Ports, three are some of the oldest in this part of the world. They are managed by statutory Port Trusts and have played an important part in the development of the foreign trade of India. The Ports originally came into being in the days of the East India Company; for sixty years after the assumption of power by the British Government, the administrative responsibility for all the Ports, large and small, was vested in the Local Governments, though the Governor-General and the Secretary of State retained powers of superintendence and control. Following the Montagu-Chelmsford Report of 1918, the Central Government assumed responsibility and the Ports of Bombay, Calcutta and Madras were declared Major Ports in 1921. However, for the sake of administrative convenience, the Local Governments continued to administer them as agents of the Central Government. The administration of the three Ports was subsequently taken over by the Central Government under the Government of India Act, 1935. Visakhapatnam and Cochin Ports were also declared Major Ports in 1933 and 1936 respectively.

Calcutta

12. The Port of Calcutta is one of the premier Ports of the East. The East India Company established a factory here in 1690; around this site grew the modern city of Calcutta. Prior to the creation of the Calcutta Port Trust in 1869, the Port had only four screw pile jetties fitted with steam cranes and sheds. Conditions improved gradually thereafter; and the trade developed, more and more berths and jetties were added. The Calcutta Port Act, which is now in force, was passed in 1890. The Port is administered by a Port Commission presided over by a Chairman appointed by the Government. Under the Calcutta Port Act, the Commission have jurisdiction over the Port from Budge Budge to Konnagar and under the Indian Ports Act from the Sandheads to half a mile up the rivers Bhagirathi and Jalangi above their confluence. The Calcutta Port Act also provides for a Deputy Chairman, but the post has been vacant

for some years. Out of the remaining 22 Commissioners (excluding the Chairman and the Deputy Chairman who are also Commissioners), 10 are elected by the various Chambers of Commerce and 2 by the Calcutta Corporation and Howrah Municipality. There is one representative of the Indian National Steamship Owners' Association; 7 officials of Government and 2 representatives of Labour are nominated by the Central Government.

Bombay

13. The history of the modern Port of Bombay goes back to a hundred years. With the opening of Railway communications and the establishment of textile mills and, later, the opening of the Suez Canal in 1869, the maritime trade of the region became concentrated in Bombay. The harbour frontage and the landing and shipping facilities of the Port had been practically a monopoly of a Private Company until it was taken over for Departmental administration in 1870. The Bombay Port Trust Act itself was passed in 1879 and except for certain consequential amendments the statute has been in force for nearly eighty years. Of the 24 Trustees, 10 are nominated by the Government, 9 elected by the Chambers of Commerce, 1 each by the Mill-owners, the East India Cotton and the Indian National Steamship Owners' Associations, and 2 by the Municipal Corporation. There are two representatives of Labour, who are nominated by the Government.

Madras

14. At the time the Bombay Port was brought under a Port Trust, Madras, though an important trading centre, was still a roadstead, cargo being carried between ships and the shore by small Masula boats. The construction of the harbour proper began in 1876 and in fact continued over the years up to 1916 until the completion of quay berths and a new entrance. The administration of the Port of Madras was brought under the Madras Port Trust Act in 1905. The Board has 7 official Trustees including the Chairman, 9 elected by the Chambers of Commerce, 1 by the Indian National Steamship Owners' Association, Bombay, and one only by the Municipal Corporation. 2 Trustees are appointed by the Central Government to represent Labour interests.

Visakhapatnam

15. A scheme to construct a harbour as an outlet for an important fertile hinterland, with considerable mineral resources and hardly any alternative means of access to the outside world, had been formulated many years ago; the work, however, was started in 1925 and after considerable dredging and reclamation work, a comparatively unimportant

calling place for ships was eventually converted into a Major harbour, with quay berths and sheds and other Port facilities. The Port was administered by the Ministry of Railways, through the General Manager, South Eastern Railway, as Conservator, and a Port Administrative Officer at Visakhapatnam, until 1st October, 1956, when it was transferred to the control of the Ministry of Transport. It is important to bear in mind that the former administration by the Railways has left an impress on the pay scales and allowances in force at this Port. A Committee consisting of representatives of shipping, importing, exporting, ship-building and oil interests and of the Navy, the Andhra State Government and the Visakhapatnam Municipality advises the Administrative Officer on matters relating to trade and development of the Port.

Cochin

16. The idea of developing Cochin into a regular harbour originated more than a century ago. The proposal was formulated in 1833 and became a source of considerable controversy over the physical as well as the financial feasibility of the project. The main problem was to ensure freedom from erosion by protecting the harbour from the open sea and by cutting a channel through the sand bars to provide entry for deep-sea shipping. The initial work began in 1920 and in the course of the next ten years the channels were dredged for the harbour and sufficient land reclaimed for building wharves and docks. By 1931 ocean-going ships began regular visits to Cochin harbour. Further work was then undertaken to provide necessary accessories and connecting links to the mainland. The Port is under the direct administration of the Central Government through an Administrative Officer. There is an Advisory Committee consisting of representatives of the Union and State Governments, local Chambers of Commerce and Municipalities.

Kandla

17. The Kandla Port Project has not yet been fully completed. The total cost of the Project is estimated at Rs. 14.20 crores; works to the value of Rs. 10.88 crores had been executed up to the end of January, 1957. As it is still a Project, it is being administered by a Development Commissioner appointed by the Central Government.

Services and Facilities

18. The central feature of the working of any Port is a ship discharging or loading. Everything else connected with Port organisation must either lead up to those operations or follow them in natural sequence. Before, however, such operations can start, a ship must be berthed except

where arrangements are made to clear her cargo in stream. The provision of an adequate number of quays or berths for the incoming and outgoing traffic is, therefore, of the utmost importance. In addition, there may be moorings wharves, jetties or piers. For the ships to come up for unloading or loading their cargo, it is necessary for the stretch of water alongside these places to have sufficient depth.

19. Generally speaking, our Major Ports can take vessels up to about 30 ft. draught. At Madras, vessels of 31 ft. draught can be accommodated at moorings, but at jetties in the harbour the maximum varies from 25 to 30 ft. Vessels of 28 ft. draught can ascend the Hooghly as far as Calcutta at springs and of 26 ft. draught at neaps. Both Bombay and Cochin can ordinarily accommodate vessels up to 30 ft. draught; anchorages in the harbours with depths up to 34 ft. below chart datum level can be obtained. The harbour at Visakhapatnam can be entered by vessels of draught up to 28½ ft. along its dredged channel at all times of the year. It may be of interest to note that some Indian Ocean Ports of neighbouring countries have provisions for vessels of deeper draught; while at Rangoon there are depths up to 35 ft. alongside the wharves, at Colombo 34 ft. draught is the maximum admitted at moorings, though in the channel of approach itself the depth below chart datum level is as much as 38 ft. It is understood that Karachi can also take in ships up to 32 ft. draught at moorings and wharves.

Bombay

20. The harbour of Bombay is said to be one of the finest natural harbours. There is, however, silting of the main channel which is at present under survey. The Port has three enclosed wet docks, with a quayage of nearly 4½ lineal miles and a total water area of over a hundred acres. The docks are Prince's Dock (opened in 1880) with 12 berths, Victoria Dock (1888) with 13, and Alexandra Dock (1914) with 17 berths. The docks are provided with over 219 hydraulic and electric quayside cranes in addition to mobile cranes, heavy lift cranes and floating cranes. There are also two Dry docks, the Merewether Dock (opened in 1891) and the Hughes Dry Dock (opened in 1914), capable of executing large repairs. During 1955-56, 148 ships with a gross tonnage of about 600,000 used the Dry docks.

21. The transit sheds and warehouses aggregated to over 3 million sq. ft., but many of the sheds were destroyed in the Bombay Dock Explosions of April, 1944. Temporary structures were built in place of the damaged sheds and the programme for the reconstruction of the sheds and warehouses on a permanent basis has so far been completed only partially. The total floor area is still less than that before April, 1944.

22. The Port has several deep water open berths; one of these, the Ballard Pier, is mainly used for Passenger Liners. Besides the Wet docks, there are a number of Bunders or open wharves and basins providing an

aggregate quayage of 41,000 lineal feet and equipped, on a modest scale, with cranes and other facilities for loading, unloading and storing cargo. There are extensive timber ponds at Sewree which also form an important part of the Bunders. The Port has a number of grain, cotton and manganese ore depots, besides dumps for special imports like iron and steel. The newly constructed Marine Oil Terminal at Butcher Island has 3 berths, two of which have already been commissioned; tankers of 34½ ft. draught can be accommodated there. The Terminal is connected to the Refineries at Trombay through a pipe band consisting of 6 oil pipes and one fresh water pipe; all essential facilities necessary for its operation are being provided.

23. The Bombay Port Trust Railway has a track of 134 miles including sidings and has been handling a traffic of more than 3½ million tons every year; freight earnings collected for the Main Line Railway aggregated to over Rs. 80 lakhs per annum. The Port Railway has a number of tank engines for general haulage and shunting operations. The rolling-stock comprises wagons of different types and capacities ranging from 20 tons to 40 tons.

Calcutta

24. The Port of Calcutta has two main sets of docks, the Kidderpore Docks (opened in 1893) and the King George's Dock (opened in 1928). The former consists of two docks, Nos. 1 and 2, and a turning basin. The lock entrance giving access to the dock system from the river is 580 feet long and 80 feet wide. Dock No. 1, 2,700 feet in length and 600 feet in width, with a 30 feet depth of water, has 12 berths; two of these are used as one berth as a 100-ton sheerlegs is situated in the centre of the two berths. The length of Dock No. 2 is 4,500 feet and width 400 feet, with a 30 feet depth of water. There are 8 general berths and 6 coal berths. There are also two laying-up berths and four tying-up berths at the buoys. A mechanical coal-loading plant has been installed and its loading capacity is 2,000 tons per day. King George's Dock comprises a lock entrance 700 feet long and 90 feet wide with water depth of 28 ft.; it has 4 import berths, 2 export berths and a berth used as an oil-cum-laying up berth. Four or more ships can be tied up at the buoys. In addition, there is one laying up berth, 3 lighter berths and one heavy lift berth for lighters. Ore loading appliances with a capacity of 1,600 tons per day are also available at one of the berths.

25. Garden Reach jetties consist of 5 jetties, one of which is a Coaling jetty. Calcutta jetties are 9 in number, situated below the Howrah Bridge, but only 5 of them are available for ocean-going vessels. At Budge Budge, there are 8 floating jetties for oil tankers. The Port has also 56 mooring berths in the river and 45 mooring berths in the docks. In

addition to these facilities, the Port has a larger number of jetties for lighters and inland water transport. There are 5 Dry docks in the Port for the use of shipping. The Port is also equipped with hydraulic and electric cranes of various capacities, besides the 100-ton sheer legs operated by steam in Kidderpore Docks. There are 4 floating cranes, the largest having a capacity of 60 tons, and 14 mobile cranes, one Loco breakdown crane and 4 steam cranes.

26. There are 32 transit sheds with a covered floor area of 2,732,482 sq. ft. and 75 warehouses with a floor area of 4,525,700 sq. ft. There are also open stacking areas. The Port has further provided five plots for iron and steel.

27. The Port has a Railway network of about 205 miles of broad gauge. There are 72 locomotives and 2,631 wagons of various types. All the dock sheds and wharves are connected with the Railways.

28. At Calcutta, strictly speaking, there are no such places as Bunders as they exist in Bombay. According to the Port Commissioners, the Inland vessel wharves at Calcutta correspond to some extent to the 'Bunders' of Bombay Port. At no point in the Inland vessel wharves any sea-going vessel of 350 tons or over either loads or unloads cargo. These wharves merely provide facilities for loading and unloading country craft and river transport vessels.

Madras

29. The harbour of Madras is formed by two breakwaters. There is a deep water quay on the southern side of the northern breakwater. Only a limited number of berths are, however, available alongside the quays; 7 of these are for general cargo and 2 are for coal and liquid fuel. All quays are connected to the general Railway system. There are five sets of moorings for vessels drawing from 28 to 31 ft.

30. There are 5 berths on the West quay which is 3,000 ft. long, one berth on the North quay about 650 ft. in length, and one berth on the East quay about 500 ft. long. For non-dangerous oil, there are 3 floating pipeline tanker berths inside the harbour and for dangerous oil 1 floating pipeline berth outside the harbour. There are also 2 jetty berths of a total length of about 1,050 ft. and 3 additional mooring berths for general cargo. The Port has in use about 55 service cranes of various types. There are no separate wharves or jetties for lighter traffic, but lighters load and unload at the vacant portions of the South and West quays. The timber trade in the harbour passes through a timber pond.

31. All the general cargo berths except one have transit sheds which are provided with lock fasts for safe custody; the total covered area is 326,247 sq. ft. There are also overflow sheds and areas for import cargoes. There are 13 warehouses with a total area of 585,446 sq. ft., besides 2

bonded warehouses. There are no Dry dock facilities at Madras, but a slipway in the Boat basin, capable of taking tonnage up to 965 handles the Trust's own craft.

Cochin

32. The Port of Cochin has four quay berths, one coal discharge berth, one oil bunkering berth, one coal berth and 16 stream berths, one of them being a swinging berth capable of accommodating vessels up to 650 ft. in length. The four quay berths are 2,200 ft. long and are equipped with 12 electric level luffing cranes, 3 mobile diesel cranes and a weigh-bridge of 20 ton capacity. There is also a floating crane of 30 ton capacity. Besides the above, there is about 1,000 feet of low wharves for lighterage traffic with hand crane facilities up to a maximum capacity of 10 tons; there are 13 loading and unloading jetties for purposes of lighterage. There are two oil tanker berths in Ernakulam channel with connecting jetty to Ernakulam shore, an oil berth for black oil installation and a coal berth south of the existing main wharf. Four new berths are under construction on the eastern side of Willingdon Island with necessary facilities, cranes, transit sheds, rail tracks etc., and also a new coal berth. At Cochin there are no separate Bunders.

Visakhapatnam

33. Visakhapatnam Port has a 2,250 ft. long quay wall with four berths. Two of the berths are reserved for the export of mineral ores and the other two are meant for general cargo. There are also 3 jetty berths for bunkering of coal and oil and 4 mooring berths. Two oil terminal berths have been constructed under the First Five Year Plan and work is in progress in respect of 5 new berths for general cargo together with requisite shore facilities.

34. The quay berths are equipped with nine 3-ton electric cranes; two mobile cranes and 17-ton travelling steam cranes are available for use in the Port area, besides a 14-ton steam crane on the shore, near the Dry Dock, for handling heavy lifts from lighters. There is also a 60-ton floating crane to handle heavy machinery for the Hindustan Shipyard and the Machkund Hydro-electric Project. In close proximity to the quay berths are the transit sheds with a total floor area of 166,488 sq. ft. All these sheds are served by rail both in the rear and in front and are flanked by roads. There are also three storage sheds with an aggregate floor area of 127,189 sq. ft., besides dumping plots for iron and manganese ore. Simultaneously with a harbour project, a new railway line was constructed to link the area with the Calcutta-Nagpur rail route, 291 miles away to the north, and now connecting the Machkund and the Hirakud Dam Projects with the hinterland.

Kandla

35. The services and facilities offered are still at a project stage. Two deep water cargo berths were opened in March, 1957. Each berth is provided with 5 electrically operated quay cranes. There is a heavy lift crane with a capacity of 60 tons. When the project is completed, the transit sheds and warehouses are together expected to provide sufficient floor area. The principal handicap at present is a lack of sufficient Railway facilities. The question of providing a Metre Gauge link between Sama Khiali, situated on the existing Kandla-Palanpur-Delhi line about 20 miles away from Kandla Port, and Malia which is on the other side of the Rann of Kutch, has been receiving attention. The object is to connect the industrial area of Ahmedabad and the former Saurashtra State with the Port. There is an other proposal for linking Kandla and Jhund, 137 miles apart, with a Broad Gauge line. This will also serve the Ahmedabad area if the proposal is finally accepted.

Port Charges

36. The question of Port charges assumes importance when the provision of necessary facilities for the turn round of shipping or of an adequate level of wages for labour has to be considered. The main function of a Port is to facilitate the relations between ships, as agencies of sea transport, and the land. While some Ports also undertake the maintenance and repairs of ships, their basic function is to make possible, by means of properly equipped docks, quays, berths jetties etc., the passage of cargo and passengers between ship and shore. For shelter against winds, waves and swells, the more important Ports have a natural or artificial harbour. An important part of their responsibility is to keep the Port approaches navigable, with sufficient depths, by regular dredging and other operations and to take necessary safety measures for the shipping. For the transfer of goods to and from the dock area, they are expected to provide access to rail, road and waterways. Besides transit sheds and warehouses, the Ports offer other storage accommodation and render such services as water supply, bunkering etc. Some Ports also have their own Railways, tugs, lighters and barges, fire fighting units and, in some cases, lighthouses and light beacons, telecommunications and other facilities. For the staff and dock workers, there are housing schemes, hospitals, clinics and canteens, and a variety of labour welfare and educational activities. If a Port is to be self-supporting, it must obviously levy charges to meet the cost of services and facilities.

Port Dues

37. The Indian Ports Act, 1908, assigns certain specific duties in regard to Port conservancy and safety of shipping to the officer or body of persons appointed under Section 7(1) of the Act as Port Conservator. The Statute authorises the levy of Port dues and fees for pilotage and certain other

services such as hauling, mooring, remooing, hooking and measuring. Section 34 confers power on the Government to vary the rates at which Port dues are to be levied in the Port in such manner as it thinks expedient, by reducing or raising the dues, provided that the rates shall not, in any case, exceed the amount authorised to be taken by or under this Act. Under Section 3(9) of the Act 'Government' means "as respects Major Ports, for all purposes, and as respects other Ports, for the purposes of making rules under Clause (p) of Section 6(1) and of the appointment and control of port health officers.....the Central Government and save as aforesaid, the State Government". The term 'Government' in the Act thus means the Central Government in the case of Major Ports for all purposes. So far as other Ports are concerned, the State Governments are the appropriate authorities except for certain matters relating to public health for which the Central Government is the appropriate authority.

38. Port Dues are levied in terms of so much amount for each net registered ton of the vessel entering the Port. Inasmuch as these dues relate only to the basic duties of the Port Administration, they have been specified in the form of an Appendix to the Act itself. As a source of revenue, these are inelastic and in any case amount only to a small proportion of the total income of a Port as may be seen from the following figures for 1955-56 :

TABLE I

						Income from port Dues Rs. lakhs	Total Income of Port Rs. crores
Bombay	..	..	..	..	..	8.52	9.62
Calcutta	..	..	..	..	..	11.29	9.97
Madras	..	..	..	..	..	4.00	1.69

In addition to Port Dues, there are also receipts on account of services rendered to vessels and for which fees can be levied under Section 35 of the Indian Ports Act. For instance, for Pilotage these were :

TABLE II

								Rs. lakhs
Bombay	..	..	..	..	..	..	..	19.07
Calcutta	..	..	..	..	..	..	..	30.26
Madras	..	..	..	..	..	..	..	5.08

Under Section 36 of Indian Ports Act, the Pilotage account has to be kept distinct from the 'General Revenue' account of the Port and as such the

above income does not form part of the revenue of the Port. Miscellaneous fees in the same year were :

TABLE III

								Rs. lakhs
Bombay	..	..	..	..	..	..	..	3.22
Calcutta	..	..	..	..	..	..	..	16.02
Madras	..	..	..	..	..	..	..	4.19

39. A port is the gateway for the import and export traffic. For this, besides providing good quays and berths, transit sheds and warehouses, it has to maintain a sufficient number of dock workers. It is at the Ports that seaborne goods are sampled, weighed, tested measured and rated for Customs duty. A large proportion of the goods brought from overseas are bought and sold while these are still in dock warehouses. In many trades, auctions and sales are held at the Ports. The Bonded warehouse is a particularly important facility for it enables the importer to store dutiable goods and to put off the outlay of money in taxes until he wants the goods himself or has found a customer for them, thus leaving him, in the meantime, with larger financial resources for further commercial enterprise. This is an excellent example of the ideal economic requirement of making available money or credit do its full share of work all the time.

40. A ship is a carrier and when she is not carrying—that is, not moving across the sea with freight—her owners begin to lose money at a prodigious rate. The layout facilities and equipment of a sea-port are therefore intended to provide for a quick turn round of ships. Besides berths, ships also require supplies of fuel and water and a great variety of stores. Bunkering and watering are therefore undertaken by the Ports. Servicing facilities, including Dry docking where possible, are also expected of the Port Authorities. The complex schedule of rates is derived from this variety of services and facilities rendered by them. Broadly speaking, receipts on such accounts can be divided as 'Receipts from vessels' and 'Receipts from goods'.

Dues from Ships and on Goods

41. Important items of income from ships are : Dock dues, Water supply charges, additional charges for night work, crane and derrick charges and charges on account of hire of vessels etc. Dock dues are levied on the basis of the tonnage of the vessel. An idea of the proportion of

receipts on account of dues recovered from ships can be had from the following figures for 1955-56 :

TABLE IV

						Income from vessels	Revenue of Port
Calcutta	..	..	..	..	..	1.42	9.97
Bombay	..	..	..	..	..	1.23	9.62
Madras	..	..	..	..	..	0.16	1.69

The most important sources of income from goods are wharfage and charges for storage facilities. The extent to which wharfage dominates the revenue side of the accounts of a Port is indicated below :

TABLE V

							Income from wharfage Rs. crores
Calcutta	..	..	..	..	..	..	2.09
Bombay	..	..	..	..	..	..	3.26
Madras	..	..	..	..	..	..	0.58

Both the sources of revenue are elastic in the sense that they form only a small proportion of the value of the goods handled. Shippers may consider the payment of additional charges for the provision of facilities ensuring the quick turn round of ships as far more economical than the comparatively small advantage they may derive from a lower scale of shipping dues with poorer Port facilities.

Miscellaneous sources

42. As regards other charges, storage forms an important source of revenue ; in Calcutta it amounted to Rs. 41.32 lakhs during the year 1955-56. As Ports are continuously reclaiming land and the plots fetch high rentals on account of their favourable location, it is not surprising that the Ports of Bombay and Calcutta had an income of Rs. 1.58 crores and Rs. 92.76 respectively on account of ground and godown rents alone. The Ports, further, own a large number of buildings and quarters which bring substantial amounts by way of rent. The Port Railways also yield considerable revenue. Receipts from the Port Railways in 1955-56 were Rs. 87.20 lakhs, Rs. 1.26 crores and Rs. 12.02 lakhs in the Ports of Bombay, Calcutta and Madras respectively. The important components of receipts from Railways are freight and terminal charges.

43. Apart from Port Dues authorised by the Indian Ports Act, 1908, the statutes relating to the Ports of Bombay, Calcutta and Madras, empower

the bodies administering the Port to levy tolls and rates. As regards the departmentally administered Ports of Visakhapatnam and Cochin, the authority for levying charges other than these covered by the Indian Ports Act is derived from the Madras Outports Landing and Shipping Fees Act, 1885 and in the case of Kandla Port, from the Bombay Landing and Wharfage Fees Act, 1882. As the flow of sea-borne trade is not always steady, the Port revenues are subject to a certain degree of fluctuation. In spite of this factor, Port revenues have generally shown a tendency to increase in conformity with the growing volume of overseas trade of this country. For instance, the annual tonnage of the Port of Bombay is now nearly double the tonnage of 1937-38. It may also be assumed that as a consequence of improvements, in progress or under contemplation, the trend towards increase in tonnage and in Port revenues will be maintained.

Port Finances

44. While the revenues of Ports are subject to fluctuation, expenditure has to be incurred at a particular level in view of the permanent nature of many of the facilities provided, although it is true that no Port administration can attempt to cover all possible traffic peaks when planning or carrying out the improvement of facilities. To do so will be to indulge in over capitalisation. Thus, it is not uncommon to find surpluses and deficits alternating in the budgets of the Ports.

45. From 1946-47 onwards, the only year when a deficit was recorded in Bombay Port was 1953-54 when expenditure exceeded revenue by Rs. 9.85 lakhs. Even this was due to the payment of arrears following the application of the Minimum Wages Act. The surpluses are variable, ranging from a very modest amount of Rs. 4.76 lakhs in the general account in 1949-50 to a 'bumper' surplus of Rs. 2.36 crores in the general account of 1955-56. In spite of increase in revenue during the year 1956-57, the surplus has fallen to Rs. 1.41 crores, possibly due to heavier commitments on the expenditure side.

46. In Calcutta Port, surpluses and deficits have been alternating. While a surplus of Rs. 62.51 lakhs was recorded during 1955-56, the previous two years had deficits of Rs. 38.95 and Rs. 82.66 lakhs respectively. In 1956-57 there has been a surplus of Rs. 1.27 crores and the Port Commissioners anticipate the surplus will be maintained at this level if the traffic continues as at present.

47. As regards the other Major Ports, the last three years at Madras have yielded surpluses in revenue accounts, the amount during 1955-56 being Rs. 42.70 lakhs. Losses were recorded in 1951-52 and 1952-53 and were of the order of Rs. 8.57 and Rs. 5.12 lakhs respectively. Cochin and

Visakhapatnam Ports have also had surpluses during the last four years as follows :

TABLE VI

				<i>Rs. in lakhs.</i>			
				1953-54	1954-55	1955-56	1956-57
Cochin	..	..	..	7.43	11.62	9.10	3.23
Visakhapatnam	..	...	..	13.62	1.77	16.40	9.89

The two Port administrations expect that the revenues surplus will steadily increase during the Second Plan period.

48. In order to meet increased commitments the Port administrations have revised their charges from time to time. As the Bombay Port had been earning a surplus throughout the last decade, except in the year 1953-54 when there was a deficit, the charges here have not been raised to the same extent as in other Ports. At present only a surcharge of 33-1/3% on certain pre-war docks and bunders scales of rates and of 20% on pilotage and transporting fees is being levied in Bombay. The Calcutta Port have however, found it necessary to revise the charges more than once during the last ten years and the present rates are 100% more than those in force in the pre-war years. At Madras the present rates are about 50% above the pre-war level. The rates at Cochin are 65% higher than the pre-war rates and at Visakhapatnam the increase is approximately 75%.

Value of assets

49. The Ports own substantial capital assets in the form of real estate and plant and machinery. The value of assets, on 31st March, 1956, stood at Rs. 37.04 crores in Bombay, Rs. 44.23 crores in Calcutta and Rs. 6.89 crores in Madras ; at Cochin and Visakhapatnam these were Rs. 4.41 crores and Rs. 5.31 crores respectively. To meet capital expenditure, the Port Trusts of Bombay and Madras and the Port Commissioners of Calcutta have been given powers under the relevant Ports Acts to raise loans from the open market with the permission of the Central Government. Loans also are given by the Central Government to these Ports for the purpose of meeting capital expenditure on specific objects. Such loans usually carry a special concession of an 'interest holiday' during the first five years. In Bombay, the capital debt due to Government on account of loans amounted to Rs. 9.06 crores on 31st March, 1956 and the debt due to the general public in the form of debentures issued by the Bombay Port Trust was Rs. 9.96 crores. In Calcutta, the debt due to general public in the form of debenture holders was Rs. 24.87 crores on the same date and the liability to the Government of India in respect of loans advanced by them was Rs. 5.16 crores. The liability of the Madras Port was only to the Government of India and amounted to Rs. 1.83 crores, the Port having already redeemed a debenture loan of £ 330,000 raised in London in 1923-24.

Capital Debt

50. It is interesting in this connection to compare the value of capital assets held in block accounts and the capital debts of the Ports incurred to finance the capital expenditure. Such a comparison will indicate the extent to which the Ports have drawn on their revenue resources for financing capital expenditure. The figures below show the position as on 31st March, 1956 :

TABLE VII

								<i>Rs. in crores.</i>	
								Block a/c	Capital debt.
Bombay	..	..	..	..	..	..	..	37.04	19.02
Calcutta	..	..	..	..	..	..	..	42.87	30.03
Madras	..	..	..	..	..	..	..	6.89	1.83

The Ports Acts also stipulate the setting up of Sinking Funds for the redemption of debts. The investments held in the Sinking Funds assessed at par or at market value, whichever is less, amounted to Rs. 6.44 crores in Bombay and Rs. 4.66 crores in Calcutta. Apart from the Sinking Fund, there are a number of Funds for specified purposes, such as Renewal and Replacement Fund, Provident Fund, Welfare Fund, Pilotage Fund etc. There is also a General Reserve Fund to which revenue surpluses after allocation to other Funds are transferred. The amounts in this Fund are invested in Government Securities or in other public securities. In Bombay, the liabilities on account of these Funds amounted to Rs. 20.49 crores on 31st March, 1956 and the corresponding investments to Rs. 17.73 crores. In Calcutta, the liabilities amounted on the same date to Rs. 6.36 crores and the investments to Rs. 6.21 crores. In Madras, the liabilities in respect of accumulations in the various Funds amounted to Rs. 3.19 crores and investments Rs. 5.20 crores.

Expenditure on staff

51. A major portion of the receipts of the Port is applied towards expenditure on rendering services or maintaining the necessary facilities. Some items of expenditure like debt charges, payment of interest on loans, and rents, rates and taxes are not subject to the control of the Port in the sense that their payment is obligatory under the law. Of the other items of

expenditure, the largest share is of expenditure on establishments. The following figures for 1955-56 are of interest :

TABLE VIII

						<i>Rs. in crores</i>	
						Total Revenue Expenditure	* Expenditure on Staff
Bombay	..	..	..	..	..	6.76	3.99
Calcutta	..	..	..	..	..	9.34	4.49
Madras	..	..	..	..	..	97.84	66.17

Rents, rates and taxes

52. The property of Port administrations is liable to assessment by Municipalities. The Calcutta Port Act provides that the sums to be paid should be in the form of a consolidated rate, payable in quarterly instalments, and in addition confers a concession by stipulating that the rates so assessed should be 9/10th of that payable by an ordinary owner. The Bombay Act provides for a lump sum payment payable annually to the Bombay Municipal Corporation in lieu of the general tax on property. The Madras Act is silent on this point but under the Madras Municipal Corporation Act, the Port Trust is liable to pay 4 per cent. of the gross revenues towards property and other Municipal taxes. In lieu of payment of Municipal taxes, it is the responsibility of the Corporations of Calcutta and Bombay to maintain the roads and thoroughfares constructed by the Port administrations. Expenditure on rents, rates and taxes amounted during the year 1955-56 to Rs. 25.98 lakhs in Bombay, Rs. 33.78 lakhs in Calcutta and Rs. 8.61 lakhs in Madras.

Soundness of Finances

53. 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. Although they may have to raise loans to meet the cost of large scale capital work, they are normally expected to be in a position to make adequate amortisation arrangements. The constitution of the Board of Management of the Ports in Bombay, Calcutta and Madras is such that the users of the Port facilities have a voice in the administration. The underlying idea also appears to be that Port charges would be kept at the minimum necessary to ensure the efficient working of the Port. Judged from this aspect the financial position of the Ports of Bombay, Calcutta and Madras can be regarded as satisfactory. On the whole, the Port administrations have generally shown commendable prudence in money matters. They have been able to meet a significant proportion of the cost of development works included in the Five Year Plans. The Ports have assets of substantial magnitude. The capital debt of Bombay and Madras forms, respectively,

*The figures include expenditure on shore labour.

only about a half and a third of the capital assets, though the proportion is higher in Calcutta where the debt is about two-thirds. It is to the credit of the Ports that they have been rendering service at the lowest possible rates. There is an informed body of opinion which feels that the present rates of Port charges are unnecessarily low and should be raised; in this connection it is pointed out that such an increase will in the long run benefit the principal users of Port facilities if the proceeds of higher charges are utilised to secure a quicker turnround of shipping. The point was also urged by Labour representatives as an indication of the extent of the 'capacity to pay' of Port administrations.

Nature and Volume of Trade

54. Though there are over two hundred and twenty Ports on India's coastline, it is a significant fact that the bulk of the seaborne trade of the country flows in and out of three Major Ports. The imports and exports of Bombay, Calcutta and Madras, in 1955-56, amounted to 20.80 million tons out of a total tonnage of 24.04 for all the Major Ports. The figures for the trade of Minor Ports of the country are available up to 1954-55; the total cargo handled at all the 150 working Ports, out of a total of 226 Minor Ports, amounted to 4.14 million tons. It is believed that the traffic of the Minor Ports remained at about the same level in the following year. On this assumption, the total traffic of all the Major and Minor Ports may be reckoned at about 28 million tons in 1955-56. The Major Ports of Bombay, Calcutta and Madras thus, account for nearly 75 per cent. of the total traffic.

Coastal trade

55. These figures, however, include an appreciable proportion of cargo carried by coastal vessels. At Bombay, Calcutta and Madras, the coast-wise traffic was of the order of 5.83 million tons, which is a little more than a quarter of the total tonnage handled by the three Ports. No breakdown of foreign and coastal trade is given in the Administration Report of the Visakhapatnam Port, which was under the Railway Department until October, 1956. Figures are, however, available for Cochin: it is interesting to find that of the total tonnage of 1,608,687 of this Port, coastal cargo was 906,862 tons, while foreign imports and exports amounted to only 701,825. Kandla is still a project; its total tonnage in 1955-56 was 307,902, which was less than that of two leading Minor Ports, such as Tuticorin (519,670 tons) and Okha (449,778 tons). It has not been possible to ascertain as to what extent coastal cargo is cleared at the docks; it is, however, not likely to be substantial. The gross registered tonnage of Indian-owned ships for the coastal trade is 238,136, and out of a total of 81 ships 22 exceed 5,000 tons; most of the cargo carried by such vessels is either handled in stream or at the Bunders, Inland wharves and moorings, with the exception of the larger ships which may berth at the docks proper.

Trade Patterns

56. There are other interesting features of the trade of our Major Ports. One of them is the remarkable variation in the imports and exports. As between Bombay and Calcutta, the latter handles, proportionately, a much larger share of exports. Bombay's exports used to be a little less than 2 million tons up to 1954-55 ; in the following year, these rose to 3.6 million tons and in 1956-57 to 3.8 million tons. At Calcutta, exports in 1952-53 and 1953-54 ranged from 5.3 to 6.4 million tons ; since then exports have been more or less steady at about 4.6 million tons. These figures reveal an interesting variation in the ratio between imports and exports in the two Ports of Calcutta and Bombay. In the years 1952-53 and 1953-54, exports were almost double the imports at the Port of Calcutta ; in the succeeding two years, the exports exceeded imports by a million tons. In the corresponding years at Bombay, the exports were less than half ; indeed, in 1954-55, it was only about one-third. Exports, however, improved in 1955-56 to some extent, being slightly more than half. While in 1956-57 Calcutta's exports still exceeded even the increased imports, Bombay's export position had again deteriorated to less than half of imports. These comparisons are, of course, based on tonnages and not on value.

57. As regards Madras, exports have usually been about one-third of imports. These were particularly low in the earlier years, as with one exception, when there was a slight improvement, exports were below one-third of imports ; in 1956-57 also it was less than one-third. At Cochin also exports have been less than one-third up to 1955-56 and though these improved to some extent in 1956-57, they were still less than half of imports. On the other hand, Visakhapatnam has always shown a remarkable excess of exports over imports. Though last year, in 1956-57, it was just double, in the earlier years its exports ranged from four to six times the imports. At Kandla, which is a Project, it is natural that imports should substantially exceed exports ; as a matter of fact, during the last two years, imports have been more than double the exports.

58. It has been necessary to refer to this aspect of the trade of the Major Ports as it has a bearing not only on the working of the Ports and its impact on the national economy, but also on the number of Ports and Dock workers actually required for cargo handling operations and the extent to which decasualisation is possible. To put it simply, when exports are more than imports, there is a favourable balance of trade. Imports create payment obligations not only for the price of the goods but also for services such as shipping, insurance, etc. On the other hand, exports bring in foreign exchange, particularly much needed hard currency. Apart from such impact on the national economy, the effect of the variation between exports and imports on the strength of Port staff and labour has to be considered. It is well recognised that the handling of export goods takes more time, more labour and more careful attention than the unloading of cargo from a ship.

The Ports Efficiency Committee in the U.K. has found that exports, compared with imports, require more handling, greater shed accommodation, and longer occupation of berths.

59. Another noticeable feature of the trade of the Major Ports is that there is comparatively little of general cargo; the total tonnage can be broken down into a few main items of bulk cargo, leaving a comparatively small balance of miscellaneous goods. Taking all the six Major Ports, with a total of 24.04 million tons, barely three items of bulk cargo account for 11.54 millions, half of the whole trade of these Ports; petroleum and oil amounted to nearly 6.3 million tons, mineral ores and coal a little more than 2.6 million tons each. If four other items, namely, iron and steel, gunnies, salt and foodgrains, of a total of 3.30 million tons are added, the imports and exports of only seven items, would account for 62 per cent. of the total tonnage of 1955-56.

60. Another striking characteristic is that though these items represent nearly two-thirds of the total sea-borne trade, there is an extraordinary concentration of some of them in one or two Ports only. For example, salt, gunnies and tea are mainly handled in Calcutta; coal is exported from Calcutta and imported in Madras. While all the Ports of Calcutta, Bombay, Madras and Visakhapatnam export mineral ores, the last Port handles a tonnage more than the total of Bombay and Madras. The bulk of petroleum and oil imports is in Bombay. Out of a total import and export of 6.3 million tons in India, Bombay took 4.5 million tons in 1955-56. Bombay and Calcutta are the main Ports of import of iron and steel. Foodgrains imports are concentrated in Calcutta and Bombay, only small quantities being shipped to and from the other Ports. Bombay leads in the import of sugar, Calcutta coming as a close second. Cotton is handled mostly in Bombay, Calcutta, Madras and Kandla Ports trading in small quantities only. Cargo other than the items described above amounted to 6.19 million tons in Bombay, Calcutta and Madras and 1.06 million tons in Visakhapatnam, Cochin and Kandla. Calcutta is principally an exporting Port and Bombay an importing Port.

Cargo Tonnages

61. The table below, showing the total tonnages of the five Major Ports (excluding Kandla Project), will give some indication of the trend of trade and of the increase in the work of Ports since Independence :

TABLE IX

				1947-48	1951-52	1956-57*
Bombay	..	..	..	6,370,000	7,480,000	12,274,434
Calcutta	..	..	..	6,949,528	9,582,982	8,869,210
Madras	..	..	..	1,661,164	2,154,820	2,401,343
Visakhapatnam	..	..	..	716,440	1,226,712	1,488,885
Cochin	..	..	..	1,167,310	1,580,847	1,836,943

*The figures for 1956-57 are unaudited.

These figures, by themselves, however, do not reflect the extent of cargo handling operations at each Port. It is important to examine the position in some detail, as without a full and correct assessment of the work actually done in the docks, the discussions on the rationalisation of pay scales, the extent of decasualisation and turn-round of shipping in the later Chapters may not be realistic. In order to determine the strength of shore labour for the purposes of decasualisation or to suggest ways and means of effecting speedier clearance of ships, it is essential to know what quantities and kinds of cargo have actually to be handled at the docks. If the tonnages of all mineral oil imports, the bulk of which is crude oil discharged at special terminals by the shippers' own men, are excluded, the foreign trade of Bombay, for example, will be reduced by 4.5 million tons. It has further to be borne in mind that an appreciable proportion of the total cargo is handled at the Bunders which are outside the docks and are not provided with labour by the Port authorities. Taking the latest figures for 1956-57, it will be evident from the following table that of the total tonnage of 11.9 millions, cargo handled at the docks amounted to 5.39 millions only.

TABLE X

					Docks	Bunders
General cargo	..	..	..	..	4,973,946	1,043,752
Oils (mineral)	..	..	..	..	416,505	5,545,149
				Total	5,390,451	6,588,901

In addition to clearance at the Bunders, some cargo is also cleared in stream; the figures for last year are not readily available, but the average of overside clearance in Bombay for the three years ending with 1955-56 is about 129,900 tons. The overside clearance at Bombay would appear to be comparatively small, but it has considerable importance in Calcutta, Madras and Cochin. In Calcutta, 2,106,003 tons of cargo, mostly gunnies and coal, were cleared overside in 1955-56. There are no equivalents of Bunders at Calcutta except some Inland wharves. In 1956-57 the total tonnage of Calcutta was 8,869,210; the figures of overside clearance for last year are not available, but making allowance on an average; and for 1,245,729 tons of petrol and oil imports, the total cargo actually handled at the docks may be reckoned at about 5.5 million tons. While Bombay had a larger total tonnage of 1,109 millions as against 8.86 millions of Calcutta, in respect of tonnage cleared at the docks there was no appreciable difference. According to the Administration Report of Bombay Port for 1955-56, the cargo handled at the docks amounted to 4.49 million tons which was in fact less than in the preceding three years. Overside clearance at Madras was only 115,581 tons out of a total tonnage of 2,461,611 in 1955-56. At Cochin, however, overside cargo amounted to 753,785 tons as against the clearance on shore of 854,902 tons. The total tonnage at Visakhapatnam

was 1.32 million, but the figures for cargo handled at the docks and in stream are not available.

62. Cargo cleared overside or at the Bunders is generally not handled by Port labour. In Bombay, for instance, foodgrains are dealt with by contract labour. In 1955-56, while the total cargo at the docks amounted to 4.49 million tons, the tonnage actually handled by the Port Trust's workers was only 3.47 millions, a difference of a million tons. In assessing the actual volume of cargo handled by a Port authority, therefore, 'the total tonnage figure is not a safe guide. It is necessary to take into account the tonnages cleared (i) overside, (ii) at the Bunders, inland wharves and moorings and (iii) oil terminals etc. and by contract labour; it is only after deducting the cargoes mentioned above that a proper idea of the precise extent of cargo-handling work at a Port can be obtained.

Present Capacity and Development Plans

63. An assessment of the traffic handling capacity of our Ports had been made in the context of the First Five Year Plan; the objectives were to—

- (i) rehabilitate and modernise the Port facilities;
- (ii) increase the capacity at Cochin and Madras by constructing additional wharves and berths;
- (iii) develop a new Major Port at Kandla;
- (iv) construct a Marine Oil Terminal at Bombay; and
- (v) carry out some of the more urgent improvement measures at important Minor Ports.

A provision of Rs. 33 crores (later increased to Rs. 36.91 crores) was made for the development programme. At that time there were five Major Ports with a capacity of about 20 million tons. It was thought that with the achievement of the objectives of the Plan, the total capacity of our Ports would be increased roughly to 26 million tons.

64. Towards the close of the First Plan period, the position was again surveyed. A study of the peak figures of tonnages handled by the various Ports in previous years revealed that the existing capacity of the Major Ports (excluding Kandla) was 24.01 million tons:

TABLE XI

Ports	Traffic handled during peak period
Calcutta	10.88 (1945-46)
Bombay	7.58 (1954-55)
Madras	2.58 (1944-45)
Cochin	1.58 (1951-52)
Visakhapatnam	1.39 (1953-54)
	<u>24.01 million tons</u>

As the execution of the development programme started somewhat late, the whole of the provision could not be utilised; the total expenditure incurred during the Plan period amounted to Rs. 27.57 crores. Besides the construction of Kandla Port which began in 1953, the main works undertaken were at Bombay and Calcutta for which the Plan had provided Rs. 11 and Rs. 8 crores respectively. The provision for Bombay was spent fully, the principal programmes at the Port being the Marine Oil Terminal project, the electrification of cranes and the reconstruction of transit sheds. At Calcutta, however, the programme could be implemented only to the extent of Rs. 3.5 crores, though the Port facilities had suffered during the war and various improvements, including the development of berths at King George's Dock, were urgently required. At Madras work was started on coal, ore and passenger station jetties and two sidings were completed. A coal berth, one oil tanker berth and two warehouses were constructed at Cochin.

65. The objectives of the Second Five Year Plan are broadly the same as in the First, that is, besides creating some new capacity, to render the existing facilities more effective through modernisation and replacement of obsolete equipment etc. It is expected that these measures by themselves will step up the existing capacity by more than 25 per cent. In other words, the target at the end of the Second Five Year Plan is to enhance the capacity of the Ports to about 31 million tons. This, it is considered, should be sufficient to deal with the increasing volume of our sea-borne trade following the industrial and economic development of the country in the Second Plan period. The works already completed and the new works taken in hand are designed to provide a total additional capacity of 6.75 million tons as follows : Calcutta 1.5, Madras 0.5, Visakhapatnam 1.75, Cochin 1.25 and Kandla 1.75 million tons.

66. Besides the Major Port programmes, there is a provision of Rs. 5.3 crores in the Second Plan for the development of Minor Ports. In the First Plan period the expenditure on these Ports, notably in the Madras and Bombay States, was a little less than Rs. 2 crores. The new programmes envisage, among other items, a dredger pool for the Minor Ports and the examination of proposals for developing Mangalore, Malpe and Tuticorin as Major Ports. The capacity of the Minor Ports is expected to increase from 5 to 7 million tons at the end of the Second Five Year Plan as a result of the execution of the development works included in the Plan.

Staff Position in General

67. Having described the Major Ports, their services and facilities, their revenues and finances, the extent of trade and their capacity to handle increasing tonnages, it is now necessary to state briefly the existing position in regard to staff in general, and Class III and IV employees in particular, and their present scales of pay and allowances. Under Section 21 of the Bombay Port Trust Act, the Trustees prepare and sanction, from time to time, a Schedule of staff containing a list of employees whom they deem

necessary and proper to maintain for the purposes of the Act. The amount and nature of the salaries, fees and allowances sanctioned for each such employee are to be set forth in the Schedule. But artisans, porters and labourers as well as Muccadams or porters and labourers and persons in temporary employment in receipt of a monthly salary of Rs. 150 or less are not deemed to be Scheduled staff ; the Bombay Port Trust designate these employees as Non-Scheduled staff. Similarly, under Section 30 of the Calcutta Port Act, and Section 27 of the Madras Port Trust Act, the Port authorities have to prepare and maintain a Schedule of staff and there too artisans, porters and labourers as well as Sirdars in Calcutta and Suppliers in Madras of porters and labourers are not to be deemed as Scheduled employees. There is, however, no provision in these Acts excluding temporary employees drawing a monthly salary of Rs. 150 or less from the Schedule of staff. The Ports of Visakhapatnam, Cochin and Kandla are directly administered by the Central Government and make no such distinction between Scheduled and Non-Scheduled staff as at other Major Ports.

68. The Port administrations, except that of the Bombay Port, group their employees as Class I, Class II, Class III and Class IV. The Bombay Port Trust also have two categories for their subordinate staff, namely, Class III and IV, but holders of all posts the maximum pay of which exceeds Rs. 500 per month have been classified as Officers without making any further distinction *inter se* as between Class I and Class II.

69. The total strength of all the four classes of employees (three in Bombay) of the Major Ports, as calculated from the data furnished by the Port administrations, is 62,872.* In the material received from three of the Ports, Shore workers in full employment have also been included in the staff figures ; excluding such workers, 11,276 in number, the total strength of staff employed by all the Major Ports comes to 51,596. Of these 348 are Class I employees : 273 in Calcutta, 33 in Madras, 15 in Cochin, 18 in Visakhapatnam and 9 in Kandla. Class II employees number 314 ; out of these 268 are in Calcutta, 11 in Madras, 24 in Cochin, 4 in Visakhapatnam and 7 in Kandla. In Bombay Port Trust, as already stated, there is no distinction between Class I and Class II employees and the Officers corresponding to these two Classes are 230 in number.

Class III and IV Employees

70. The bulk of the employees excluding Shore labour are in Class III and Class IV. They are 50,704 in number out of a total of 51,596 that is, 98 per cent. of the entire strength. Of these again, 20,063 are in Class III, representing nearly a third of the total strength of 62,872 inclusive of Shore labour. The number of Class IV employees (excluding Shore labour) is 30,641 ; this category is, therefore, nearly half of the total number of employees in the Major Ports. With the inclusion of Shore labour, the proportion of Class IV staff alone is more than 2/3rd of the total strength.

*This does not include category "B" and Secondary Labour who are casuals.

Departmental Strength of Staff

71. Most of the departments are common to all the Ports; with some variations in the nomenclature they can, however, be broadly classified into five main groups, such as Marine, Engineering, Traffic, Administrative and Welfare. The Marine departments are designated as Deputy Conservator's/Port/Marine and the Engineering departments as Engineering, Chief Mechanical Engineer's/Mechanical (in Calcutta and Visakhapatnam only). The Traffic departments are Traffic/Docks and Railway (in Bombay only). The Administrative departments are the Accounts, Secretary's/Administration and Land/Estate (in Calcutta and Bombay). In this group may also be included, though these are not strictly Administrative departments as such, the Stores department in all the Ports and the Legal department (in Bombay only). In Visakhapatnam Port the name of the Administrative department is "Administration and Land Revenue"; the Port has also a separate Watch and Ward department. The Welfare departments are Medical (Medical, Anti-Malarial and Sanitary in Visakhapatnam) and Labour (in Bombay only).

72. In the Marine departments, the strength of staff is 7,321. The bulk of the staff is in Engineering and Traffic departments; in the Engineering departments there are 23,759, while the number of persons employed in the Traffic departments is 26,523...Employees in the Administrative departments are only 3,802 and in the Welfare departments 2,117. The number of Class III and Class IV employees in the Marine, Engineering, Traffic (including Shore labour), Administrative and Welfare departments are 6,943, 23,547, 26,386, 3,693 and 2,061 respectively. It is interesting to note the percentage variations: in the Marine departments the percentage of Class III and Class IV employees to the total number of employees is 10.6 per cent., in the Engineering departments 37 per cent., on the Traffic side 41.5 per cent., in the Administrative departments 6 per cent., and in the Welfare departments 3 per cent. The following table summarises the departmental distribution of staff at each of the Major Ports :

TABLE XII

	Marine	Engineering	Traffic	Administrative	Welfare	Total
CALCUTTA :						
Class I & II ..	271	92	87	54	37	541
Class III ..	399	2,618	3,460	1,049	228	7,754
Class IV ..	3,649	7,134	10,977	821	1,215	23,796
Total ..	4,319	9,844	14,524	1,924	1,480	32,091

TABLE XII—*contd.*

	Marine	Engineering	Traffic	Administrative	Welfare	Total
BOMBAY :						
Officers	74	65	40	39	12	230
Class III	406	3,642	3,479	708	73	8,308
Class IV	1,005	5,540	5,643	400	313	12,901
Total	1,485	9,247	9,162	1,147	398	21,439
MADRAS :						
Class I & II	8	24	5	5	2	44
Class III	117	932	817	191	26	2,083
Class IV	320	1,294	1,341	52	44	3,051
Total	445	2,250	2,163	248	72	5,178
VISAKHAPATNAM :						
Class I & II	9	8	1	4	..	22
Class III	93	517	85	91	15	801
Class IV	362	730	208	155	72	1,527
Total	464	1,255	294	250	87	2,350
COCHIN :						
Class I & II	7	21	2	6	3	39
Class III	53	378	165	140	14	750
Class IV	155	518	51	48	27	799
Total	215	917	218	194	44	1,588
KANDLA :						
Class I & II	9	2	2	1	2	16
Class III	115	135	72	32	13	367
Class IV	269	109	88	6	21	493
Total	393	246	162	39	36	876

Comparisons of Staff Strength

73. While all the Ports have preserved a broad-based pyramidal structure of pay scales and every where, the numerical strength of Class IV staff constitutes more than half the total strength, the Table given above will show that there are interesting variations in the distribution of strength among the various Departments. Some of them can be explained in readily recognisable terms. Others are not capable of such explanation.

74. The proportion of Marine staff is markedly higher in Calcutta than in other Ports. The strength of Class I, Class II and Class IV

cadres in the Marine department of Calcutta out-numbers the strength of similar categories of staff in the Marine department of Bombay by three times, but there is more or less equality in strength of Class III cadre. While in Calcutta, the Traffic department is the biggest employer, in other Ports it is the Engineering department that takes the pride of place. So far as the Welfare departments are concerned, the combined numerical strength of both the departments in Calcutta is more than three times the combined strength of such departments in Bombay. One reason for this can be the provision of hospital facilities in Calcutta Port area to a greater extent than in Bombay.

75. It may be useful to compare the strength of staff of the Calcutta Port Commissioners with that of the Bombay Port Trust, but in this connection it is pertinent, first, to refer to the extent of trade and shipping of each Port as the staff strength must necessarily bear some relation to the work involved. The total tonnage of Calcutta in 1954-55 was 7,813,813 and in 1955-56 8,030,735. In Bombay the total traffic during these years was 7,584,000 tons and 10,306,000 tons respectively. The number of ships, which entered Calcutta and Bombay Ports in 1954-55, was 1,317 and 2,129 and in 1955-56 it was 1,285 and 1,947 respectively. The total traffic of Bombay though less in 1954-55 was more than that of Calcutta during 1955-56. The number of ships that entered the Ports during these years was also more in Bombay than in Calcutta. In this connection it is also important to bear in mind that although the Bombay Port traffic exceeded 10 million tons during the year 1955-56, only 4.49 million tons were handled at the docks and 3.47 million tons by departmental labour.

76. But in comparing the numbers of Class I and Class II posts in the various Ports, Calcutta leads with 541; in Bombay the number of officers is only 230. In the Deputy Conservator's department in Calcutta, there are 202 Class I officers and 69 Class II officers, while in Bombay in the Port department there are 74 officers. Similarly, on the Engineering side Calcutta Port has 30 Class I officers and 62 Class II officers while in Bombay there are 65 officers. On the Traffic side also Calcutta has a much larger number of Class I and Class II officers, viz., 21 and 66, respectively, compared to 40 in Bombay. The Madras Port Trust and other Port administrations with much less traffic have naturally a much smaller number of Class I and Class II officers as compared to Calcutta and Bombay.

77. The Bombay Port Trust has, however, more Class III employees than Calcutta, viz., 8,308 as against 7,754 in Calcutta. On the Traffic side and in the Deputy Conservator's department, there is not much difference between the two Ports, as Bombay has, respectively 3,479 and 406 employees in these departments as against 3,460 and 399 in Calcutta.

On the Engineering side, Bombay has 3,642 employees, while Calcutta has 2,618. In the Estate department in Bombay there are 85 employees against 31 employees in Land department in Calcutta. However, in the Accounts, Medical, Secretary's and Stores departments, Calcutta has 641, 228, 229 and 148 Class III employees as compared to 468, 28, 46 and 100 respectively in Bombay. There are two extra departments in Bombay such as Labour and Legal departments with 45 and 9 Class III employees respectively.

78. The comparison between the strength of Class IV employees in Calcutta and Bombay Ports is equally interesting. The number in Calcutta is nearly double that of Bombay. In the former, there are 23,796 employees and in Bombay only 12,901. The greatest disparity is on the Traffic side, with 10,977 employees in Calcutta against 5,643 employees in Bombay. In the Deputy Conservator's department also in Calcutta there are 3,649 employees compared to only 1,005 in the Port department in Bombay. On the Engineering side again there are 7,134 employees in Calcutta and 5,540 in Bombay. Similarly in the Accounts, Medical, Secretary's and Stores departments the number of employees in Calcutta are 95, 1,215, 212 and 464, respectively, as against 76, 195, 27 and 198 in Bombay.

79. The above figures indicate that the strength of staff in Calcutta Port is much higher than in Bombay. One of the reasons for this disparity is that Calcutta is a river Port, 80 miles away from the mouth of the river and 126 miles from the Sandheads, which necessitates the maintenance of a permanent River Survey Service in addition to considerable staff for Pilotage. This, no doubt, explains the variations between the number of staff in the Deputy Conservator's department in Calcutta and in the Port department of Bombay. The Medical establishment of Calcutta Port is also much larger than in Bombay.

80. As for other Major Ports, the total traffic in 1955-56 was 2,461,611 tons in Madras, 1,608,687 in Cochin, 1,323,054 in Visakhapatnam and 307,902 in Kandla. The total number of employees in these Ports are 5,178, 1,588, 2,350, and 876, respectively. It will be noticed that in Visakhapatnam Port, though the volume of traffic is less than that in Cochin, the number of employees there is more compared to the strength in Cochin. On the Marine side, Visakhapatnam Port has 9 Class I posts as against only 8 in Madras, and 6 in Cochin and Kandla Ports, despite the difference in the volume of traffic in the two Ports. Another interesting comparison is that Kandla has two Class I officers on the Traffic side as against only 1 each in Cochin and Visakhapatnam.

81. As regards Class III posts, Visakhapatnam Port has a lesser number of employees in the Accounts department as compared to Cochin, only 40 against 109, though in the Marine departments Visakhapatnam has

nearly double the number in Cochin. Kandla too has more than twice the number of employees on the Marine side than the number in Cochin. On the Traffic side, however, the number of employees in Visakhapatnam is half of that in Cochin.

82. Coming to Class IV employees in the Marine department, both Visakhapatnam and Kandla Ports have a greater number of employees than in Cochin Port. On the Medical side also Visakhapatnam has nearly 3 times the strength of Class IV staff in Cochin. On the Traffic side, the number of employees in Visakhapatnam is four times that of Cochin and even in Kandla the number of employees is more in this department than in Cochin.

Scales of Pay and Allowances

83. The number of scales of pay of Class III and Class IV employees in the Ports is legion. In the Madras, Cochin, Visakhapatnam and Kandla Ports, the total numbers of different scales of pay of Class IV employees are only 5, 9, 6 and 5 respectively, but for Class III employees there are 22 scales in Madras, 30 in Cochin, 23 in Visakhapatnam and 40 in Kandla. In Bombay Port the number of scales of pay of Class IV employees is 22 and of Class III employees it is as high as 99. In Calcutta Port the Class IV employees are on as many as 63 different scales of pay. The number of pay scales of Class III staff in Calcutta is the highest; there are as many as 135 scales of pay for these employees.

84. Excluding regular Shore workers, who are paid piece rates (on the basic time scale of Rs. 30— $\frac{1}{2}$ —35 and an additional Rs. 20 p.m. for Sirdars in Calcutta), more than half of the Class IV employees are on the basic minimum scale of Rs. 30— $\frac{1}{2}$ —35 (except in Bombay where it is Rs. 30—1—35). A few posts have even lower scales, e.g., in Bombay, 31 posts of Apprentice 'B' in the Chief Engineer's department are on Rs. 25—5—40 and in Madras some 66 posts of Women Mazdoors and 7 posts of Sweepers are on a monthly pay of Rs. 30 fixed.

85. The circumstances that have led to a multiplicity of pay scales of Class III and IV employees and the way in which a reduction in number and a simplification of the pattern and pay scales can best be brought about are discussed in the following Chapters.

CHAPTER II

FACTORS BEARING ON RATIONALISATION OF PAY SCALES AND ALLOWANCES

Wage Concepts

Before embarking on a detailed consideration of the question of rationalisation of pay scales and allowances, it is necessary to discuss the general principles relating to the problem as well as certain important concepts which have grown up with ideas of social justice and economic security. There was a time when wages were settled by considerations of supply and demand. "The theory of the determination of wages in a free market is simply a special case of the general theory of value. Wages are the price of labour; and thus, in the absence of control, they are determined, like all prices, by supply and demand."¹ In Europe as well as in America, contemporary economic thought has shown a similar approach by assuming that the available supply of labour and the needs of the potential employers are for the time being fixed and that an appropriate wage rate can be determined only at a figure at which supply and demand are equated. An absolutely free market, however, is an economic abstraction. Collective bargaining and the growing volume of welfare legislation have done much to modify the Iron Law of wages in countries where there is an abundance of labour.

Living Wage

2. Our Constitution provides, as a directive principle of State policy, that 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.² It is significant that the obligation laid on the State is not just to secure the barest means of subsistence. But it is also important to remember that the achievement of this ideal is dependent on the economic capacity and development of the country.

3. It is at the same time difficult to define what constitutes a living wage. The expression, although one in wide and general use, is not capable of precise or exact definition, because a living wage is essentially something hypothetical and relative—relative to the views of the time, or those of a particular community, and to economic circumstances. The

¹J. R. Hicks, *The Theory of Wages*, Macmillan, London, 1932.

²The Constitution of India, Part IV, Article 43.

words have been interpreted to mean "the minimum remuneration calculated to enable an employee, who is not in receipt of income from any other source, to obtain the necessities and conveniences required to support himself and a family of 'average' size, at a standard consistent with decency and humanity".¹ Underlying the principle is a moral concept; according to one writer, "a living wage is something far greater than the figures of a wage schedule. It is at the same time a condemnation of unmerited and unnecessary poverty and a demand for some measure of justice."² An important point about this principle is that it is advocated as an economic right and does not, therefore, permit any reference either to the value of the service rendered by the worker or to the capacity of the industry to pay.

4. In considering this question, the Central Pay Commission agreed that the State must take some steps forward in the direction of giving effect to the 'living wage' principle in dealing with its employees. As to the extent, the Commission observed that "the 'standard of living' like the 'poverty line' is to a large extent a 'relative' conception. It reflects national conceptions and these are, in turn, shaped by the national income. The poverty line may be drawn at the point below which an individual would be undernourished or it may be drawn well above the nutritional minimum, at a point where a choice of diet and the chance of some cultural life or recreation will also be possible. We think at present we can only aspire to rise above the 'poverty line' in the first sense".³ They, therefore, recommended that Rs. 55 per mensem should be fixed as a fair minimum wage at a cost of living index of 260 (August 1939=100). Evidently to preserve, in real terms, this minimum, they also recommended that the dearness allowance component should be enhanced or reduced by Rs. 5 for every rise or fall of 20 points in the cost of living index.

5. The concept of the living wage has evoked a good deal of interest. Industrial courts and other authorities in different countries have from time to time made a close and complete study of the term 'living wage'. It will be relevant, in the context of the wording of Article 43 of the Constitution, and the submissions made on behalf of Labour, to take note of the various connotations. A celebrated enunciation is that of Mr. Justice Higgins, for many years President of the Commonwealth Court of Conciliation and Arbitration of Australia in a famous case, commonly known as the Harvester Case; in adjudging what was the model or criterion by which fairness and reasonableness were to be determined, he came to the conclusion that in the case of an unskilled labourer it must be an amount adequate to cover "the normal needs of the average employee,

¹ Prof. O. Foenander, *Better Employment Relations*, 1954.

² P. Snowden, *the Living Wage*, page 6.

³ Report of the Central Pay Commission, para 48, page 31.

regarded as a human being, living in a civilised community.”¹ In Canada, it has been defined as “a wage, ample to enable the employees with thrift to maintain themselves and families in decency and comfort, and to make reasonable provision for old age”.² In the U. K. there is a statutory provision that it should be “adequate to promote efficiency, and to enable a man in an ordinary case to maintain himself and his family in accordance with such comfort as may be reasonable in relation to the nature of his occupation”.³

Minimum Wage

6. The Minimum Wages Act, 1948 is a Statute of the pre-Constitution period, the aim of which, as in countries like the United Kingdom, the United States of America and Canada, was to prevent exploitation of labour in industries, where labour was not adequately organised or working conditions were not satisfactory. The fact that such legislation was on the anvil appears to have weighed with the Central Pay Commission in their enunciation of the ‘living wage’ principle. The minimum wages notified under this Act appear to be generally in line with the emoluments paid to Central Government Servants. Section 4 of the Act lays down that the minimum rate of wages fixed or revised by the appropriate Governments may consist of a basic rate of wages and a cost of living allowance to be adjusted, at such intervals and in such manner as the appropriate Government may direct, in accordance with the cost of living indices.

7. A minimum wage can, in theory, be determined either with reference to the level of wages prevailing in better organised units in the same industry or with reference to the living wage principle. In countries like ours, it is the latter method of determination that prevails. The concept of a minimum wage also becomes absolute and does not take into consideration the paying capacity of the employer. It has been held that the fact that the employer is a non-profit making organisation is not relevant for the fixation of minimum wages.⁴ The prevailing level of wages in other concerns in the locality has been considered a relevant factor.⁵

Fair Wage

8. While the principle underlying a living wage is social and economic justice, a fair wage is intended to prevent industrial disputes and preserve industrial peace. A subsidiary effect of a fair wage is the removal of any unfair advantage an employer may derive by the payment of lower wages. What constitutes a fair wage is controversial. In a broad sense, wages

¹ Prof. O. Foenander, *Better Employment Relations*, 1954.

² *Labour Gazette*, August 1918, page 617.

³ U.K. *Agricultural Wages Act*, 1924.

⁴ 1953 *Labour Law Journal* 495.

⁵ 1952 I *Labour Law Journal* 261.

in any occupation can be considered fair if they are "about on a level with the average payment for tasks in other trades which are of equal difficulty and disagreeableness, which require equally rare natural abilities and an equally expensive training."¹ The application of the fair wage principle may imply standardisation of wages, either in an industry or an area, which in its turn may raise such issues as the capacity of an individual industry to pay, the adjustment of differences on account of the cost of living, and the maintenance of wage differentials. Even the former consideration has not been applied in all cases. For example, in New Zealand in 1922, when the engineering trade was slack, the Court refused the application of employers for a reduction on the ground that it was "inadvisable to reduce the rates of remuneration of engineers below the standard rates for skilled workers".²

9. The Fair Wages Committee, in 1954, recommended that the lower limit of the fair wage must be the minimum wage and the upper limit determined by the capacity of the industry to pay. They also felt that the wage fixation machinery should relate a fair wage to a fair lead of work and in case of doubt, whether the existing work lead is reasonable or not, an appropriate time and motion study should be instituted on a scientific basis.

10. An important judgment is that of the Labour Appellate Tribunal in the case of Buckingham and Carnatic Mills, where the Tribunal declined to be guided by the paying capacity of an individual concern on the ground of unfair competition. In subsequent cases wages have been fixed taking into consideration the capacity to pay, determined on an industry-cum-region basis.

Standardised Wage

11. Welfare Legislations, of course specify the floor of benefits. There are, however, striking differences in the standards applied to emoluments in most fields. These are no doubt due to the admittedly difficult and subjective nature of the various principles relating to wage determination as also to collective bargaining, piecemeal settlements, special features of individual employments and even awards of Industrial Tribunals, but the fact is that variations do exist to an extraordinary degree. As Barbara Wootten comments, "One may search in vain for the rational compound of skill, responsibility, effort and working conditions of a system which would explain why the ward sister in a general hospital should be paid (at the top of her scale) about one-sixth of the salary of the Dean of Westminster; why the male probation officer should start at about one quarter of the top transatlantic airpilot's rate, and at his maximum just pass the starting-rate of the university lecturer in Greek; or why the

¹ Marshall's Preface to L.L. Price's "Industrial Peace", p. xiii.

² Canterbury Engineers' Award, cited in S.P.L. Nigam "State Regulation of Minimum Wages", page.

sub-officer in the fire brigade should end a little above where the graduate school teacher began, and the police constable after six years' experience get for his fulltime employment five-sixths of the salary of a part-time governor of the B.B.C. There may indeed be those who find this structure entirely intelligible and commendable; but such judgments (as much as their opposites) are essentially subjective, and based on personal preferences: one is at a loss to see by what process of reasoning they could be made convincing to those whose prejudices were differently orientated".¹

12. When demands for such standardisation arise, the claim on behalf of the workers invariably is that the highest wage should set the standard; indeed, one of the Labour Federations has strongly urged before me that "revision should not be less than the highest paid in the similar categories of workers". In any scheme of rationalisation, particularly one with an objective of uniformity as in the Terms of Reference of the present enquiry, the adoption of such a course of action in employments, where the wage patterns have evolved over a period of time, in different regions under different employers, and where the yardsticks of 'fairness and reasonableness' have not been always uniform, is likely to create more anomalies than it solves. For a proper comparison of wages it is necessary to have some assessment of skill, experience, responsibility and other factors; this aspect will be discussed in further detail later.

Basic Wage

13. For the purposes of wage adjustments and the determination of other conditions of services like retirement benefits it is the practice in our country, to split up the wages received into a component known as basic wages and another component consisting of compensatory allowances. Compensatory allowances may also include, in addition to an allowance to compensate for the increased cost of living, special allowances on account of abnormally high cost of living in certain selected localities and house rent allowances. The basic wage is fixed so as to stand for a certain length of time. The long-term nature of a wage settlement was well brought out by the Appellate Tribunal in *Aspinwall & Co. Ltd. vs. their Workers*, where it was held that once the basic wage is fixed in a manner which does not suggest any unfairness, it should stand for a reasonably long time, irrespective of the fact whether the original fixation was effected through arbitration, conciliation or adjudication. "Even in the case of an ordinary agreement, if it is arrived at, not between the employer and the industrial workers, but between the employer and a *bonafide* workers' union, a *prima facie* presumption should, in our opinion, be taken to arise that what was agreed to between the parties was considered fair by them and should not be allowed to be lightly disturbed within a short

¹ Barbara Wootten : The Social Foundations of Wage Policy, page 146.

period of time."¹ Revisions in the light of profits made in a particular year are also not advocated.²

14. It may be mentioned here that in Australia the wages determined by the Commonwealth and State authorities consist of two elements, a basic wage, which is the minimum wage for an unskilled worker (there are different wages for men and women), and 'margins', usually determined apart from the basic wage, for skill, responsibility and other special qualities and circumstances. The wages determined are minimum, and wages in excess of the minimum may be agreed upon by the employers and employees in an industry or firm. There are also many private arrangements for incentive schemes, production bonuses and the like. The adjustments on account of the cost of living are only in respect of the basic wage.

Real Wage

15. Of importance in this connection, is also the concept of real wages which have been defined as the goods and services which can be purchased with wages or provided as wages. It is the anxiety to preserve them, at times of fluctuating prices, that has led to the cost of living adjustments being made, although as will be discussed later, their complete preservation is not regarded as a labour right.

Wage Differentials

16. Basically, wage differences are the result of the postulates that a skilled worker should get more than an unskilled one, a supervisor more than the supervised and so on. The presence of a large number of wage differentials is commonly defended on the ground that they create incentives. Wage regulations are often piecemeal and are conditioned by the bargaining power of different classes of workers. Differentials that exist for a long time acquire the force of custom and it is not unusual to find Labour organisations insisting upon their retention irrespective of the rationale. "It seems to imply that we are more interested in keeping our distances above other people than in the actual level at which our earnings make it possible for us to live. Standards of living can be reckoned in terms of absolute quantities of meat and bread and motor cars and holidays abroad; whereas prestige is inherently relative".³

17. The considerations behind the various types of wage regulations can thus be summarised as :

- (i) a wage is a price and nothing more, a dictum which no longer commends itself absolutely;
- (ii) a living wage which is based on social conscience; and
- (iii) a fair wage which seeks to promote industrial peace.

¹ 1955 II Labour Law Journal 270.

² 1952 I Labour Law Journal 507.

³ Barbara Wootten the Social Foundations of Wage Policy, page 140.

The enunciation of the principle of minimum wage is a product of the contemporary climate of opinion which holds that the State has a duty to ensure that "the social structure within which economic forces are permitted to work should commend itself to the conscience of the community".

Allowances

Dearness Allowance

18. It has already been mentioned that changes in the basic wage structure cannot be undertaken frequently. While the standard of living and the cost of living, in the ultimate analysis, have a bearing on the basic wage, any change must necessarily be with due regard to the long term trends. For compensation for current increases in the cost of living the practice in our country is to sanction what is known as a dearness allowance. The present scales of dearness allowance, which have also been adopted as the basis of notifications under the Minimum Wages Act, are based on the recommendations of the Central Pay Commission who introduced the slab system for these allowances. Before this the rates of dearness allowance were on the basis of a scheme introduced in August, 1942 and subsequently modified in 1944. The earlier scheme was on an All-India basis and was applied *mutatis mutandis* by the State Governments also. It divided the country into three areas (A, B and C) and put the recipients into two classes, those in receipt of Rs. 40 and above and those receiving less. In view of the difference in the wages and standard of living between the two categories, a slightly lower rate of dearness allowance was adopted for persons drawing less than Rs. 40.

19. The recommendations of the Pay Commission both in regard to pay scales and rates of dearness allowance resulted in an appreciable increase in the wages of low paid staff. For Government employees in the higher income groups, the result of the recommendations was a reduction in the rates of dearness allowance. Before 1947, a Class IV employee in Bombay Port was in receipt of a dearness allowance of Rs. 16 per month, besides getting subsidised foodgrains the monetary equivalent of which was estimated at Rs. 9-6-0 per month. Following the recommendations of the Central Pay Commission and two subsequent increases in the rates, the dearness allowance for the same employee became Rs. 40 with an additional City compensatory allowance of Rs. 5 and a house rent allowance of Rs. 7-8-0. Similarly, in Calcutta the rate of dearness allowance was Rs. 24 for the lowest paid category and food concessions coming to about Rs. 6 per month.

20. The Central Pay Commission had also included a recommendation to the effect that the rates of dearness allowance should be stepped up

¹ The Myth of Fair Wages, The Economic Journal, No. 264, Vol. LXVI, page 631.

or down by Rs. 5 for every increase or decrease in the cost of living index by 20 points. Although this recommendation was initially accepted by the Government, it was decided, on a subsequent review, to give up such a synchronised regulation as such wage increases encourage inflationary tendencies. Two *ad hoc* increases of Rs. 10 and Rs. 5 were, however, sanctioned in 1949 and 1951 respectively. A consequence of the recommendations of the Central Pay Commission was to destroy a uniform approach to the question of the dearness allowance, as no State Government (except Bombay) has found it possible to give the Central rates of dearness allowance to its employees.

Dearness Pay

21. In 1953, a Committee under the Chairmanship of Shri N. V. Gadgil considered the question of treating a portion of dearness allowance as pay. They recommended that half the dearness allowance, which was then being paid to Central Government servants, should be treated as pay for pension, provident fund, travelling allowance, local compensatory and house rent allowances. They endorsed the earlier decision of the Central Government against automatic increases in dearness allowance, pointing out that in no country was there a system which provided for an automatic adjustment in the wages of Government servants consequent on variations in the cost of living, and that the formula recommended by the Central Pay Commission amounted to a little more than full neutralisation of the rise in the cost of living for the lower income groups.

Position in Industries

22. Both the flat rate and the slab system are in force in the private sector, the choice being apparently dependent on local and individual circumstances. Complete neutralisation of the rise in the cost of living is not generally favoured by the Tribunals. Some Tribunals have also taken the view that the worker must share with his fellow citizens the burden of the increased cost of living.¹ The fear that a cent per cent neutralisation would lead to an inflationary spiral was also expressed by the Labour Appellate Tribunal in the Buckingham Mills and the Burmah Shell cases.² The extent of neutralisation is thus decided on merits: as observed by the Appellate Tribunal, "dearness allowance has to be fixed taking into consideration, the total emoluments of the workers; that in concerns paying a low basic wage a high dearness allowance may be necessary and in concerns paying a high wage necessary adjustments may have to be made to dearness allowance; that in considering the total emoluments, the value of amenities like free quarter, water and light will also have to be considered."³ Another Tribunal has held "there is

¹ L.A.T. Nellimarla Jute Mills vs. their Workers, 1953 II LLJ 515.

² 1951 II LLJ 314.

1951 LLJ 316.

³ 1952 II LLJ 615.

nothing wrong in Ahmedabad textile scale, for in Bombay itself, engineering concerns have their dearness allowance fixed in proportion to the Bombay textile scale".¹

23. In Australia, where a practice of quarterly automatic adjustments of the basic wage on price index number had grown up, the propriety of the system was for the first time questioned in the course of the Basic Wage Enquiry in 1952-53; the Commonwealth Court decided in favour of its abolition, but by August, 1956 only one State was still following the Commonwealth lead in this respect. In the subsequent Basic Wage Enquiry in 1955-56, the Court re-examined the question and confirmed the earlier judgment, in spite of their dislike of wage disparities and concern over the fact that wage and salary earners under Federal awards were receiving a lower basic wage than those under most State awards. Two passages of this judgment are quoted below :

"This Court can play its part in improving the living standard of the wage and salary earner referred to, only if the economic conditions of the nation allow it to do so.

Everyone should recognize by now that it is not money which is in short supply within the community; on the contrary, there is too much money about for the goods and equipment which are available. The plain fact is that there are not enough goods, equipment, furniture, houses and so on to go round amongst our rapidly increasing population.

An increase in wages and salaries does not necessarily increase the goods, services and benefits which the wage and salary earner can buy. In fact, if the increase is given at the wrong time or is for too great an amount, the increase may lead to his being able to buy less, and worst of all it may lead to unemployment, a feature of past living the community has been so glad to do without over recent years."²

24. It is also relevant to mention here that the cost of living bonus system, which provided for automatic adjustments on the basis of fluctuations in the cost of living and which was introduced in the U. K. after the first World War, was abolished in 1931. When the question came up before the Royal Commission on the Civil Service, in 1953—55, they agreed with the view that "an automatic and uniform increase for all civil service salaries in the light of average movements over the economy as a whole—even if they can be satisfactorily quantified—will not only freeze existing inservice relativities but also distort proper relativities between civil servants and comparable employees in other employments".³

¹ 1953 II LLJ 843.

² New South Wales Industrial Gazette, August 1956, pp. 232-33.

³ Report, para 48, p. 93.

Cost of Living Indices

25. In formulating their recommendations in respect of dearness allowance, the Pay Commission also suggested that an All India Cost of Living Index should be prepared by the Economic Adviser to the Government of India. The need for reliable Cost of Living Index figures was first felt following the sharp rise in prices towards the end of World War I. This problem received further stimulus on account of the increase in the cost of living during the Second World War and the passing of the Minimum Wages Act, 1948, which made it necessary for the State Governments to maintain cost of living indices for employees in certain industries coming within the purview of the Act.

26. The All India Index is at present prepared by combining the indices for some important centres the number of which is being progressively increased. If, however, one considers the large variations in consumption habits and price trends, a single All-India Cost of Living Index has no significance except for dealing with problems of an All-India nature, for which, however, a cost of living index number not conclusively identified with any particular part of the country is necessary.

27. The cost of living index numbers are maintained in respect of fifty-five centres distributed all over the country; of these 17 are compiled by the Labour Bureau of the Government of India and the rest by the respective State Governments. Some of the States started maintaining these numbers only from 1946. The State indices are compiled by taking a weighted average of the indices for the centres included in these States. In this connection it is of interest to compare the movement of the cost of living index numbers in the town of Madras, Cochin and Visakhapatnam with similar movements in Bombay and Calcutta and the All-India index number.

TABLE XIII
Consumer Price Index Numbers—Working Class (General)
Base 1949=100

	1956	Calcutta	Bombay	Madras	Visakha- patnam	Ernaku- lam	All-India
April		97	117	110	101	108	103
May		98	116	110	101	111	104
June		101	117	113	102	115	106
July		105	115	114	105	119	107
August		106	118	115	107	120	109
September		105	115	114	107	112	108
October		105	117	112	107	111	109
November		104	116	114	109	112	110
December		102	116	115	110	109	109
1957							
January		102	116	115	110	108	107
February		101	116	114	110	110	107
March		100	116	114	115	111	107

28. An absolute comparison in the cost of living can be made only if the *per capita* requirements are worked out on the basis of family budgets, the size of an average family and the increase in the cost of living index number. These figures can, therefore, be taken as only indicating the trends in the movements of the cost of living. They are interesting in that they indicate that the cost of living indices in Cochin and Madras have risen more since 1949 than the corresponding indices than in Calcutta and in India as a whole. Even in Visakhapatnam, there has been a pronounced increase in recent months. The view expressed by the Central Pay Commission that it was open to doubt whether the cost of living varied in these areas to an appreciable extent from those areas where higher pay scales were in force, has thus been largely substantiated.

Other Allowances

29. Other allowances recommended by the Central Pay Commission were (i) local compensatory allowances in big cities, (ii) house rent allowances in big towns and cities, (iii) local allowances to compensate for bad climate and remoteness of locality, and (iv) children's education allowances. The recommendation about the last type of allowance was not accepted. The local compensatory and house rent allowances payable to Port employees on the analogy of the non-gazetted Central Government servants, are summarised below :

TABLE XIV

Pay Rs.							City Com- pensatory allowance Rs.	House Rent allowance Rs.
<i>Class A—</i>								
Below 35	..	..	..	..	..	..	5	10
35—54	..	..	..	..	..	..	7/8	10
55—60	..	..	..	..	..	..	7/8	15
61—80	..	..	..	..	..	..	10	15
81—100	..	..	..	..	..	..	12/8	15
101—140	..	..	..	..	..	..	12/8	20
141—200	..	..	..	..	..	..	15	20
201—250	..	..	..	..	..	..	17/8	20
251—300	..	..	..	..	..	..	17/8	} 10 % of pay.
above 300	..	..	..	..	..	..	20	

TABLE XIV—*contd.*

Pay Rs.							City Com- pensatory allowance Rs.	House Rent allowance Rs.
<i>Class B—</i>								
Below 35	..	..	..	..	..	..	3	7
35—54	..	..	..	..	..	..	3	7
55—60	..	..	..	..	..	..	5	10
61—80	..	..	..	..	..	..	5	10
81—100	..	..	..	..	..	..	5	10
101—140	..	..	..	..	..	..	7	15
141—200	..	..	..	..	..	..	10	15
201—250	..	..	..	..	..	..	10	15
251—300	..	..	..	..	..	..	10	} $7\frac{1}{2}\%$ of pay.
above 300	..	..	..	..	..	..	10	
<i>Class C—</i>								
Below 55	..	..	..	..	..	..	Nil	5
55—125	..	..	..	..	..	..	Nil	7
above 125	..	..	..	..	..	..	Nil	Equal to the Amount by which pay falls short of Rs. 134/8.

Certain compensatory allowances are also sanctioned with reference to the posts; instances of these are fixed travelling allowances, conveyance allowances, proficiency allowances, hard or dirty duty allowances, running allowances, etc.

General Principles

Formulation of Broad Principles

30. The Labour Federations and the Unions have in their memoranda given such thought to the question of basic principles which should govern the rationalisation of pay scales and allowances. After referring to the observations of the Central Pay Commission that "a strict adherence to the law of demand and supply on the part of the Government and the acceptance of a low standard of life by the employees seem to have resulted in the fixation of their pay at such a low level" and that "the old scales of pay" were fixed on the principle of demand and supply and, therefore, "require upgrading" the All India Port and Dock Workers' Federation have urged that in rationalising the pay scales the following conclusions and principles among others should be taken into consideration:—

- (i) the pay scales must be in accordance with the change in the social and economic conditions;

- (ii) the inequalities should be progressively eliminated;
- (iii) with the change in the ideas of workers about the standard of living, better service conditions were imperative and justifiable;
- (iv) in determining wages, qualifications, training, experience and in particular the nature of work and responsibilities should be considered; and that
- (v) the interest of urban area employees should receive special attention.

31. It was pointed out in the First Five Year Plan that any upward movement of wages, at that juncture, would further jeopardise the economic stability of the country if it was neglected in costs of production and that while generally wage increases should be avoided, they could be granted—

- (i) to remove anomalies or where the existing rates were abnormally low;
- (ii) to restore the pre-war real wage, as a first step towards the living wage, through increased productivity.

The Plan considered the following broad principles, evolved as a result of agreement between the representatives of employers and workmen, might help in the regulation of wages:—

- (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. Differentials for various jobs should be maintained at the minimum levels justified by:
 - (i) the degree of skill required;
 - (ii) the strain and the fatigue involved;
 - (iii) the training and experience required;
 - (iv) the responsibility to be undertaken;
 - (v) the mental and physical requirements for doing the work;

- (vi) the disagreeableness of the task; and
- (vii) the attendant hazards.

(d) A scientific assessment of the relative work-load in different occupations and industries should be taken up.

The above principles have been reiterated in the Second Five Year Plan¹ which requires that in all cases of rationalisation they should be strictly adhered to and applied in the spirit in which they were arrived at.

Principles of Economic Justice

32. Economic justice is a term which covers a number of ideas, the most important among them being the diminution of inequalities in income between man and man, and inequality in rewards for equal work. The Preamble to our Constitution embodies the ideals of social and economic justice for all citizens. Article 39(c) requires the State to so direct its policy as to ensure that the operation of the economic system does not result in the concentration of wealth and means of production to common detriment. Public opinion, in this connection, has always been strongly against inequalities of income, particularly in Government employments. Before the last War, the minimum pay of the lowest category of Government servant was Rs. 12 and the highest Rs. 4,000, the ratio between the highest and the lowest being 325 : 1. One economist, tendering evidence before the Pay Commission, expressed the view that the ratio should not exceed 25 : 1. The Central Pay Commission felt that any attempt to remedy social inequalities by a changed pattern of economic distribution must be directly made by the State by measures that embrace all classes of subjects. The desired result, they felt, could not be brought about merely by adjustments in the wage structure. Nevertheless, there was some narrowing of the gulf as a consequence of the recommendations of the Commission which placed the minimum wage at Rs. 55 (now raised to Rs. 70), the maximum except for a few exceptions, at Rs. 3,000; apart from raising the floor and lowering the ceiling in the matter of salaries of Government servants, fiscal measures, particularly adjustments of the income-tax, have further reduced the proportion in respect of net incomes. Besides, as Government servants who are in receipt of pay exceeding Rs. 1,000 are no longer entitled to dearness allowance, the proportion in the real emoluments is still less.

33. The Taxation Enquiry Commission, 1953-54, considered this point with reference to the effects of taxation measures on incentive, savings and investments and came to the conclusion that there should be a ceiling on net personal incomes after tax which, generally speaking, should not exceed approximately 30 times the prevailing average family income in the country. The Commission recognised that the accomplishment of this objective could not merely be the result of tax changes, but must be

¹Second Five Year Plan, page 581.

related to an integrated approach along several directions, and that the most important phase of this approach would be an acceleration of the tempo of economic development and a widening of employment and production opportunities.¹

34. The Second Five Year Plan has also stressed that basically the most important aspect of the process of reducing inequalities is the raising of income at the lowest levels. It has emphasised that this can follow only from the totality of measures of changes undertaken as a part of the Plan and that improvements in this regard can result mainly from increased productivity which need not necessarily involve the installation of new machinery or greater exertion on the part of labour. The plan has recommended that the system of payments by results should be tried out further with adequate safeguards for a minimum fall back wage and protection against fatigue and undue boredom. It is thus evident that this question has many facets and it will be an over simplification of the problem to approach it purely with reference to wages and salaries alone.

Equal pay for equal work

35. In Western countries this question has been mainly agitated on account of the lower standards of remuneration for woman employees, a problem which has not arisen in our country so far as services under the Governments are concerned. Differences in pay scales, and even compensatory allowances have always existed. The question really arises out of consideration for the principle that equality should be in real rather than in monetary terms. The provision of differentials between cities and the country areas has thus found acceptance, on the ground of fairness, in other countries also. Before the Pay Commission examined the wage structure of the Central Government servants, a system of local pay scales for non-transferable Central Government servants was in force. The principle of equal pay for equal work in this case was accepted by the Central Pay Commission who came to the conclusion that there was nothing to warrant the assumptions that the costs of living varied to the extent of continuing the system of local pay scales. They recommended instead uniform rates of pay and dearness allowance except in certain large cities where local compensatory and house rent allowances were recommended. It is interesting to find in this connection that Royal Commission on the Civil Service in the United Kingdom have, eight years later, come to the same conclusion, in regard to Provincial differentiation. Although it is unlikely in most of the cases, it is not axiomatic that standardisation should not result in a movement of wages from higher to a lower limit.

Narrowing Down of Disparities

36. Before the Pay Commission recommended a minimum wage and laid down the principle of uniformity in Central pay scales for similar

¹Report, Vol. I, page 78.

work, emoluments payable to public servants were determined on the broad principle "that Government should pay so much and so much only to its employees as was necessary to obtain recruits of the right stamp and to maintain them in such a degree of comfort and dignity as would shield them from temptation and keep them efficient for the term of their service". Determination of pay scales on the basis of availability of competent material has resulted in pay scales being depressed in those States which had not attained a high degree of industrialisation and where the social and economic background had created a degree of preference for employment under Government. The Pay Commission fully recognised the unsatisfactory results and, to quote their words again, "even during this period the lower grades of the services did not receive a fair deal. A strict adherence to the law of demand and supply on the part of the Government and the acceptance of a low standard of life by the employees seem to have resulted in the fixation of their pay at such a low level that it would not have been possible for those classes of employees to reach a standard which would be accepted as even tolerable by the modern social conscience".¹

Principle of Fair Comparison

37. In the United Kingdom, there has been a change in this concept. Thus, the Priestly Commission have expressed the following views on this question: —

"We believe that the State is under a categorical obligation to remunerate its employees fairly, and that any statement of end which does not explicitly recognise this is not adequate. It may be held that if rates of pay are such as to recruit and retain an efficient staff they must be fair or even that this is what is meant by calling them fair. We do not agree. Such a contention seems to us neither capable of logical demonstration nor to be supported by contemporary facts. We believe that it is true in a general way that if rates of pay for the Civil Service are what we should call fair they will probably, over a period of time and in most classes, enable the Service to recruit and retain an efficient staff, though in conditions of near-full employment all or most employers are likely to be conscious of a recurring, if not a chronic, shortage of labour. The converse of this cannot, however, be logically inferred. The proposition that the Civil Service is recruiting and retaining an efficient staff does not necessarily prove the proposition that the rates of pay are fair. That the analysis of fairness in terms solely of recruitment and retention is not supported by the facts seems to us clear from the following considerations:

¹Report of the Central Pay Commission, para 42, page 26.

* * * * *

Thirdly, we see very considerable danger in the assumption that civil servants are fairly paid and the Service is in a healthy state because its members appear to be carrying out their duties 'efficiently'. The process of deterioration arising from a sense of grievance on the part of the staff may be a very slow one.....and by the time the tendency manifests itself irreparable damage may have been done.

Lastly, in conditions of near-full employment, when all or most employers are likely.....to be conscious of a shortage of labour, pay rates must necessarily be judged by some criterion that supplements or modifies the strict "recruitment/retention" test. We think that in the conduct of wage and salary negotiations concepts of fairness and of the existence of a wage and salary framework not governed solely by the 'law of the market' play a large and increasing part."¹

The Commission, therefore, came to the conclusion that the regulation should be on what they termed the principle of 'fair comparison'. They also emphasised that "in an economy in which full employment is nearly approached, significant improvements in pay and conditions of employment (as distinct,....., from any which are necessary for the removal of anomalies or the alleviation of patent hardship) should be the consequence only of improved performance; and from the operation of the same principle the Civil Service cannot in our view be exempt."²

Need to Curb Inflationary Trend

38. It has been explained in some of the earlier paragraphs how the possible effect of an increase in wages on the general level of prices has weighed with the Tribunals. In economic problems, which are often subject to a combination of a number of factors, it is unwise to dogmatise on the consequences of any particular aspect. In any realistic assessment, all the factors should be assessed together and the approach should be in the sense that "an accumulation of facts is no more a science than a heap of stones in a house". It is a trite saying that a mere increase in wage does not automatically result in an increase in the standard of living or even full compensation for the rise in prices. The danger of inflation must be borne in mind at a time a country is implementing an expansionary policy aiming at larger and ultimately full employment. Generally speaking it is true, as an economist has observed³, that "over-full employment tends to create a constant and persistent upward trend in the level of wages. If full employment prevails equilibrium may be achieved at a relatively high level of wages. Over-full employment, however, means perpetual disequilibrium.

¹Report of the Royal Commission on the Civil Service 1953-55, Cmd. 9613, pp. 23-24.

²Report of the Royal Commission on the Civil Service, 1953-55, para 63, page 14.

³Paul Einzig, *Inflation*, Chatto & Windus, pp. 103-104.

A rise in wages does not automatically restore equilibrium, so long as over-full employment continues to prevail. The only way in which the rising trend may become automatically checked is if costs of production reach such levels that widespread resistance against price increases develops among consumers. Should this result in the accumulation of large unsold stocks by wholesalers and retailers, orders for new manufactures would decline and the demand for labour would slacken. So long as the rising trend of prices is accompanied, however, by an expansion of purchasing power there is little likelihood of a consumers' strike. It is only if the authorities adopt stern deflationary measures, or if price inflation outdistances purchasing power expansion, so that the volume of real purchasing power declines, that consumers are liable to engage in a prolonged strike."

Emphasis on Productivity

39. The only way to reduce the disequilibrium is to ensure that extra wages are compensated by increased productivity by greater efficiency on the part of labour so that the supply of goods keeps pace with the demand generated by larger purchasing power placed in the hands of wage earners. It is by no means certain that an increase in wages is automatically followed by an increase in productivity as is often assumed by protagonists of wage increases.

40. The current wage bill of all the Major Ports except Kandla came to about Rs. 12 crores during the year 1955-56 and in view of the projected developments is likely to increase steadily. The Wage Bill of the Central Government is of the order of Rs. 250 crores every year. While the possibility of economies by organisational and methodological improvements cannot be ruled out and should, in the interests of the Ports themselves, be actively sought, it has to be appreciated that with growing outlay in developmental expenditure and the improvement in working conditions, establishment charges are also bound to go up.

41. The I.L.O. team of Productivity experts who came to India in 1953-54 found that 40% of the pay roll in Indian plants had been established by awards of Industrial courts without the aid of work measurement or job evaluation. This had resulted in anomalies, blurring the relationship between earnings and work performed, and had an adverse effect on incentives. The I.L.O. team had, therefore, recommended a thorough study of the relative levels of wages within each industry on the basis of a sound system of job evaluation.

Capacity to Pay

42. Any principle relating to wages, if it is to be effective, involves the question as to whether and to what extent the employer can bear the extra cost. Opinions vary in this respect. As has already been indicated, the living wage principle has been generally recognised and some of the Industrial Courts have even felt that if an industry cannot pay the workers

engaged in it a reasonable living wage, it is in the interests of the community that it should cease operations, and that such workers should become absorbed in some other and more profitable industry. It has, however, been gradually realised that the case of depressed and essential industries cannot be so easily dismissed and lower wages have been awarded in several cases, for instance in Australia, for 'staggering and languishing' industries.

43. Because of this consideration, it has been suggested that "an index of national production should be constructed and wages should be adjusted with reference to both the cost of living index and the index of national production." This, it has been argued, "would on the one hand avoid the attempt to share out what may never have been produced, and on the other, enable labour to share in the increased production of the country, *i.e.*, the stabilisation of real wages, which inevitably results if they are adjusted to a cost of living index, is avoided. Thus Sir Josiah Stamp in England advocating the construction of an Index of Production 'to serve as an overhead corrective to the application of the cost of living index' argued that 'any adjustment of wages' by prices, without reference to the total national production (per head), is an attempt to share out what may never have been produced, and must lead straight to disaster and unemployment'.¹ The Second Five Year Plan also suggests that, in view of the fact that minimum wages have been fixed on subsistence levels, benefits of increased industrial production should be applied towards increase in wages.

44. Assessment of increased productivity and its quantification in monetary terms is a task of considerable difficulty; further, even in an industry there may be many jobs which are ancillary to the processes of production and which will not admit of any such quantification. Apart from statistical difficulties, it is also not free from doubt as to how far such adjustments are really justifiable. As one observer has argued, "an index of production, however accurate it may be as an index, gives no guidance as to whether the maintenance of equilibrium requires that rates of real wages shall rise or fall relatively to total output. Other factors, specially the volume of unemployment and of unfilled vacancies, would have to be considered in judging whether real wages should be raised more or less than was warranted by the production index."² It may be added that the present trend of the decisions of industrial tribunals in our country is to determine capacity to pay with reference to industry as a whole.

Some Relevant Factors

Special features of Port work

45. It is common knowledge that certain aspects of Port work connected with the handling of cargo carry a considerable element of risk of accidents. Measures for the safety of workers employed in this work have been provided in the Regulations framed under the Indian Dock Labourers

¹S. B. L. Nigam, State Regulation of Minimum Wages, page 148.

²A. G. Pool, Wage Policy in relation to Industrial Fluctuations, page 298.

Act, 1934. During the years 1953 to 1955, the total number of 'reportable' accidents as well as the number of fatal accidents at all the Major Ports were as follows :

TABLE XV

								Total accidents	Fatal accidents
1953	..	..	..	..	..	..	..	2,656	13
1954	..	..	..	..	..	..	..	2,700	16
1955	..	..	..	..	..	..	..	4,269	16

46. During the same period the total number of 'non-reportable' accidents and dangerous occurrences were.

TABLE XVI

1953	..	..	..	..	..	..	..	1,966
1954	..	..	..	..	..	..	..	2,250
1955	..	..	..	..	..	..	..	3,115

47. The hazardous nature of the occupation is reflected in the higher rate of mortality and accident rates. A comparison of accident rates in the Ports during 1955 with the rate for industries, averaging the rates over a period of ten years, will be of interest. For this purpose only the data of the Traffic, Engineering and the Deputy Conservator's departments have been taken into account as below:

TABLE XVII

	Ports		Other industries (Average of ten years)	
	Fatal rate	Total rate	Fatal rate	Total rate
1955	0.25	66.70		
1954	0.25	42.18		
1953	0.23	41.50	0.10	30.21

(The rate is per thousand workers)

48. The following typical cases, as narrated in the Annual Report of the Chief Adviser of Factories, will indicate the types of accident that occur in Port Work.²

- (i) While preparing a stage in a deep tank of a ship for painting, a worker slipped from a platform and fell down from a height

¹ Annual Reports of Chief Adviser of Factories on the Working of the Indian Dock Labourers' Act, 1934 and the Indian Dock Labourers' Regulation 1948.

² *Ibid*, pp. 32-38

of about 20 feet into the tank and died. The materials used in the construction of the stage were however found in order.

- (ii) A tub loaded with manganese ore while being heaved up by shore crane for discharging its contents into a hatch of ship, came off the hook and fell down from a height of about 18 feet from the quay head on the roof of a wagon. The roof of the wagon collapsed and the tub slid down and caused injuries to a porter who was working on the wagon near the door.
- (iii) Cast iron pipes stacked in the after-part of 'tween deck hatch under the coamings, were being discharged by a ship's derricks in Union Purchase. The sling consisted of a wire rope with two special type U-hooks attached at the ends. The sling was lowered, taken under the coaming and hooks were attached to the ends of a pipe. The winches were worked slowly and while the pipe was being pulled out into the square of the hatch it hit a stanchion and as a result one of the hooks got disengaged. The pipe, then, turned round and hit two workers, one of them fatally.

49. Accidents apart, the dock worker's job involves a considerable amount of fatigue. The workers labour under conditions of noise and dust and are also exposed to sun and rain. The heavy equipment handled is likely to break down, and every year serious accidents are averted by the narrowest margins. The following extracts will give some idea of the nature of such occurrences and the extent to which a worker is continuously exposed to danger:

"Steel plates were being discharged from a ship into a hatch of a lighter placed alongside the ship. The plates were slung by means of four grab hooks attached to each end of two chains which passed freely through a cargo hook of the derricks. While one of the plates was being lowered into the hatch of the lighter, chains slipped through the cargo hook on one side so that the steel plate was held almost into a vertical position thereby subjecting the two grab hooks on the lower side of the plate to stress almost equal to the full load of the plate. The two grab hooks were over-stressed and got fractured."

"While discharging a bundle of steel billets from lower hold by means of ship's derricks rigged in union purchase the preventer wire and guy rope were carried away and inboard derrick swung towards starboard side hitting the mast stay with the result the derrick got bent. The sling dropped down a few

feet on the quay. The load was found to be too heavy for this type of rigging.”¹

50. The Inland Transport Committee of the I.L.O. had observed that the “risks to the health of the transport workers arise to a great extent from such causes as exposure, strain and fatigue than from the so called ‘occupational diseases’. Working out of doors in all conditions of heat and cold causes such illness as respiratory diseases, lumbago and rheumatism. Pulmonary tuberculosis, found among dock workers in a comparatively high percentage, is aggravated, it is said, by inhalation of dust, overwork and exposure. *Crane drivers show a high rate of morbidity from nervous exhaustion*”.²

51. Other important features for the workers are the high standard of physical fitness demanded, necessity for some elementary skill even in the lowest vocations and necessity for a certain amount of experience even for the lowest job.

Evolution of Pay Scales

52. The control of Major Ports passed to the Central Government only in April, 1937 following the coming into force of the Government of India Act, 1935. The statutes applicable to the three Ports of Bombay, Calcutta and Madras had given wide powers to the respective administrations in the matter of salaries, fees and allowances payable to staff whose maximum monthly salary exclusive of allowances was less than Rs. 1,000 with the restriction that rules framed in regard to other conditions of service like leave, pension, provident fund contribution, recruitment, promotions, conduct, discipline, etc., should not take effect until confirmed by the Central Government. The Ports of Cochin and Visakhapatnam were departmentally administered and as such orders and rules of the Central Government issued from time to time applied to them. The Port of Cochin was taken over from the administration of the Madras Government in 1936 while the development of the Port of Visakhapatnam was entrusted to the former Bengal-Nagpur Railway in 1920.

53. The association of the State Governments with the administration of the Ports before 1937 gave an essentially local character to the scales and standards of remuneration paid by the Port administrations to their employees. This position was preserved under the Government of India (Adaptation of the Indian Laws) Order, 1947. Besides, before the Central Pay Commission formulated their recommendations, the pay scales of such Central Government servants as were not liable to all-India transfer were related to the pay scales of the corresponding categories of the employees of State Governments in whose territory they were working. These scales

¹ Annual Reports of the Chief Adviser of Factories on the working of the Indian Dock Labourer's Act, 1934 and the Indian Dock Labourer's Regulation 1948.

² I. L. O. Report of the Inland Transport Committee, p. 34.

differed in different States, being particularly depressed in those States (then called Provinces) where a high degree of industrialisation had not been achieved or where there was a strong preference for employment under Government.

54. The Central Pay Commission evolved the principle of a uniform pay structure for all Central Government servants irrespective of the place of their work and this was accepted by the Central Government. The administrations of the Ports of Bombay, Calcutta and Madras were advised to implement the basic minimum wages prescribed by the Commission for Class IV staff; the determination of pay scales for other categories of employees, in the light of the recommendations of the Central Pay Commission, was left to the Port administrations concerned.

Disparities and anomalies in Scales of Pay and Allowances

55. As the conditions of work in the Ports were not uniform and the decision of the Government in effect gave weightage to local factors, the application of the principles and standard pay scales laid down by the Commission varied and the measure of uniformity which could be expected as a result of the recommendations of the Commission was not achieved. Even in regard to the Ports run departmentally, there were differences in application mainly because until quite recently Visakhapatnam Port was under the administrative control of the Ministry of Railways, while Cochin Port was administered by the Ministry of Transport. An additional factor was the cumulative result of various local settlements and awards of Industrial Tribunals. In Calcutta Port, in particular, such settlements have resulted in a large number of pay scales for the various categories of staff. The disparities at the various Ports are explained below :

Bombay

56. The recommendations of the Central Pay Commission were accepted and applied to the employees of all the Ports. The general result of the fixing of the Central Pay Commission scales of salary and allowances to Class III and Class IV staff of the Ports resulted in a substantial increase in their total earnings; for instance the emoluments of Class IV staff rose from Rs. 28/8 in 1938-39 to Rs. 74/8, of an unskilled workman from Rs. 39 to Rs. 89/8 and of a clerk from Rs. 150 to Rs. 246. While adopting the basic scales, the Bombay Port administration made an important departure by altering the rate of increment from annas eight to Re. 1. In the case of a second grade clerk, a higher scale of Rs. 60—180 was adopted in preference to prescribed scale of Rs. 55—130. Similarly, the Port prescribed the higher scale of Rs. 100—220 for the Upper Division clerk. For out-door first grade clerks the pay scale of Rs. 90—6—144—8—160 is in force which has generally been considered as adequate by the Labour Tribunal and the Labour Appellate Tribunal. For some time the out-door clerical staff received the higher maximum of Rs. 144 and clerks were paid a special compensatory allowance; but from 27th September, 1949 the maximum for out-door staff was lowered to Rs. 130 and the compensatory allowance for clerk whose pay exceeded Rs. 100 abolished. This was not actually a reduction but a reclassification of posts in an existing group to a higher or lower standard scale depending on the nature of work.

57. It is interesting to note that the Bombay compensatory allowance was withdrawn in 1949 at the instance of the Central Government; the grounds were that the pay scales prescribed by the Port Trusts were more liberal than those prescribed by the Central Government for their own employees and should, therefore, be deemed to include a measure of local compensation. The allowance was, however, restored in 1954 on the basis of a direction by the Labour Appellate Tribunal in an appeal from the decision of the Industrial Tribunal in Bombay.

58. Even before the recommendations of the Central Pay Commission, it had been the contention of the Port authority that the pay scales or grades of their employees were higher than those admissible at that time to Central Government servants in Bombay. One of the local grievances here has been that the wage differentials have not been maintained. After the revisions on the basis of the Central Pay Commission's recommendations in 1947 there were further revisions in 1948, 1954 and 1956, but these were limited to particular categories of staff and mostly in response to Labour demands; the changes were, however, strictly confined to the actual points in dispute.

59. In 1955, on various demands of a local Union in regard to the pay of several categories of employees of Bombay Port, the Industrial Tribunal (Shri N. R. Meher) ordered the following revisions:

TABLE XVIII

Post	Existing Scale	Demands of Workers	Tribunal's Award
	Rs.	Rs.	
Shed Superintendent Grade I.	220—10—280	320—20—440	} The Tribunal did not examine these scales as later the union did not want any directions on these grades.
Shed Superintendent Grade II.	155—8—195—10— 215	220—15—310	
Gate Inspector	220—10—280	320—20—440	
Labour Supervisor	120—6—144—8— 184.	140—10—200	
Gate Cashier (First Grade Gatekeeper).	155—8—195—10— 215.	220—15—310	Rejected.
Assistant Shed Superin- tendent.	120—6—144—8— 184.	140—10—200	Rejected.
Export Cargo Receiver.	120—6—144—8— 184.	140—10—200	Rejected.
Manifest Clerk	90—6—144—8— 160.	100—8—140—8— 180—10—200.	Rejected.
1st Grade Clerk	90—6—144—8— 160.	100—8—180—10— 200.	Rejected.
2nd Grade Clerk	55—5—90—EB—6 —144.	60—5—100—EB—5 —150.	55—5—90—EB—6—144
	for new appointments from 27th Septem- ber 1949 :		(as modified by Labour Appellate Tribunal.)
	55—5—85—EB— 5—130.		
Outdoor General (Tally Clerk).	55—3—85	60—5—100—EB—5— —150.	55—3—85—EB—4— 125—5—130.
			(as modified by Labour Appellate Tribunal.)
Sorter (Second Grade)	40—1—50—2—60	55—3—85	50—3—80

TABLE XVIII—contd.

Post	Existing Scale	Demands of Workers	Tribunal's	Award
Marker Docks	30—1—35	40—1—50—2—60	35—1—40	
Marker Warehouses	35—1—40	40—1—50—2—60	Rejected.	
Carpenter, Hamallage Workshop.	55—3—85—4—93 —EB—4—125—5—130.	Demand not pressed	Rejected.	
Assistant Carpenter	35—1—50—EB—2—60.	55—3—85	Rejected.	

The above directions were confirmed by the Labour Appellate Tribunal except in regard to the pay scale of Tally Clerks which was fixed at Rs. 55—3—85—EB—4—125—5—130, equivalent to that of a Lower Division Clerk.

Calcutta

60. In 1945 the minimum wage for unskilled Class IV staff was of the order of Rs. 18 for Khalasis, Rs. 30 to Rs. 40 for skilled workers and Rs. 30 to 56 for Maistries. It may be noted that in 1937-38 the Khalasis were getting only Rs. 10. The first general revision of the scales of pay of 'Inferior' staff and the three main scales in the clerical cadre was effected on 1st December, 1945. The more important details of the revisions are noted below to indicate their general trends:

TABLE XIX

Post	Existing Scale Rs.	Revised Scale Rs.
Peon	..	..
Cycle Peon	..	..
Watchman	..	..
Chainman	..	..
Gateman	..	..
Daftry	.. 20—1—25	28—1/2—33
Tindal	.. 23 fixed and 24 fixed.	30—1—34
Dock Serang	.. 25 fixed.	30—1/2—35

61. Some of the grades, particularly in the Traffic Department, were also simplified by grouping a number of posts such as Lascar, Dandy, Sweeper, Darwan etc., together and prescribing a uniform scale of Rs. 26—1/2—30.

62. The next revision was undertaken in 1947 following a direction from the Government for a general revision of pay scales and allowances of Class III and Class IV employees. Action taken was primarily in respect of Class IV staff and confined to a rise in the floor of the scale from Rs. 26 to Rs. 30. The other differentials were, however, generally retained. No attempt was apparently made to 'broadband' different categories of staff on the basis of a few standard scales. As regards the revision of pay scales of Class III employees, the Governmental directive had left a measure of discretion with the Chairman. In response to representations from Class III staff, the Commissioners decided to rationalise the pay scales of Class II non-technical staff on the basis of the following six standard scales :

TABLE XX

			Rs.
Lower Division	..	..	55—3—85—4—125—5—130
Upper Division	..	..	80—4—100—8—180
Upper Division (Selection)	..	..	160—8—200—10/2—220
Supervisor grades—			
Grade III	..	..	200—10—300
Grade II	..	..	260—15—350
Grade I	..	..	300—25—400

This was an improvement as previously, for the non-technical staff, there were as many as 27 pay scales within a pay range of Rs. 60 to Rs. 200 and 28 scales in the pay range of Rs. 200 to Rs. 400.

63. In 1953, a Committee was appointed to consider the revision of the pay of Workshop workers and the number of grades was reduced from 15 to 5, within the pay range of Rs. 30 to Rs. 110. The Committee did not as such review the classification of posts as semi-skilled, skilled and highly skilled.

64. Apart from these revisions, there have been piece-meal revisions on an individual basis, sometimes on account of the nature of duties and responsibilities and sometimes mainly as compensation for the lack of avenues of promotion. The effect of these piece-meal and *ad hoc* changes have however, contributed to an increase in the number of scales and also led to other complications. Contrary to the general pattern of pay structure which takes the time scale form, there are now 8 posts on a fixed pay of Rs. 36, 28 on a fixed pay of Rs. 39, and 2 one on a fixed pay of Rs. 34. The bulk of the Lascars are in the scales of Rs. 32— $\frac{1}{2}$ —36 and Rs. 44—1—49, neither of which falls within the pattern pay scales for Class IV staff. Another consequence of such revisions on a personal basis has been the lack of any correlation between the pay scales before 1945 and the present scales; and an instance is the post of Asphaltum Mistry, which was at the bottom of the scales for an unskilled worker, namely Rs. 18. in 1945, and now bears a pay scale of Rs. 54—1—59.

Madras

65. In Madras, before 1947, the pay scales for Class IV staff varied from Rs. 16 to 26. For some categories like Lascars a system of grades instead of pay scales were in force. The lowest scale of pay for some categories of Class IV staff was as low as Rs. 14 per month. The pay scales for Peons and similar Class IV staff ranged between Rs. 16 to Rs. 22, the scales being Rs. 16— $\frac{1}{2}$ —20, Rs. 18—1—22 and Rs. 17—1—22. For some skilled categories the pay scales ranged from Rs. 25 to Rs. 35 with considerable variations; coupling porters of the Traffic Department, for instance, had a fixed pay of Rs. 21 and two scales of Rs. 21— $\frac{1}{2}$ —25 and 26— $\frac{2}{2}$ —34. There was little uniformity in the pay scales prescribed for even broadly

similar categories of staff. For the lower clerical staff the pay scales ranged from Rs. 35 to Rs. 80.

66. In adopting the recommendations of the Central Pay Commission, opportunity was taken to reduce the number of grades and, in general, the scale of Rs. 55—3—85—4—125—5—130 prescribed by the Pay Commission was applied to Lower Division Clerks. For posts which required work of a higher order and which corresponded to the Upper Division clerical cadre, the pay scale of Rs. 100—5—125—6—155—6—185 was generally preferred. The pay scales of certain categories, which were found to be unduly depressed, were also improved; these categories included Senior Accountants, Establishment Accountants, Senior Clerks, Port Fund Accounts Clerk, Head Draftsmen, Clerks and first grade Time Keepers in the Engineering Department. It was also considered that the duties performed by certain clerical cadres like Tally Clerks, Lighthouse Time Keepers, Loading Clerks, etc., was of a level below that of a Lower Division Clerk in an office and as a consequence the pay scale of these employees was fixed at Rs. 45—1—50—2—70. On a subsequent revision, these categories were characterised as 'Junior Staff' and a scale of Rs. 50—2—60—EB—3—75 was prescribed for them. This is below the bottom scale prescribed for Class III staff, although a minimum qualification of Secondary School Leaving Certificate or its equivalent is insisted upon in respect of some categories of staff. The grouping of posts in the Mechanical and Civil Divisions of the Engineering Department was re-examined in 1953 and enhanced pay scales were prescribed for workers placed in categories A, B and C. A 'job analysis' was also conducted at that time to grade some of the skilled workers.

Visakhapatnam

67. The pay scales of the Class IV staff at this Port ranged from Rs. 10 to Rs. 25. A Peon was on the scale of Rs. 12 to 20, while a Daftry was on a fixed pay of Rs. 25. Khalasis, who were regarded as unskilled manual workers were paid from Rs. 12 to 20. Semi-skilled workers, such as Lascars were on the pay scale of Rs. 18—1—25. Skilled categories were paid Rs. 20 to 35. The lowest pay scale was that of a Message Boy on Rs. 10— $\frac{1}{2}$ —12. As regards the Class III staff, the Lower Division Clerks were on scales of Rs. 30—55 and Rs. 30—85; the pay scale of the Upper Division Clerks was Rs. 85—5—110 for some and a fixed pay of Rs. 100 for others. A number of posts like those of Stock Verifiers and Stenographers carried a fixed pay of Rs. 150 and Rs. 100 respectively. As Visakhapatnam was a departmentally administered Port, under the control of the Ministry of Railways, the transition to the pay scales of the Central Pay Commission was on the same lines as in other organisations under the Railway Board.

68. In 1948, an Enquiry Committee, which was presided over by a judicial officer and included a Labour leader as a member, went into the question

of fixation of pay scales and recommended a general upward revision. The more important suggestions were as follows :

TABLE XXI

Post	Scales suggested		Present scale
	Rs.		Rs.
Typist	80—160	60—3—81—4—125—5—130	
Leadsman	55—130	35—1—50—2—60	
Mate	55—130	35—1—50	
Keyman	36—60	35—1—50	
Jamadar	55—130	35—1—50	
Tallyman	60—150	40—1—50—2—60	
Signal Boson	100—185	80—5—120—EB—8—160	
Head Diver	125—185	80—5—120—EB—8—160	
Welder Cl. I	125—185	60—3—81—EB—4—93— 4—125—5—130	
Fitter (Marine)	100—185	60—4—120—EB—5—150	
Armature Winder	80—160	60—3—81—EB—4—93—4 125—5—130	

It will be seen from the details of the present scales that the recommendations of this Committee were accepted only in the case of a few posts. There has been no further revision of pay scales in recent years.

Cochin

69. When the Government of India took over the administrative control of the Port in 1936 the entire establishment was on a temporary basis. A nucleus staff was made permanent from 1st March, 1943, but the pay structure continued to be the same until 1947, except that the Lower Division Clerks were put on the unified scale of pay of Central Governments servants from 1st September, 1944. The scales of pay of certain categories in the works establishment such as Time-Keepers, Chargemen etc. were fixed by the Administrative Officer with reference to their duties and responsibilities. When a separate establishment was constituted in 1939 on the opening of the new berths, their scales of pay were fixed on the basis of the scales obtaining in Madras Port.

70. Before 1947, the pay scales for the lowest categories of staff ranged from Rs. 15 to Rs. 30. Scales started at a still lower level, for instance, Rs. 12 to Rs. 17 for Peons and Flag Lascars and Rs. 13—1—15—1/3—19 for Watchman. For skilled categories pay scales ranged from Rs. 25 to Rs. 50 and while the pay of clerical staff in the Lower Division and corresponding Out-door staff ranged from Rs. 30 to Rs. 75, the Upper Division Clerks were on the scale of Rs. 60—4—80. Skilled supervisory staff like Assistant Foreman were on Rs. 60—5—100.

71. The position was reviewed in 1947 in the light of the recommendations of the Central Pay Commission. The scales prescribed for the Lower and Upper Division clerical staff and similar categories namely, Rs. 55—3—85—4—125—5—130 and Rs. 80—5—120—EB—8—200—10/2—220, were generally applied. In 1952, there was another revision, but this was only with reference to a few categories of staff and did not substantially affect the pay structure. Unlike the Ports of Bombay and Calcutta, the scales and grades in Madras were comparatively small in number; there was thus not much scope for their reduction in the revision since 1947.

Difficulties of Rationalisation

72. 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. Classification or gradation in such cases is, inevitably, contentious; however carefully the work may be carried out, honest differences of opinion can still arise. The difficulties become all the greater when the proposals are required to cover, for the first time, the pay scales, allowances and wages of the regular staff and workers of a number of highly specialised organisation with different backgrounds, three of the oldest statutory bodies of the country, two developed and operated for years, by the Railways in one instance and by local Government in another, and one still largely a capital project in progress. In such circumstances there is usually a tendency for disparities and anomalies to crop up.

73. A few instances may be cited to indicate the degree of divergence among the Ports. The post of Deputy Chief Accountant (Junior) carries a pay scale of Rs. 320—20—400 at Madras, Rs. 250—15—400 at Cochin and Rs. 350—15—380—20—500 at Visakhapatnam. The last scale is related to the pay scale of a Senior Accountant in the Railway Accounts Department while the pay scales of the other posts were apparently regulated on an individual basis by the Port Trust, Madras, and by the Ministry of Transport in Cochin. Similarly, Cashiers are in the scale of Rs. 400—25—500 in Bombay, Rs. 80—4—100—8—180 in Calcutta, Rs. 160—10—300 in Madras, Rs. 160—10—300 at Cochin and Rs. 200—10—300 at Visakhapatnam. On the marine side, in Bombay the prescribed pay scale for Syrangis is Rs. 90—5—120, but in Calcutta Syrangis are on a number of scales, the lowest in class III carrying the pay scale of Rs. 54—1—64 and the highest Rs. 80—5—120; in Madras the pay scale is Rs. 100—5—130, in Cochin Rs. 100—4—120—5—150, in Visakhapatnam Rs. 60—3—81—4—93—4—125—5—130 and in Kandla Rs. 40—2—60—5/2—75. Even more striking is the variation in the pay scales for

Tindals in the same departments; in Calcutta the number of pay scales are as many as 27 ranging from Rs. 32 at the bottom to Rs. 130 at the top and include a number of fixed grades also, in Bombay Shore and Lighthouse Tindals are on the pay scale Rs. 60—2—70, Tindals of Lascars and Stokers on the scale Rs. 75—3—90 and Tindals employed on signalling operation on the scales Rs. 70—3—85 and Rs. 85—5—100; in Madras and Kandla only one pay scale, Rs. 35—1—50 has been prescribed; in Visakhapatnam there are two scales, Rs. 40—1—50—2—60 and Rs. 60—3—81—4—125—5—130 (for Tindal Deep Sea). In the Engineering Departments, Electric Crane Drivers, in Bombay, are on Rs. 50—2—60—2—76—3—85, in Calcutta, on Rs. 50—2—60—5/2—75, Rs. 60—5/2—80 and Rs. 82—3—85—4—105, in Madras, Rs. 50—2—60—3—75, in Cochin, Rs. 50—2—60, in Visakhapatnam Rs. 60—3—81—4—125—5—130 and Kandla Rs. 60—5/2—75. Chargemen are in the scale of Rs. 145—15—250, in Calcutta, Rs. 155—6—185 in Bombay, Rs. 100—5—125—6—185 in Madras, Rs. 60—4—120—5—150 at Cochin and Rs. 80—5—120—8—160 at Visakhapatnam. In the Traffic Department, a Tally clerk in Calcutta is on a pay scale of Rs. 60—3—90—4—130—5—135; in Bombay, Cochin and Kandla, the scale is Rs. 55—3—85—4—125—5—130, in Madras it is only Rs. 50—2—60—3—75, and in Visakhapatnam it is Rs. 60—3—81—4—125—5—130. The pay scale of a Labour Supervisor in Calcutta is Rs. 300—25—400, in Bombay it is 120—6—144—8—184 and in Madras it is Rs. 70—3—88—4—100. Instances like these can be multiplied.

Objectives of Uniformity

74. The Terms of Reference emphasise the need for uniformity in formulating proposals for the rationalisation of pay scales of different categories of Class III and IV employees in the light of the Central Pay Commission's scales for Government employees of comparable status. It has been clarified that one of the objects of the enquiry is to secure as large measure of uniformity as possible in the pay scales of posts of the same category in all the Major Ports provided that the duties are the same, on the principle of equal pay for equal work. The terms of reference also draw pointed attention to "Disparities and anomalies in the scales of pay and allowances of Class III and IV employees in Major Ports".

75. A basic requirement therefore is to ascertain the precise nature of every post and the extent of disparities and anomalies that exist in the pay scales and allowances of such posts.

Standardisation of Nomenclature

76. It is often tempting to infer the presence of an anomaly from the existence of a difference. Similarity in names does not pre-suppose similarity in functions, responsibilities and working conditions. The possibility of standardising the nomenclature of posts in the Major Ports was considered some years ago. Unfortunately, the question was not finally considered on merits. The suggestion was originally made by a Labour Federation in May
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1948 and was linked up with a demand for standardising "classification, wages and working conditions for all Port and Dock workers throughout India". The Ministry of Labour considered that standardisation was very important as variations in nomenclature, e.g., the same work being called by different names in different establishments and in different centres, caused considerable difficulties in dealing with industrial disputes. They felt that so long as the existing state of affairs continued, it would be impossible to deal with workers' demands as and when they arose.

77. One Port administrator was strongly in favour of standardization : "I have a great deal of sympathy with the demand of the All India Port and Dock Workers' Federation on this particular point. I have spent 28 years working with Port Authorities and I have always found it very confusing to find not only exactly the same work at various ports being carried out by employees under different designations, but in some cases, similar work in the Marine and Engineering Departments of the same Port being carried out by employees of different designations." At the same time it was explained that the support for the proposal was based on consideration of functional efficiency and did not extend to having common grades of pay for employees with the same designations at all Ports throughout India. Another view was that standardization of nomenclature would only complicate matters as the nature of the work and the conditions under which it had to be carried out varied from Port to Port and that, further, it would lead to a demand for equal pay for similarly designated posts.

Standardisation of Emoluments

78. The standardization of emoluments can be with reference to all the industries within an area, or a particular industry all over the country. It has been represented that the payment of high wages by certain industries tends to upset the labour supply position in the same area, of other employers who may not have the same capacity to pay. This is one aspect of the general impact of the application of the principal of equal pay for equal work for employees in a Centrally controlled industry or service. The point has already been carefully examined by the Central Pay Commission with reference to the Civil employees of the Central Government and it is hardly necessary to discuss the *pros and cons* of the principal in any further detail. In the Terms of Reference of the present enquiry, the principal has been re-affirmed; it has been clarified that the objection of bringing about uniformity in the pay scales of posts of the same category in all the Major Ports, on the principal of equal pay for equal work, is subject to the proviso that the duties are the same.

79. In paragraph 77 above there is a note of warning against any equalisation of pay scales merely on account of identity in designations. It was possibly a fear of such a development that made some experienced Port administrators reluctant to embark upon any scheme of standardization of

nomenclature. Even in Central Government departments it is not unusual to prescribe different grades, in different establishments for jobs carrying the same designation. This is in recognition of the fact that while designations broadly indicate the nature of the functions, actual emoluments should be related to higher responsibilities or more arduous work, although of fundamentally the same nature in larger organisations. In such cases, it can be claimed that what has taken place is a refinement and not an abandonment of the principal of equal pay for equal work. The validity of the stand can be appreciated by the fact that the Pay Commission had prescribed higher pay scales for certain categories of staff in the Central Secretariat establishments, as for Assistants, Stenographers, and Superintendents who, in the opinion of the Commission, were discharging duties of a higher character than their counterparts elsewhere. It is, therefore, not uncommon to find such differentials in organisation, for example, like All India Radio whose Headquarters establishment is treated as an Office attached to the Government of India and whose field establishments are treated as Subordinate offices. It is, however, important to remember that the higher pay scales are only in respect of posts where original work is involved and does not extend to posts where the duties performed are purely routine as in the case of Peons, Clerks etc.

80. These distinctions have assumed particular importance in supervisory jobs. A vivid comparison can be drawn between a Foreman of a Railway Workshop controlling a large labour force as well as machinery of a more advanced and intricate nature and of a Foreman of a relatively small Workshop with a smaller number of employees in a Port like Cochin. The size and importance of the Port has thus a bearing on some of the jobs. These differences are already reflected in the pay scales of gazetted ranks, although there can be honest difference of opinion as to whether or not they are fair and equitable. The peculiarities of Port working appear in a pronounced form in some departments, especially in the Marine, and to some extent in the Engineering departments.

Evaluation of Posts

81. The above discussions bring one inevitably to the much debated subject of job evaluation which has received as much enthusiastic support as adverse criticism. Before considering further the bases on which proposals for the rationalisation of pay scales should be formulated, it would be useful to discuss the advantages and shortcomings of this system. The purpose and significance of such evaluation is that by a scientific assessment of each job the individual employee can be assured of an equitable compensation for the service rendered to the organisation on the basis of the return and the current competitive value of the particular type of work performed by him; the employee should also feel satisfied with the relationship between his income and those of other persons performing the same class of work. The representatives of Labour have attached considerable importance to job evaluation and have pressed for its application in the case

of all Port employees, particularly with a view to bring about uniformity in the existing scales of pay. It is therefore necessary to examine in some detail the implications of such assessment.

Job Evaluation

82. A number of definitions¹ can be given for the term 'job evaluation' as follows :

"Job evaluation may be defined as simply as being a method which seeks to determine the work of a job relative to others without taking into account individual abilities of the workers concerned. The job, not the worker, is rated."

"Job evaluation is the process of analysis and assessment of jobs to ascertain their relative worth, using the assessments as a basis for the balanced wage structure".

"Job evaluation is the evaluation or rating of jobs to determine their position in a job hierarchy. The evaluation may be achieved through the assignment of points or the use of some other systematic rating method for essential job requirements, such as skill, experience and responsibility."

83. Job evaluation is now widely used in the establishment of wage rate structures and in the elimination of wage inequalities. It is applied to jobs rather than the qualities of individuals in the jobs. Its value in determining wages has been repeatedly stressed.

"We do not find it necessary any longer to haggle for hours over the price of an automobile. Why should we find it necessary to haggle over the most vitally important commodity of all—human service? The answer is that it is not necessary to bargain on each individual job. Job evaluation is merely a convenient name for systematic and impartial pricing in the labour market, quite closely comparable to modern pricing of merchandise. The latter is made possible by adequate cost analysis, the former by adequate job analysis."²

84. Advocates of job evaluation claim that it is a logical and, to a large extent, objective method of arriving at the worth of one job relative to another in a plant or an industry and improves the morale of the workers by removing workers' grievances over relative wage rates. It is further claimed that interests of the management are also served by the protection a scientific system of job evaluation affords against unreasonable wage demands; where the differentials lack consistency and logic, widespread dissatisfaction results. The impact of the problem on the workers as well as on the management has cogently explained as follows :

¹ Report of the I.L.O. Metal Trades Committee on Job Evaluation Methods in the Metal Trades, pages 4 & 5.

² C.W. Lytle, Job Evaluation Methods, New York, 1946, page 3.

“Wage inequalities are as old as modern industry itself. The complete absence of a rational foundation for the wage structure; the unrestricted freedom of foremen to say to one of the their employees, “I ’ll give you a nickel raise if you don’t tell anyone else”; the supervision of the rewarding-employees-for-merit policy into a seething system of shop politics; and the several other practices contributing to wage inequalities have made them the serious problem that they are today. Management is finding them expensive to solve, and unions are finding them difficult to handle.”¹

Gulf between Theory and Practice

85. The other side of the picture is one of scepticism about the real value of the system. Originally Labour had felt that it might be a tool of the employer, interfering with the scope of collective bargaining; the initial suspicion has now been generally shed, though there is still a typical section which fears that too fine a breakdown of jobs may lead to a weakening of the seniority of older workers. It is, however, now increasingly realised that though job evaluation may not be scientific in the sense of being completely objective, it does provide systematic and consistent procedures and is more objective than other methods. The Report of the International Conference on Job Evaluation, which was presented to the Ninth International Management Congress in Brussels in 1951, also pointed out that :

“Job evaluation can be regarded as being “scientific” only to the extent that it treats its problems in the spirit of science, that is an ordered and systematic fashion.”²

86. It is conceded that the system has a real utility only when its scope is confined to a narrow limit, that is, in the assessment of posts inside a single enterprise or in a narrow industrial area where the wider frame work can be taken for granted. Elements of arbitrariness cannot altogether be eliminated; this has been graphically described at length in the following passage :

“The gulf between theory and practice remains, however, wide; and for good reasons. For even in the simplest cases the objectivity of job analysis is far from absolute. At two points the contingent quality of the measures employed betrays itself. The first is in the assignment of weights to the various factors involved. This is obviously bound to be arbitrary; effort, skill, responsibility and environment are mutually inconvertible. The second is inherent in the translation of job-points into money-wages-quantities which are even more patently inconvertible, for to attempt directly to translate job-points into money-values

¹ C. S. Golden and H. J. Rutenberg, *The Dynamics of Industrial Democracy* New York, 1942, page 170.

² Report, Geneva, 1950., page 7 & 8.

would be like comparing Hyde Park Corner with the numbers of the House of Lords. Some wage, therefore, which is not itself derived from any evaluation process, must, as we have seen, be introduced as a datum; and on this all subsequent calculations depend.

In job analysis as ordinarily practised—that is, in the assessment of posts inside a single enterprise or in a narrow industrial area where the wider framework can be taken for granted—these limitations can be forgotten. But any attempt to use the same methods to establish scientifically defensible relativities over a wider field quickly runs into formidable difficulties. In particular the arbitrary element involved in weighing the major characteristics of widely different employments must become much more obtrusive. ‘Responsibility for people’, for instance, must be broken down into responsibility for the work of subordinates and responsibility for the bodily health and safety, or for the mental and spiritual welfare, of members of the public. But in the assessment of these factors the most profound social judgments are involved; and to these job analysis gives no clue. The fact, for instance, that today the medical professor earns anything up to double (and occasionally more than double) the salary of his non-medical colleague in the universities, and anything from four to ten times the pay of a clergyman, undoubtedly reflects the tendency of a materialistically minded civilization to esteem more highly those who are for our bodies than those who look after our minds or souls. Certainly it is difficult to believe that these relationships would not be disturbed were the fear of death less vivid, and the expectation of immortality livelier. But on the merits of these attitude, the job analysis would hardly claim to pronounce: they could but accept the values of the society in which they live, and construct their measures accordingly.”¹

Views of Central Pay Commission and the Priestly Commission

87. The Central Pay Commission were frankly sceptical about the practicability of applying this system to the principles of salary determination. They observed that “the job factors and point values are, by no means, easy to fix with any approach to accuracy or comprehensiveness and the assignment of a money value to the points must, in the last resort, be only conventional or arbitrary. Even in America, the method still seems to be only an experiment and tried in some industrial and special undertakings and does not appear to have been generally adopted by the State as the normal procedure for fixing the emoluments of public servants.”² The Royal Commission on the Civil Services in the U.K., however, felt while recognising the

¹ Barbara Wootton, *The Social Foundations of Wage Policy*, pages 142—153.

² Report of the Central Pay Commission, page 22.

limitations, that the system of job analysis may be of use under certain circumstances—

“.....Their possible usefulness seems to us to lie in a quite different sphere, namely as aids to consistency and precision in processes which, as we have already said, necessarily involve the use of judgment. The decision that job A may be used as the basis of a “fair comparison” with job B implies that somehow or other the various elements of skill, responsibility and so forth in both cases have been assessed and found roughly equivalent. In this as in other fields where it is necessary to compare and to add together factors which are, strictly speaking, unmeasurable, the use of a points system may well facilitate consistency of judgment; though it must be recognised that the judgment itself remains essentially subjective. It is in this restricted sense that we think that some use might be made of systems of analysing jobs into a series of components and assessing the weight to be given to these on a scale of points.”

“.....We understand that the technique has not so far been much, if at all, used for comparisons between different employments or indeed at all widely for any purpose except in respect of jobs of manual or of simple clerical character, and that not many employers normally approached by the Treasury do in fact use it. Nevertheless it seems to us possible that the use of points systems in appropriate fields might help to overcome some of the difficulties encountered in work comparison.”¹

Methods and Standards

88. In the circumstances explained above, job evaluation *per se* cannot be regarded as a sufficient basis for the rationalisation of pay scales and allowances, it can, however, be usefully applied, along with other methods like work studies etc. in certain departments of the Major Ports. The system, therefore, deserves further notice in order to determine which of its various methods can be utilised in the Ports with advantage. Broadly speaking, its processes are as follows :

- (i) a thorough examination of the job to be assessed;
- (ii) preparation of a job description recording the characteristics in a manner most suited to the method of assessment; a job analysis may also be involved, setting out the requirements of the job under various factor headings;
- (iii) comparison of one job with another by methods, varying from an over-all judgement of the whole job to a detailed consideration of a number of factors and sub-factors;

¹ Royal Commission on the Civil Services, 1953-55 Cmd. 9613, page 40.

- (iv) arranging jobs in a progression, according to some numerical measure or by broad comparison; and
- (v) relating the progression of jobs to a money scale to obtain their relative worth.

Ranking Methods

There are today four principal methods of job evaluation :

- (1) Ranking,
- (2) Classification,
- (3) Factor-comparison, and
- (4) Point method.

The first two are qualitative, while latter two methods aim at quantifying the different factors. All the four methods, however, apply to the processes mentioned above. The oldest, simplest and cheapest of the four systems of job evaluation is the Ranking method which requires all jobs to be evaluated from the highest to the lowest with respect to their relative difficulty and responsibility. For instance, workers in a technical unit may be ranked as follows :

- (i) Unskilled labourer;
- (ii) Greaser, Packer, Tradesmen's mates and Muccadam of labourers;
- (iii) Batteryman, Beltman, Furnace man, Screw-cutting Machine Operator, Rivetter B;
- (iv) Machinist, Gas-cutter, Hydraulic Machine Operator;
- (v) Blacksmith B, Boiler Maker B, Driller B, Mason, Carpenter;
- (vi) Blacksmith A, Mill wright, Fitter A, Driller A;
- (vii) Instrument Mechanic, Master-Tradesman;
- (viii) Leading Examiner;
- (ix) Foremen.

The disadvantages of this method are that the ranking may be done on the basis of incomplete description and without the benefit of definite standards; it may also be influenced by the existing wage differentials.

Classification

89. The characteristic feature of the Classification method is that a certain number of wage scales are predetermined, and any one of the prescribed scales is fitted after an assessment of greater skill, responsibility, adverse working conditions etc., on the basis of a detailed job description. This method is widely used for grading salaried jobs. The common feature of the Classification and Ranking methods is that the job is taken as a whole and not analysed as a component, as in the case of the other two quantitative methods. An illustrative Classification may be according to the following grades, after these have been properly identified and defined :

Grade I	Unskilled
Grade II	Skilled
Grade III	Interpretative

Grade IV	Creative
Grade V	Executive
Grade VI	Administrative
Grade VII	Policy

Factor-Comparison

90. The Factor-Comparison method determines the relative rank of different jobs on the basis of certain factors and monetary values. These critical factors usually are : (i) skill, (ii) mental and educational requirements, (iii) physical requirements, (iv) responsibility and (v) working conditions. To determine the fixed, datum points, a number of key jobs are analysed. The key jobs are then ranked in accordance with the factors and in relation to a monetary scale.

Point Rating

91. The Point method is a further refinement and seeks to sub-divide factors into degrees. An elaborate system of assigning weights to the points has to be evolved; the final gradation of jobs is done with reference to the points later converted to money.

Conclusion

92. Considering the limitations of the various methods and the time and expense involved, it is hardly worth while adopting the highly specialised techniques of the Factor-Comparison and Point methods for the evaluation of any sets of posts in the Major Ports. An appreciable number of posts, as will be explained later, can easily be identified and their function and responsibilities determined with a fair amount of accuracy from the material already available. For certain posts peculiar to ports, particularly in the Marine/Port, Deputy Conservator and Engineering Departments, additional information would have been helpful, but even in these cases it does not seem difficult to evaluate and grade them for the purposes of working out pay scales most appropriate to them, by bearing in mind the principles of Ranking and Classification. In formulating my proposals for rationalisation, therefore, it has not been necessary to go beyond the first two qualitative methods.

CHAPTER III

RATIONALISATION OF PAY SCALES

Introductory

Before proceeding to discuss the basis on which rationalisation of pay scales may be recommended, reference should be made to a generally voiced demand of Labour for a revision of the minimum pay scales. This was sought to be substantiated as much on the ground of special conditions of Port work as of increased obligations of the State towards securing social and economic justice. The points taken were that (i) the Central Pay Commission never really examined the question of pay scales to be prescribed for Port and Dock workers, who were employed in a specialised industry with characteristics not to be found elsewhere, (ii) Port revenues and organisations were essentially independent of Government and there was no reason why any service condition of a Port employee should be tied up with the service conditions of Government servants in general. One Memorandum received in this behalf emphasised in particular the Ports, 'capacity to pay' higher scales of pay. While it was appreciated in the course of discussions that it was not a part of the Terms of reference of this enquiry to suggest any change in the basic wage structure, the Labour representatives contended that there were very few categories of posts where some degree of skill was not required; in justification of their demand for an increase in the minimum scale, they urged, in addition to their point that the work was of an arduous and hazardous nature, that adequate channels of promotion had not been provided. One Union placed the minimum scale at Rs. 40—2—60, while a Labour Federation submitted that even if there was no change in the present level of the basic time scale, the maximum should be raised to Rs. 60. A general complaint was that there was a substantial arbitrary element in the pay scales prescribed for most of the posts.

2. It does not appear from the Report of the Central Pay Commission that they specifically considered the pay scales of Bombay, Calcutta and Madras Ports whose employees were not, technically, Central Government servants. Only the departmentally administered Port of Cochin came under their purview; for this Port the Commission did not make any specific recommendations in detail except to suggest that for ministerial and

subordinate technical staff, the scales of pay should be brought in line with the general scale for office staff.

3. The stand taken by Labour, with regard to their claim that the special nature of Port work should be given a determining weight, has not always been consistent. One Labour Union thought that the high scales of pay now being drawn by certain senior officers of a particular department of a particular Port, as compared with those of similarly designated Railway officers, were an indication of the fact that the standard of work at all levels was higher than in the Railways and that the differentials should, therefore, be reflected in the pay scales of the lower posts as otherwise there would be no rectification of what was termed a 'paradox'. On the other hand, in contrast to the emphasis placed on special conditions of Port work, it has been strongly demanded that the scales of pay of staff employed in the Railways under the Ports should be brought on par with the Railway pay scales. Similarly, comparisons have also been drawn with the emoluments of employees working under private employers in the Port areas or in the vicinity. Another point taken was that the pay of the lowest paid Port worker was higher than that of the lowest paid Central Government servant, but when the recommendations of the Central Pay Commission were implemented this differential was not maintained. An equally emphatic opinion has been expressed on behalf of Labour that there should be no difference between the pay scales of various Ports on account of any legacy of the past. These apparent inconsistencies have been mentioned not by way of criticism but to highlight the practical difficulties of the problem of rationalisation.

4. In an earlier chapter, I have discussed the importance of job descriptions in facilitating proper assessment. For the purposes of job evaluation, the description is required to be complete with full details of the set up, operation, maintenance, handling, control, planning, supervision etc. The preparation of detailed job cards, incorporating all the particulars, would have taken many months in addition to expert assistance. In view of the severe limitations of time, the enquiry had to be based on rough and ready descriptions of the nature of duties and responsibilities collected from the Ports. The Labour organisations have also materially assisted the enquiry by furnishing a wealth of information on what they consider to be the salient and unique features of the posts in respect of whose pay scales they have asked for an upward revision. The Port Administrations have furnished brief descriptions of the nature of various posts, their number, the sources from which they are filled and further channels of promotions. In the course of discussions with Traffic Managers of the Ports, the bewildering variety in functions and designations have come fully into prominence.

Proposals for Rationalisation of Pay Scales

Lowest Pay Scales

5. The posts at the lowest rung of the ladder in all the Major Ports are those of Sweepers, Office Peons, in the establishments of all the Departments, Porters or Mazdoors in the Traffic Departments, unskilled Khalasis in the Engineering Department, Lascars in the lowest grade in the Port Conservancy Department etc. The pay scale prescribed by the Central Pay Commission is Rs. 30— $\frac{1}{2}$ —35 which has been followed in all Ports except in Bombay where the corresponding scale is Rs. 30—1—35. Above this are the scales of Rs. 35—1—50 and Rs. 40—2—60 which have been adopted for unskilled supervision and work of a semi-skilled nature. The Central Pay Commission did not recommend long-time scales for these bottom categories; their reason was that efficiency in performance was not capable of increase beyond a particular limit and industrial labour should rather aim at qualifying for higher grades where an element of skill was involved. The Commission were in favour of a number of grades, providing for different degrees of skill, which would create a 'continuous feeling of opportunity'.

6. The proportions which the three grades (or their equivalent) bear to one another will be appreciated from the statement below.

TABLE XXII

	Grades		
	III	II	I
Bombay	6124	1,777	1,757
Calcutta	8642	3,768	3,561
Madras	1601	451	99
Visakhapatnam	671	701	155
Cochin	442	187	170
Kandla	352	119	22

7. All the Labour Organisations were strongly against the half rupee increment in the lowest Class IV scale, which the Labour representatives stressed was less than even one anna a month and should be raised. It is difficult not to sympathise with this demand. A way has already been shown by the Bombay Port Trust. It should be borne in mind that the Pay Commission had prescribed the scale of Rs. 30— $\frac{1}{2}$ —35 for application only to 'unlearned' employees. The qualification for most of the posts in this scale, as now insisted upon, is a Middle School standard. In the circumstances I have no hesitation in recommending that the lowest time scale should be uniformly Rs. 30—1—35 at all the Major Ports. This should apply to women mazdoors in Madras also.

Further Basis of Approach

8. Having prepared the rock bottom, it becomes necessary to examine the basis on which further rationalisation can take place. 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 detail 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 ports in relation to the pay scales prescribed for the 'test' jobs giving due weight to local peculiarities.

Grouping of Departments

9. In organisations like Ports, the rationalisation of pay scales must take into consideration the varied nature of the functions of different departments. The best course, therefore, is to group the departments of Ports into five broad groups, Marine, Engineering, Traffic Administrative and Welfare.

10. The departments whose work can be considered to be technical in character and in which the employment of skilled staff and artisans is required in large numbers are the Deputy Conservators' Department and the Engineering Department. The work of the Traffic Department also can be regarded as technical in the sense that a certain degree of specialisation is called for. Besides, in the Ports of Calcutta and Madras, the Traffic Department is also responsible for the operation of the Port Railways. The Administrative and Welfare Departments have also been described in Chapter I. In the succeeding Paragraphs, the proposals for rationalisation will be discussed Department by Department.

Traffic Department

11. While the Traffic Department in Calcutta and Madras also maintains and operates the Railway system in the Port, in Bombay a separate Railway Department has been set up. The principal functions of this Department are to (i) provide the necessary arrangements for loading and unloading cargo and (ii) sell such arrangements to the users of Port facilities. The former involves the maintenance of a large labour force as well as supervisory cadres. Arrangements are also made for the custody of cargo to be loaded or unloaded in transit sheds and this requires staff to be maintained in the

sheds. On the Commercial side arrangements are made for the drawing-up of manifests and other documentation facilities. The Traffic Manager also has an Office establishment. In addition, the usual complement of Watchmen, Sweepers etc. has to be provided.

Crucial Categories

12. As far as the Office staff are concerned, they will be dealt with together when the pay scales of Office staff are considered. The categories which are really crucial; for the determination of pay patterns in the Traffic Department, are those of:

- (i) Tally Clerk;
- (ii) Tally Supervisor, Shed Writer etc.;
- (iii) Clerks like Manifest Clerks 1st Division Clerks, Lock Fast Clerks etc.;
- (iv) Supervisory establishment in sheds such as Assistant Shed Foreman, Assistant Shed Supdt. etc.

13. In Calcutta, there are intermediate categories between the Shore labour and the Tally Clerks like Cargo Tindals, Serangs, etc. The lowest categories are, of course, Mazdoors and Lascars.

14. The Shore labour in all the Ports are expected to go on piece rates and a Tribunal is now examining this question. It is therefore not necessary to consider this aspect of the engagement of Shore labour in the present enquiry. As regards other Class IV establishments, excluding Peons, Cooks, Firemen, Serangs, Tindals etc., some of the important categories will be discussed when the Deputy Conservator's Department is taken up as these are common to that Department also.

Tally Clerk

15. At the bottom of the hierarchy is the Tally Clerk. The work of tallying cargo is clerical in character, but there has been some difference of opinion as to whether the work of tallying, with its responsibilities, is equal only to that performed by a Lower Division Clerk who occupies the lowest position in the clerical cadre. The Central Pay Commission thought that the work did not require even a Matriculation qualification. The scale of Rs. 55—3—85, therefore, applied to Tally Clerks under the Bombay Port Trust before it was revised by the Industrial Tribunal. In Madras, Tally Clerks are designated as Junior Clerks Cargo and have been placed on the pay scale of Rs. 50—2—60—3—75 which itself is an improvement over the older scale of Rs. 40—1—50—2—70 which was in force before 1st October 1953. The Port authorities, however, insist on a minimum S.S.L.C. qualification which is essential for appointment as a Lower Division

are on the pay scale of Lower Division Clerks since 1947.

Clerk. In Cochin and Visakhapatnam as well as in Calcutta Tally Clerks

16. In comparing the nature of duties performed by Tally Clerks in different ports, it has been mentioned that in Madras they are expected to do only tallying work and not to attend to shed work as in Calcutta and Cochin. A precise description of their work in Visakhapatnam has not been available, but it is interesting to note that the scale for a Lower Division Clerk is in force in that Port which was until recently under the control of the Railway Board. In the Railways, the scale of pay prescribed for Tallymen is Rs. 55—85 which itself is an indication that the Railway Board considered tallying work in Ports to be decidedly more responsible than in Railway sheds.

17. The Industrial Tribunal, Bombay, in adjudicating a dispute in respect of this category of staff as well as other categories, felt that the extension of the maximum of the pay scale to Rs. 105 would be justified. The Labour Appellate Tribunal, however, thought that in view of the increasing importance of tallying in piece rate working and the minimum qualification of Matriculation/Secondary School Leaving Certificate required for the post, the scale of Rs. 55—3—85—4—125—5—130 (which was until recently the pay scale for a Lower Division Clerk) would be more suitable. The Government of India have recently revised the pay scale of a 3rd Division Clerk from Rs. 55—130 to Rs. 60—130. It is recommended that the Tally Clerks in all the Ports should be placed on the new scale prescribed for the Third Division Clerks, *i.e.*, Rs. 60—3—81—4—125—5—130.

Tally Supervisor etc.

18. Tally Supervisors, Shed Writers, 1st Grade Manifestors etc., are in Calcutta on the pay scale of Rs. 80—4—100—8—180 adopted there, while in Bombay this scale is Rs. 90—6—144—8—160. The standard Pay Commission scale for Upper Division Clerks is Rs. 80—5—120—8—200—10/2—220, which has been adopted in Cochin for these clerks and for categories of Clerks like Lock Fast Clerk and Senior Work Section Clerk.

19. In Madras there appears to be no category corresponding to 1st Grade Clerks in Bombay or Shed Writers in Cochin. The post of Assistant Shed Master, from a description of its functions, appears to be a quasi-executive post. The posts of Shed Master carries a scale of Rs. 160—10—250—EB—10—300 and that of Assistant Shed Master Rs. 100—5—125—6—155—6—185. At Visakhapatnam, a few posts of Upper Division Clerks have been provided in the scale of Rs. 80—160. At Kandla also, there is no intermediate posts of Upper Division Clerks between the Tally and Delivery Clerk and the Shed Master, but the volume of traffic in this Port is yet to assume the dimensions of that of other Major Ports.

20. It will, thus, be evident that there is no large disparity in the pay scales prescribed for outdoor Clerks in the Traffic Departments of the various Ports. Taking into account the nature of the duties and the responsibilities attached, I consider that the scale Rs. 80—5—120—8—200—10/2—220 is the most appropriate pay scale for this category of staff. It is also recommended that in Madras Port, where the Upper Division Grade does not exist at the moment, an equivalent intermediate Grade should be created between the Tally Clerks and the Shed Masters. The suggestion is based on the consideration that there should be some jobs for receipt and delivery work, carrying responsibilities equivalent to the Upper Grade, which in all probability is now undertaken by the Lower Division Cadre. This will provide, incidentally, an avenue of promotion for Junior Clerks for whom S.S.L.C. qualifications are not being insisted on.

21. The nature of responsibilities attached to the duties performed by an Asstt. Shed Master in Madras and an Asstt. Shed Supdt. in Bombay appear to be somewhat similar; the qualification in both the cases is a 1st Class Degree. In Calcutta, however, a University degree is not specifically demanded for the posts of Asstt. Shed Foreman which are essentially selection grade posts; it has been stated that these posts are earmarked for abolition as soon as the present incumbents vacate them. As the posts in Bombay and Madras appear to carry duties definitely higher in order than what is expected of Upper Division and similar establishments, the pay scale of Rs. 125—6—155—6—185—7½—200—10/2—220 is recommended for them. The posts in Calcutta have been left out of consideration as they are due to be abolished.

Shed Masters etc.

22. As regards the Shed Supervisory Staff, the post of a Shed Foreman carries a pay scale of Rs. 260—15—350 in Calcutta. In Bombay there are two grades of Shed Superintendent carrying scales of Rs. 155—215 and Rs. 220—280. In Madras, the pay scale for the post of a Shed Master is Rs. 160—10—250—10—300. In both these Ports, the possession of a 1st Class Degree is required. At Cochin, the pay scale for the post of a Shed Foreman is Rs. 100—5—120—8—200—10/2—220, which is really a part of the upper reaches of the standard Upper Division Clerical pay scale. At Visakhapatnam, the post of the Shed Foreman carries a scale of Rs. 100—185, but in the absence of particulars of the precise duties, a comparison with the similarly designated posts of Cochin is not practical. At Kandla, the post of a Shed Master carries a scale of Rs. 160—10—300 and the incumbent is expected to be a Graduate. A Shed Master or a Shed Foreman occupies an important position both in handling and commercial work and the provision of only an Upper Division Clerical pay scale does not seem to be quite appropriate. The importance attached to this post, however, varies from Port to Port; it is therefore difficult to

make satisfactory comparisons. Nevertheless, there does not seem to be any reason why the post of a Shed Foreman in Calcutta should not be equated with that of shed Superintendent Grade I in Bombay or the post of Shed Master in Madras with that of a Shed Superintendent Grade II in Bombay. It seems, similarly, reasonable to equate the posts in Cochin and Visakhapatnam. In my view the first group of these posts in Bombay and Calcutta should carry the pay scale of Rs. 260—15—350, the second group of Rs. 160—10—250—10—300, and the third group the pay scale of Rs. 125—6—155—6—185—7½—200—10/2—220.

23. The recommendations can, therefore, be summarised as below :

TABLE XXIII

Post	Pay scale recommended	Ports concerned
Tally Clerk	60—130	All Ports
Tally Supervisor } Shed Writer } 1st Grade Clerk }	80—220	(New Grade in Madras)
Assistant Shed Superintendent	125—220	Bombay
Assistant Shed Master	125—220	Madras
shed Foreman, Shed Master	125—220	Cochin and Visakhapatnam.
Shed Master	160—300	Madras
Shed Superintendent Grade II	160—300	Bombay
Shed Foreman	260—350	Calcutta
Shed Superintendent Grade I	260—350	Bombay

24. It would be an advantage from the administrative point of view if all the Ports adopt the following nomenclature as standard :

1. Tally Clerk.
2. Tally Supervisor, Shed Writer 1st Grade Shed Clerk.
3. Assistant Shed Master.
4. Shed Master.

25. The pay scales for other posts in the Traffic Department (which are peculiar to the working of the Department) may be fixed by the Port Administration with reference to these scales; bearing in mind the principle of broadbanding, as far as possible, the gradation should be according to the twelve standard scales recommended by the Central Pay Commission and the scales noted above.

Engineering Department

26. Except in Calcutta, this is the Department which employs the largest number of men. The work is also of diverse character. It is possible to find parallels to the work of this Department in the Construction, Maintenance, and Workshop divisions of other Departments outside the

Ports, but the work of dredging is a special peculiarity of Port work. The Engineering Department employs a large number of technical staff and skilled artisans and it is to some extent natural to find that numerous scales of pay have been prescribed. The question of classification according to skill is of great importance in this Department and it is here that job evaluation, with a high degree of precision, is eminently desirable and practicable.

27. In contrast to the Traffic Department, it will be necessary to take here quite a number of posts for the fixation of key points. In Calcutta the posts at the bottom are those of Khalasis, Boatmen, Cleaners, Bhandari and similar posts. The posts in the higher grades are the lowest grade of Blacksmith, semi-skilled Khalasis like Bridge Khalasis, Cooks, Carpenters of the last grade, Fitters of the last grade and other semi-skilled categories. The normal scale for semi-skilled and unskilled supervisory staff is Rs. 35—1—50, but an extension of this scale up to Rs. 60 for semi-skilled artisans has been favoured by the Railways and also for a few other posts in other Central Government Departments. The characteristic feature of the pay scales applied in Calcutta Port is their multiplicity and somewhat arbitrarily chosen maxima and minima. In Bombay, the picture is much simpler; only the usual scale of Rs. 35—1—50 is applied to most of the cases. Similarly, for skilled staff, while there are a number of variations in Calcutta, the scales of Rs. 40—2—60 and Rs. 50—2—60 or 75 have found general application in Bombay.

Grades in Railways

28. It would be useful at this juncture to discuss the problem of classification of scales and the number of grades with special reference to the practice in other Departments. In the Railways, the following scales are in force :

TABLE XXIV

Skilled staff	Scale of Pay Rs.
Semi-skilled	35—1—50—2—60
Skilled	55—130—(now 60—130)
”	60—75
Highly skilled	80—160 —
” ”	125—185/100—185
Skilled Supervisory	125—185/100—185

The Pay Commission categorically stated that no difference should be made between training in letters and training in crafts and in the modern world there was no justification for regarding a skilled worker as belonging to an inferior category when compared with a clerk.¹

¹ Report of the Central Pay Commission, para 66, page 43.

Classification Committee, Bombay

29. In 1948, the Bombay Port Trust appointed a Committee for determining the classification of certain categories of workmen in that Port. Mr. Waterhouse, Chairman, Trade Testing Panel, Calcutta, was the Chairman of the Committee to which a representative of the Bombay Port Trust Employees' Union was also nominated. In determining the grade of skill in relation to the categories under reference, the Committee decided that only skilled should be considered as a determining basis, but also agreed that in instances where the degree of skill had previously been established, the arduous nature of work, the awkwardness and the probable danger attached to the work, might also be taken as a relevant factor. The decisions of the Committee cut both ways. Certain categories like Sail Makers, Rivetters and Drivers 2nd Grade were awarded a higher scale, while the higher pay scales then in force for certain categories were abolished. Some minor anomalies were also rectified. There was, however, a difference of opinion among the members of the Committee in regard to Crane Drivers, Welders and Electricians. The representative of Labour on the Committee felt that Crane Drivers, who were carrying out all kinds of repairs and overhauling in addition to driving, and Welders and Electricians should be classified as 'highly skilled'.

30. The Committee's work was confined only to categories referred to them and did not result in a general review of the classification of skill in the Port as a whole.

31. For a proper rationalisation of pay scales of skilled and semi-skilled artisans, it is thus necessary to have a reliable system for the measurement of skill. In the Railways, Trade Test Panels have been set up and syllabi indicating the minimum standard of proficiency have been prescribed. No such formal scheme, covering all skilled categories, appears to have been adopted at any of the Ports, except at Visakhapatnam where Trade Testing methods are in vogue, probably due to its earlier association with the Railways and to a restricted extent in Madras. In this Report it is not possible to indicate more than the broad basis on which pay scales appropriate to different gradation of skill can be determined. But in view of the large number of technical staff and artisans employed in the Ports and the variety of functions performed by them, it seems necessary that such schemes should be drawn up by the Port Administrations, preferably after mutual consultation. The provision of a suitable machinery for fair assessment may also lead to better relations and reduction of disputes between the employers and the workers concerned.

Blacksmiths

32. As an indication of the basis on which the problem is to be tackled, the post of a Blacksmith may be taken as sufficiently representative. In

Bombay, the post is on the pay scale of Rs. 55—130. In Calcutta, there are six grades for this post in Class IV alone; the highest carries a pay scale of Rs. 40—2—60. In Class III, a higher grade of Rs. 60—5/2—75 has been provided, to be filled up by promotion from the lower grade. The job descriptions furnished by the Port do not indicate what different degrees of skill are required for the lower and the higher grades, which fall in semi-skilled and skilled categories respectively. In Madras, there are three grades for this post carrying the pay scales of Rs. 50—75, Rs. 70—100 and Rs. 100—5—130 respectively. The first grade will correspond to the gradation highly skilled. There is no specific post of Blacksmith in Class IV, but in the Marine Department of this Port there is a post of Lascar Blacksmith for semi-skilled work in the smithy. Information on this point is not available with regard to Cochin and Visakhapatnam, but at Kandla the post of a Blacksmith carries a scale of Rs. 60—5/2—75 and there is a lower grade of Rs. 40—2—60, designated as Asstt. Blacksmith.

33. As the functions of a blacksmith are more or less the same in all Departments, it would be helpful to compare the pay scale prescribed for this post in the Ministries of Railways and Defence, who are the principal employers of large artisan forces. In the Railways the Blacksmith is generally classified as skilled and the post carries a pay scale of Rs. 55—130 (now Rs. 60—130); in addition, every Railway administration has a number of posts treated as highly skilled in the scale of Rs. 80—160. In the Ministry of Defence, Blacksmiths have been placed in two grades, Rs. 50—75 and Rs. 60—130.

34. The syllabus in force in the Railways¹ for the promotion of Blacksmiths will give an idea of the degree of skill required for the proper discharge of the functions of this post :

- (1) Must understand simple drawings.
- (2) Must have a good knowledge of all tools and appliances in general use in the Smith's trade and their maintenance.
- (3) For permanent-way work he must be familiar with the use of.
 - (a) Jim Crow,
 - (b) Hack Saw,
 - (c) Ratchet etc.
- (4) Must know the correct working temperatures for smithy work, and must be able to carry out a simple weld for joining two pieces.
- (5) Must have a good knowledge of Upsetting (jumping), drawing down, cutting up, binding, swaging, punching and shearing, joining and welding.

¹ Classification of Artisan Staff on Railways Standard Trade Tests, 1956, page 16.

35. It is not always easy to draw true comparisons between various posts in the Ports and in the establishments of the Government of India, but so far as tradesmen and artisans are concerned, there is a remarkable similarity of functions; as the functions to be performed are more or less the same, the most equitable solution is to prescribe two scales, the lower one carrying the scale of Rs. 60—5/2—75 and the higher the usual pay scale of Rs. 60—130. For jobs carrying the trade designations, but not requiring the same degree of skill, the scale of Rs. 40—2—60 would appear to be most appropriate. As regards the highly skilled grades, suitable adjustments can be made by the Port administrations, having regard to the nature of work, the equipment handled etc. It seems advisable to provide a few posts in the highly skilled category as has been done in Madras. If the other Ports think that such a course of action would be worthwhile, the Madras pay scales are recommended for such posts with the modification that the grade of Rs. 70—100 should be altered to Rs. 75—3—105 in conformity with the standard pay scale prescribed by the Central Pay Commission for Class III staff.

36. As will be evident from the trend of recommendations above, it is intended that this pattern should be adopted for all categories of tradesmen and artisans to the extent feasible, that is, for Boiler-smith, Carpenter, Fitter, Machinist, Millwright, Painter, Moulder etc.

Chargemen

37. The next representative post selected is that of Chargemen who is said to be one of the pivots of the Workshop and the Engineering Organisation. A considerable amount of experience and a high degree of skill go into the making of a Chargeman. In Bombay, the post carries a pay scale of Rs. 155—6—185; there are also two grades of Assistant Chargemen in the pay scales of Rs. 100—5—125—6—155 and Rs. 93—4—125—5—140. Ten years' experience is required for the post of Chargeman and five years' for that of an Assistant Chargeman.

38. In Calcutta, the Chargeman is on the scale of Rs. 145—15—250; the qualifications required are full apprenticeship in a recognised Workshop and a passing out certificate from a recognised Technical school. In Madras, the post carries a pay scale of Rs. 100—5—125—6—185, the qualifications required being a diploma from a recognised Polytechnic in addition to Matriculation, there is also a post of Senior Chargeman carrying a scale of Rs. 160—10—300.

39. In the Port of Cochin, there are three grades of Chargemen on the pay scales of Rs. 60—4—120—5—150, Rs. 55—3—85—4—105 and Rs. 45—2—65—3—80; the last post does not seem to entail the duties expected of a Chargeman. An S.S.L.C. qualification is insisted on for the

Upper Grade, but no trade qualifications have been prescribed though this has been done in the case of other posts in the Port.

40. At Visakhapatnam there is no post of Chargeman as such, but there are three posts of Chargehands in the scale of Rs. 100—5—125—6—185. The post of a Chargeman at Kandla has a pay scale of Rs. 150—7—185—8—225; no proper qualifications have been prescribed, but extensive practical experience, with experience of independent charge in a mechanical workshop, has been laid down as obligatory.

41. In the Railways, Chargemen are on four pay scales, namely, Rs. 100—185, Rs. 150—225, Rs. 200—300, and Rs. 260—350. In the Ministry of Defence, the post of Chargeman in an Ordnance Factory carries a pay scale of Rs. 200—10—300. It will be apparent from the wide variety of pay scales and differences in qualifications that in determining the pay scales of this post considerable allowance must be made for local factors. Besides, the application of this designation to posts which do not really involve highly skilled supervisory functions as for example, Chargeman, Fender Pontoon in Cochin, is not quite appropriate and makes comparisons difficult. This again spotlights the real need for adoption of uniform methods and conventions in designating posts.

42. A Chargeman is employed in supervising the work of skilled workers, and is often in charge of a shop or a specified assignment. In all the Ports, there are posts of this nature and bearing this designation although the pay scales are not uniform. To prescribe scale of pay on a uniform basis for all the posts of Chargemen will be impracticable and may not be entirely in line with an objective assessment on merits. It is, however, evident that duties of a Chargeman cannot be classified as equivalent to anything lower than highly skilled. The present scale in Cochin Port is too low, considering this, and it should be revised to Rs. 80—5—120—8—160. There is also, judging from the very small pay difference between a Chargeman Grade I and a Chargeman Grade II, no necessity to keep two grades. It is, therefore, recommended that Chargemen in that Port, other than those for whom the application of the term 'Chargeman' is a plain misnomer, should be placed on the highly skilled grade mentioned above. No recommendations have been made in regard to Visakhapatnam Port in view of the fact that a full description and the details of functions of a Chargehand are not available.

43. As regards the Ports of Bombay, Calcutta and Madras, it is suggested that the post of a Chargeman in Calcutta, now on the scale of Rs. 145—15—250, should be placed on the scale of Rs. 160—10—250—10—300, prescribed for a Senior Chargeman in Madras. In Bombay, it should be possible to reallocate the functions of the present Chargemen in two grades, the lower grade carrying a scale of Rs. 150—7—185—8—225, the higher Rs. 160—10—250—10—300. It may not be inequitable to group Assistant Chargemen in Bombay with Chargemen in Madras, in the pay scale,

Rs. 100—5—125—6—155—6—185; a point which deserves consideration by the Madras Port Trust, however, is whether in view of the educational and diploma qualifications required by them, a start at the stage of Rs. 125 will not be justified for Chargemen.

Crane Driver

44. A Crane driver occupies an important position in dock operation in a Major Port and handles technical equipment requiring varied degrees of skill, experience etc. Having regard to the difference types of equipment, powered by hand, steam or electricity, and ranging in capacity, from 35 cwt. to 200 tons, it is not surprising that a number of pay scales have evolved for the posts of Crane driver. In Bombay, the lowest category of Crane driver is on the pay scale of Rs. 50—2—76—3—85; the higher grades are Rs. 60—2½—75—3—93—4—105 for the driver of a 6-ton crane, Rs. 55—3—85—4—125—5—130, for the driver of a 30-ton crane and Rs. 76—130 and Rs. 93—4—125—5—130 for heavy lift Crane drivers. Similarly, in Calcutta there is a multiplicity of pay scales, ranging from Rs. 50—2—60—5/2—75 and going up to Rs. 93—130. In Madras, the Crane drivers of the lowest categories are on the grade Rs. 50—2—60—3—75, while the highest are in the scale of Rs. 100—5—130. At Cochin they are on the scale of Rs. 60—2—70, at Visakhapatnam on Rs. 60—3—81—4—125—5—130 and at Kandla on Rs. 60—5/2—75. These differences are in a way indicative of the differences in the technical equipment.

45. In the Railways, the operators of hand cranes are regarded as unskilled. The electric, diesel and steam crane operators are classified as skilled and have been placed on the pay scale of Rs. 55—130. An idea of what is expected of them can be had from the syllabus¹ prescribed for promotion to that post :

- (1) Must be fully conversant with the recognised signals and safety rules issued from time to time with regard to operation of cranes.
- (2) Must be able to properly clean, oil and lubricate all moving parts in a crane with proper lubricants.
- (3) Must be familiar with the general working of a crane including lifting, lowering and slewing traversing and must be able to smoothly change gear and operate controls.
- (4) Must have a good working knowledge of diesel engines and be able to effect running repairs (For diesel crane drivers).
- (5) Must be able to judge.
 - (i) the approximate weights of load to be lifted from observation,

¹ Classification of Artisan Staff on Railways Standard Trade Test 1956, page 33.

- (ii) whether the slings are properly fixed without any uneven strain,
 - (iii) that they are knotted, and
 - (iv) that they are not in contact with sharp edges.
- (6) Must be able to judge the speed of hoists and travel speed so as not to pass the limit switches. (For electric crane drivers only).

46. One of the Memoranda submitted on behalf of Port and Dock Workers has emphasised certain features of the work of Crane drivers, such as the arduousness of the duties, the liability to mental fatigue, exposure to accidents etc., and has urged that the job should be treated as a skilled one. The work is characterised by monotony but demands a large measure of coordination between the various faculties. There is also an element of occupational risk. The classification of some of these posts as semi-skilled in Bombay Port was challenged before the Industrial Tribunal and subsequently before the Labour Appellate Tribunals. The Tribunal did not think it was inequitable to classify some of these categories as semi-skilled. In this connection the observations of the Labour Appellate Tribunal are of interest.¹

“Classification of jobs varies from industry to industry and even from unit to unit of the same industry, depending as it does on the nature of the job peculiar to each unit of the industry. Classification of jobs is considered to be the exclusive function of the management and generally speaking Tribunals should not interfere with it unless it is established that there is a serious error in the classification. In the present case, where no special benefits attach to any of the three classes, classification does not assume any special importance, and we do not propose to interfere with the classification.”

47. In formulating a rationalised approach to the problem, the position at Visakhapatnam may be taken as a pointer because of the long association of that Port with the Railway administration where the question of classification has been raised more than once and solved in the past. In that Port pay scales appropriate to skilled workers have been prescribed for Crane drivers. In Madras also the pay scale which has been applied is that meant for skilled artisans but of the lowest grade. There can be no doubt that the duties performed by a Crane driver are of a higher order than those of a skilled artisan of the lowest grade; there is besides greater exposure, more strain on the mental faculties as well as occupational hazards. Considering all the circumstances, it seems fair to recommend a pay scale of Rs. 60—130 for the lowest category of Crane driver to be uniformly adopted by all the Major Ports. Taking this as the base, it

¹ Labour Appellate Tribunal, Bombay, Award, dated 13th June 1955, page 63, para 128.

is suggested that the pay scales for the higher categories may be fixed on the scales of Rs. 75—3—105 and Rs. 80—5—120—160.

Draftsman

48. There are certain posts such as Draftsman, Overseer and Supervisor which have functions similar to those of posts in Departments of the Government of India like the Central Public Works Department.

49. In Bombay, Draftsmen have been placed in three grades on pay scales of Rs. 220—10—260—15—350, Rs. 140—8—180—10—220 and Rs. 80—5—100—8—140. For the first two grades the Candidates must have a diploma in Civil Engineering or Architecture, while for the last only a Secondary School Leaving Certificate with a period of apprenticeship is required. The duties are stated to be similar.

50. In Calcutta, there are three grades of Draftsmen to which the pay scales of Rs. 140—8—180, Rs. 180—10—230 and Rs. 160—10—230 have been attached. The posts are all filled by promotion and no diploma or degree is insisted on, the possession of 'Proficiency' certificate is regarded as sufficient qualification.

51. In Madras, Draftsmen are on the scale of Rs. 100—5—125—6—155—6—185, which is the scale prescribed for categories of Charge-men etc. A Licentiate Diploma is required as a minimum qualification. Senior Draftsmen are on the scale Rs. 160—10—250—10—300. Engineering Graduates are started at Rs. 200.

52. In the other three Ports, Junior Draftsmen of Cochin and Grade 'B' Draftsmen at Visakhapatnam and Kandla are on the same scale as applicable to Draftsmen in Madras. Senior Draftsmen in Cochin and Grade B Draftsmen in Visakhapatnam are on the scales, Rs. 150—7—185—8—225 and Rs. 260—15—350, respectively.

53. In the Railways, Draftsmen are on five grades, the lowest of which is the scale of Rs. 100—185, as followed in the Ports of Madras, Cochin, Visakhapatnam and Kandla.

54. The Central Pay Commission recommended the following three scales for technically qualified subordinate staff like Draftsmen, Rs. 60—4—120—EB—5—150, Rs. 100—5—125—6—155—EB—6—185 and Rs. 150—7—185—EB—8—225. They also observed¹ that

“There may be a selection grade, if necessary, on Rs. 200—10—300 for draftsman who have undergone a training course in Engineering schools similar to that for subordinate categories like store-keeper, where no special qualifications are required and responsibilities are not heavy, may be assimilated to the

¹ Report of the Central Pay Commission, Part III Works, Mines and Power Department page 311, para 24.

ordinary clerical grades. In regard to ministerial staff in general, we would emphasise the suggestion that the office of the Chief Engineer, C.P.W.D. should cease to be an Attached Office. We see no reason for treating this office differently from other offices of heads of departments at headquarters".

55. It will be seen that a standard pay scale of Rs. 100—185 has already been adopted for this post in all Ports except in Bombay and Calcutta. There is no information to indicate that the nature of duties required of a Draftsman in those Ports is of a higher order; if these Port Authorities consider that it is essential to retain a higher grade, the adoption of the third standard scale of Rs. 150—7—185—8—225 would be more appropriate than the present *ad hoc* scales. It will be a matter for the Ports to consider whether there is any necessity for a further selection grade as recommended by the Pay Commission. It is quite possible that the pay scale prescribed for a Head Draftsman would fulfil such a requirement; for all Head Draftsmen, therefore, this scale may be adopted.

Supervisors

56. Comparable posts also exist for Engineering Supervisors and Overseers. At present there are a number of designations and it may be an advantage to combine the categories and have two grades of Supervisors, the lower grade carrying the standard scale of Rs. 100—185 and the higher Rs. 150—225. For Works Inspectors and Supervisors who are expected to be Engineering Graduates, or Upper Subordinates with long experience; the pay scale of Rs. 160—10—300, with an advance start at Rs. 200 for Engineering graduates, would appear to be suitable.

Time Keepers

57. Another category which may be selected as representative is the Time Keeper. The duties of this post can broadly be stated as the maintenance of necessary basic material for the calculation of over-time. In Bombay, there are two grades of Time Keepers on the scale of Rs. 55—3—85—5—130 and Rs. 80—5—120—8—160 respectively. There are also Head Time Keepers on Rs. 150—10—210, evidently to provide an avenue of promotion. In Bombay, they are also expected to keep accounts of repostings, deal with audit objections and maintain statistical details of the implementation of the Minimum Wages Act. In Calcutta, there are two grades, of Lower and Upper Divisions respectively; detailed job descriptions of these posts have not been available, but it is apparent that the duty lists are not so long as in Bombay. In Madras there are three grades on Rs. 55—3—85—4—125—5—130, Rs. 55—3—85 and Rs. 50—2—60—3—75. For all these posts, the qualification prescribed is S.S.L.C. The duties relating as they do only to time keeping, are not so extensive as in Bombay. In addition, there is a Time and Wages Clerk

on the scale of Rs. 100—5—125—6—155, who is expected to assist the Accountant in the preparation of Muster Rolls, Pay Bills etc. These functions are closer to the duties required of the Time Keeper in Bombay. In Cochin, Visakhapatnam and Kandla Ports, the Time Keepers are on the Lower Division time pay scale. From the description received of the functions of this post, it appears that the basic Clerical time scale of Rs. 60—3—81—4—125—5—130 would be equitable. In Madras, in view of the qualifications required it is desirable that the pay scale for this post should be levelled up to the basic minimum.

58. It has been represented by a Labour Union in Bombay that in view of the extent of duties expected to be performed by a Time Keeper the present pay scales are not adequate. The point has also been taken that a high degree of responsibility attaches to the maintenance of registers required under the Minimum Wages Act and the duties discharged by the Time Keepers in Bombay really correspond to those performed by the Time and Wages Clerk in Madras. I think there is some force in this contention, but this is a point on which it is difficult to pronounce a definite opinion without the assistance of a detailed study. The Union which has raised the question has also recognised that the duties of the Time Keepers in the Docks Department do not involve the preparation of pay sheets or the maintenance of statistical data. On the other hand, the possibility of some of the posts of Time Keepers even in the Engineering Department having duties of a lower character cannot be ruled out in the absence of adequate material. There seems to be a case however, for placing most of the Time Keepers in the Engineering Department of the Bombay Port in the Upper Division scale of Rs. 80—5—120—8—160 instead of the present allocation of 59 posts in the higher grade and 91 posts in the lower grade.

Summary

59. The conclusions so far reached in regard to selected posts are summarised below :

TABLE XXV

Post	Pay scale	Port
	Rs.	
1 Tradesman, Artisans		
Semi-skilled	40—2—60	All Ports
Skilled	(i) 60—5/2—75	..
	(ii) 60—130	
Highly skilled	(i) 75—3—105	..
	(ii) 100—5—130	..

TABLE XXV—*contd.*

Post	Pay scale	Port
	Rs.	
2. Chargemen		
Assistant Chargemen ..	100—5—125—6—155—6— 185.	Bombay
Chargemen ..	100—5—125—6—155—6— 185.	Madras
”	80—5—120—8—160	Cochin*
Senior Chargemen ..	160—10—250—10—300	Madras
Chargemen ..	160—10—250—10—300	Calcutta
Chargemen Gr. I ..	160—10—250—10—300	Bombay
Chargemen Gr. II ..	150—7—185—8—225	Bombay
Crane Drivers (Basic)	60—130	All Ports
3. Draftsman	(i) 100—5—125—6—155— 6—185	Madras, Cochin and Vizagapatam
”	(ii) 150—7—185—8—225	Bombay & Calcutta.
Head Draftsman ..	200—10—300	
4. Inspector, Supervisors, Overseers etc.	(i) 100—5—125—6—185	All Ports
	(ii) 150—7—185—8—225	(higher start at Rs.
	(iii) 160—10—200—10—300	200 for Engineer- ing Graduates).
Time Keeper Gr. I ..	60—130	All Ports
” Gr. II ..	80—160	”

*Both the grades will be combined.

The fixation of pay scales appropriate to other Ports can be undertaken by the authorities concerned by taking into consideration the intra-Departmental and inter-Departmental relatives.

Payment by Results

60. Except the crane drivers in Bombay Port, the Engineering staff are generally on time scale. Organisationally, the construction and the maintenance side are kept apart. It has been stated that the introduction of a system of payment by results for maintenance work is not practicable. It is for the Port authority to judge which system will succeed in inducing the employee to produce the largest possible output, consistent with the desired standards of quality and the most economic use of materials. If the wage system selected results in increased efficiency, and consequently increased productivity, overhead charges per unit of output will be reduced. The financial incentive, with all its limitations is still a motivating force. While the employer will expect better and more efficient outturn, the worker will look for a fair return for his efforts. It may thus be worthy of consideration whether any scheme by which an incentive will be provided for increased performance will not be of advantage, particularly in regard to the functions discharged by some of the staff, now on time scale of pay, in the docks or the workshops or in dredging work.

should be examined with reference to categories like Tally Clerks and Crane Drivers.

Deputy Conservator's Department

62. This Department is concerned with the discharge of functions enjoined on a Port authority by the Indian Ports Act which also includes provision for pilotage. In addition, the Department renders various services to the vessels using the Port such as the supply of water, fire fighting etc. The working of this Department is to some extent peculiar to Ports and as a consequence requires various specialised categories of staff.

63. Important among the Class IV staff employed are Bhandaries, Cooks, Lascars, Greasers etc. There are certain other posts such as Tindals and Serangs, in both Class III and Class IV. The Khalasis and Lascars are at the bottom of the scales. Above these are the semi-skilled categories such as Caulkers, Greasers, Seacunnies, Water Supply Lascars, Winchmen etc.

Caulker

64. The semi-skilled post of Caulkar may be considered first. Caulking is stopping up of seams of ships with melted pitch or by striking plate junctions with blunt chisel. This post carries a pay scale of Rs. 40—1—50—2—60 in Bombay. It does not appear in the establishment lists of Calcutta Port. In Madras the prescribed scale is Rs. 35—1—50 for Caulkers but there are posts of Caulker Khalasis in the Engineers Department in the pay scale of Rs. 50—2—60—3—75, while at Visakhapatnam it has been extended to Rs. 60 following the Railway pattern for semi-skilled posts.

Kasab

65. Similarly, the post of a Kasab who in Bombay takes charge of deck and engine room stores of the vessel is on the pay scale of Rs. 50—2—60—2½—75. In Calcutta the pay scale is Rs. 40—½—44. This post does not figure in the staff list of Madras and Cochin ports, but tallies with the post on a scale of Rs. 35—1—50—2—60 at Visakhapatnam. To suggest an appropriate pay scale for semi-skilled jobs like this is a matter of some difficulty. The job descriptions do not indicate whether the posts in Bombay involve responsibilities or trade qualifications equivalent to those of the Caulker Khalasis in Madras Port, but if this is the case, the present scale can be retained. For both these categories, having regard to the existing pay scales and also the fact that they give some scope for promotions to semi-skilled workers, the higher pay scale of Rs. 40—2—60 for semi-skilled workers appears to be the most suitable.

Lascars

66. Some of the Lascars are also classified as semi-skilled. In Bombay, two grades of Lascars carry the pay scale of Rs. 40—1—50 and Rs. 35—1—45. These Lascars are expected to assist the Shore Tindal or Seacunny in mooring vessels; they also work as deck hands. As a matter of fact, Lascars are called upon to perform a wide variety of work in all the Departments ranging from unskilled to semi-skilled. In Calcutta, Lascars employed on deck work are on two pay scales, Rs. 34— $\frac{1}{2}$ —39 and Rs. 32— $\frac{1}{2}$ —36. In Madras, the semi-skilled Lascars are on the pay scale of Rs. 35—1—50. At Visakhapatnam the Lascars are on the scale of Rs. 35—1—40 and at Cochin they are on pay scales of Rs. 30— $\frac{1}{2}$ —35 and Rs. 35—1—40.

67. In view of the range of functions and the wide differences in the conditions of service, a precise evaluation as to whether a particular Lascar is semi-skilled or unskilled can be properly done only by the Port administrations themselves. It is, however, suggested that for Lascars employed on semi-skilled vocations the pay scale of Rs. 35—1—50 would be the most appropriate. A selection grade at Rs. 40—2—60 may also be provided to afford an avenue of promotion and also to encourage semi-skilled Lascars to acquire a high degree of proficiency in their work. This will, however, mean that the present two grades of Lascars in Bombay will be combined in a unified scale.

Greasers

68. The proper maintenance of winches and engines is of great importance and in this respect the Greaser has a useful function to perform. His duties are essentially semi-skilled in nature. In Bombay Port, Greasers are placed in a category higher than that of the normal semi-skilled worker. The Greaser in attendance on the engine of the Pilot vessel has been placed on the pay scale of Rs. 55—2—65, and the Greaser attending to engines of other vessels in the scale of Rs. 50—2—60. In Calcutta most of the Greasers are on the pay scale of Rs. 36—1—41, while a few Greasers employed in the Pilot vessels are on a higher scale of Rs. 42—1—57. Their functions have been described as greasing machinery and rendering assistance of a general nature in the engine room. The higher scale for Greasers in the Pilot vessels has apparently been given because of the higher responsibilities, although it is difficult to judge this merely from the job description furnished by the Port. In Madras, all Greasers are on Rs. 35—1—50, the pay scale for the semi-skilled category. At Cochin, the Deputy Conservator's Department does not have any post of Greaser, but there are posts of Oilmen in the grade of Rs. 35—1—40 whose function is to keep the engines oiled and to render general assistance to the drivers. In the same Port, there are also posts of Oilmen in the unskilled pay scale of Rs. 30— $\frac{1}{2}$ —35. Visakhapatnam

Port follows the Railway pay scales for semi-skilled categories (the classification of this post in the Railways is semi-skilled), that is, Rs. 35—1—50—2—60. In Kandla Port, the Greasers are treated as in Bombay and have been placed in the pay scale of Rs. 50—2—70; for this post, however, previous experience as a Greaser in a Marine workshop is required.

69. No material is available to explain the basis for a relatively higher scale in Bombay and Kandla. In Bombay, the scale is generally higher not only for Greasers, but for comparable categories of posts like Firemen. It is also a peculiar circumstance that while the post of a Greaser is said to be an avenue of promotion for a Stoker, the pay scales for both the posts are indetical. A broad assessment of the functions of the Greaser appears to indicate that the work cannot be described as skilled in the proper sense of the term. In the Ministry of Defence the Greaser is a semi-skilled worker on a pay scale of Rs. 35—1—50. It is thus evident that while the post of Greaser certainly falls within the semi-skilled category the determination of an appropriate grade is difficult. The best solution in the circumstances would be to divide the Greasers into two grades on pay scales of Rs. 35—1—50 and Rs. 40—2—60 and leave it to the Ports concerned to choose either or both the grades.

Winchmen

70. The operation of a winch is a semi-skilled job. In Bombay, Winchmen are on the scale of Rs. 60—2—70 and the posts are filled by promotion from Greasers. Here again there is a curious circumstance in that there is only a difference of Rs. 5 both in the maxima and the minima between the pay scale of a Winchman and the pay scale of a Greaser of a Pilot vessel. The pay scales of Tindals, of Grade II and Winchmen are also indetical though the Port administrations look upon the former as a channel of promotion from the latter. In Calcutta, most of the Winchmen in the Marine Department are on the scale of Rs. 36—1—41, while Winchmen in the Engineering Departments are in the scales of Rs. 36—1—41 and Rs. 41— $\frac{1}{2}$ —44.

71. In Madras, Winchmen, who are all in the Engineering Department are in the higher scale of Rs. 50—2—60—3—75 they are expected to operate on dredgers and are required to have trade experience as a carpenter or a blacksmith. At Cochin, the pay scale of Winchmen is Rs. 35—1—40. At Visakhapatnam, Winchmen on dredgers have the pay scale of Rs. 40—2—60, while other Winchmen are on Rs. 35—1—50—2—60.

72. It is clear from the descriptions and functions of Winchmen that their duties are definitely of a higher order than that of a Greaser. In all the Ports, he is expected to have served as a semi-skilled artisan. In Madras he is expected to be a skilled carpenter or blacksmith and should

preferably have undergone an approved course of apprenticeship. Although there has been no detailed job analysis, it may not be incorrect to surmise that the duties of Winchmen on board the dredgers are of a higher order than those of other categories of Winchmen; it is, however, difficult to judge how far the higher nature of duties of the former will adequately justify the translation to a higher pay scale. On the whole it seems reasonable to lay down Rs. 40—2—60 as the normal pay scale for a Winchmen; the Port administrations should, however, be free to provide the next higher scale of Rs. 60—5/2—75 to such of their Winchmen as they consider are discharging duties of commensurate responsibility.

Firemen

73. A large number of Firemen are employed in this Department. There are two categories of Firemen, one employed in fire fighting services and another in firing boilers. In Bombay, this designation is applied only to the fire fighting staff and carries the pay scale of Rs. 50—2—60. Firing of boilers is apparently done in that Port by Stokers who are divided into two groups, Stokers of Pilot vessels and Stokers of other Vessels. These categories are further divided into two classes, the pay scales ranging in steps of five rupees from Rs. 40—1—45 to Rs. 50—2—60. In Calcutta, Firemen in Fire brigade are in the scale of Rs. 30—½—35; there are 111 such posts. As regards other types of Firemen, there are two grades, the higher grade for Firemen of Pilot vessels on Rs. 37—1—42, and a lower grade for those on other vessels with a scale of Rs. 34—1—39. There are a few posts in the unskilled grade of Rs. 30—½—35. There are also three posts of principal Firemen carrying a fixed pay of Rs. 40. In Madras, the Firemen in the fire services are on the unskilled pay scale of Rs. 30—½—35, while those employed on floating craft receive the semi-skilled scale of Rs. 35—1—50. There is also a higher grade for Firemen of floating craft in the scale of Rs. 50—2—60—3—75. This grade requires long experience as Fireman.

74. At Cochin, Firemen in fire services are on the pay scale of Rs. 35—1—50, while Firemen in launches, who are employed both for firing and stoking, are on the scale of Rs. 40—1—50. In Visakhapatnam all Firemen irrespective of the nature of their employment are on the pay scale Rs. 35—1—50—2—60. At Kandla, Firemen employed on fire services are on the scale Rs. 35—1—50, while those employed on board floating craft have been placed in the skilled grade of Rs. 50—3—80; for the latter post previous experience as a Trimmer for two years in Marine craft has been prescribed as a qualification. In Cochin and Kandla, Firemen employed in fire fighting services have been placed, as already stated, in the semi-skilled category. While the work is not continuous in the strict sense and there may be long periods of inaction,

it is certainly of a strenuous nature. A high degree of physical fitness is also required. It is relevant in this connection to point out that both the Railways and the Defence Ministries have placed Firemen employed in fire fighting services in the semi-skilled grade. As a matter of fact, to avoid confusion, such staff in the Railways have been designated as Fire Fighting Attendants.

75. It seems reasonable to prescribe the scale of Rs. 35—1—50 as the norm for Firemen employed in fire services except in Bombay; it is presumed that these men will be required to handle fire extinguishers and maintain such equipment. The post of a Fireman in Bombay Port is evidently supervisory and does not correspond to Firemen in other Ports. Below the Firemen there are two categories, Fire Bucket Lascars and their Muccadums; the duty of the former is only to fill the buckets with water and that of the latter is to supervise the unskilled workmen; the higher posts possibly serve as an avenue of promotion for the Lascars. For these two categories the appropriate scales would be Rs. 30—1—35 and Rs. 35—1—50 respectively. As regards Firemen, the pay of the posts seem to follow the pay scales for categories of Greasers, Winchmen, 1st Class Stokers etc. and may, therefore, be determined by the Ports in relation to the recommendation in respect of those posts. It is not possible to assess with any certainty the value of these posts *vis-a-vis* other posts in view of the inadequate job descriptions.

76. Coming to Firemen employed in firing vessels the work is of a semi-skilled nature in most of the jobs. In the Railways, there are a number of grades for this post, the highest falling in the skilled category; the same degrees of skill are probably not required or expected in Port work. In the Ministry of Defence Firemen employed on stoking work are on the scale of Rs. 40—1—50—2—60. In the Ports it is likely that there is some scope for the gradation of skill in this category. It is, therefore, recommended that while the norm for this post may be fixed as Rs. 35—1—50, there should also be a higher grade carrying the pay scale of Rs. 40—2—60 to provide for work requiring a higher degree of skill and responsibility and also an avenue of promotion. This will mean, in Bombay, the reduction of the present four grades of Stokers to two grades.

Seacunny

77. A Seacunny is expected to work as a helmsman of a vessel; a post which entails such duties must certainly be regarded as one belonging to the skilled category, but as in the case of other navigational posts like Serangs and Tindals, the term has come to be loosely applied even to non-navigational jobs. In some cases, a Seacunny or Tindal is perhaps little better than an unskilled supervisor. In Bombay, the term appears to have been interpreted in the navigational sense only; Seacunnies in Pilot LIM of TC—8.

vessels are on the pay scale of Rs. 70—2—80, while Seacunnies in other vessels have a scale of Rs. 60—2—70. No navigational certificate is insisted on and the posts are filled by promotion from the lower ranks. In the case of the Seacunny in the Engineering Department, however, a Serang Certificate is obligatory.

78. In Calcutta, there are a number of pay scales for this post. The Seacunnies of Tugs, Launches, Hopper Barges and Port Dredgers are required to have a 3rd class Serang Certificate. In River Survey Launches and Survey Parties (C Grade), certificated Lascars having sufficient experience are promoted as Seacunnies on the pay scale of Rs. 32— $\frac{1}{2}$ —36. In launches attached to the Despatch Service (C Grade), an extra allowance of Rs. 5 is paid if the Seacunnies are in possession of a certificate. Certain posts designed as Seacunnies have also been created in the Lascar's grade (Rs. 32— $\frac{1}{2}$ —36) to serve as training posts for Lascars to qualify themselves in the 3rd Class Serang's examination. The Seacunnies of pilot vessels receive Rs. 52—2—62, while those in Dredger and Despatch Service vessels and River Survey vessels are on the scale of Rs. 44—1—49; Seacunnies in light vessels get a fixed pay of Rs. 46.

79. In Madras, Seacunnies have been divided into two grades, the lower grades on Rs. 50—2—60—3—75 corresponding to the lowest grade for skilled artisan and technical staff. Seacunnies are expected to handle launches while in charge and carry out the duties of the helmsman while working in a tug. A Serang certificate or its equivalent is the prescribed qualification. There is a higher grade of Seacunny in the Engineering Department which carries a pay scale of Rs. 70—3—88—4—100. At Cochin, the pay scale prescribed is Rs. 45—1—50—2—60; an Inland Serang Certificate is required for the post. At Visakhapatnam the post carries a pay scale of Rs. 50—2—60— $\frac{5}{2}$ —75; no other particulars are available about the post.

80. As this post is common both to the Engineering and Marine Departments, the question of preserving the proper relativities is important. It has been strongly urged by one of the Unions that in Calcutta the present scales are inadequate; the following extract from one of the Memoranda submitted in this connection will explain the basis on which revision is sought :

“In the Pilot vessels the Seacunny works under the Commanders and Chief Officer and apart from taking the wheel, they have to mend and stitch awnings etc. and keep watches at gangways etc. A high order of discipline and accurate executions of orders are necessary in these vessels which have to be on sea for long spells. So is the case with the Despatch Vessels, Suction Dredgers and River Survey Vessels which have to cruise up and down the River and to stay away from Port for

a long time. These vessels are under command of fully qualified Master Mariners. The Seacunnies of these vessels qualify to sit for 2nd Class Inland Masters' examination but after passing this examination they do not get any opening for advancement. If they choose to come Harbour Master's Department they are considered as junior to others and unless they undergo a period of extensive training in that Department, they are not considered for promotion as Inland Master at all. In the Merchant Navy, the Seacunnies get more pay than the Tindals. This is the practice in the Pilot vessels also. The same should be done in the other big vessels. The light vessels are marooned in the out of the way places in the river or at sea, the Seacunny has to do responsible work there particularly because light vessels are non-propelling and proper handling of wheel and work at helms is most important. The pays of all Seacunnies are very much less than what they should get."

81. The argument is impressive. On the other hand, it should be remembered that the term has been applied vicariously. There is also the difficulty in drawing a comparison between the work of a Seacunny in the Deputy Conservator's Department and that of a Seacunny in the Engineering Department; in the latter case no formal certificate is required in many cases. It is clear that there will have to be more than one grade and in view of the intimate association of this post with the working of the harbour an absolute uniformity will neither be fair nor feasible. It should be adequate for the purpose of this enquiry to determine the pay scale for a Seacunny, who is expected to work as a helmsman and to possess the requisite certificate or equivalent experience or qualification. For these types of Seacunnies the pay scale of Rs. 60—5/2—75 would appear to be justified. The Port administrations will then be able to fix the other grades (which may be higher or lower) in accordance with the suggestion made in paragraph 25 relating to Traffic Department. For the next higher grade, however, the pay scale of Rs. 75—3—105 would be appropriate. As regards Cochin it is not possible to draw comparisons and ascertain the rationale behind the present low scales, but the Port administration will no doubt be in a position to settle the problem in the light of my observation above.

Serang

82. The duties of a Serang are essentially navigational in nature; he is expected to take charge of small vessels. A post of such responsibility should normally be in Class III, but in Calcutta there are a few posts of Serangs in Class IV on three scales of pay Rs. 44—1—47, Rs. 44—1—49 and Rs. 49—1—54. It seems that these Serangs are required to

exercise some supervision over the crew, and from the description of their duties and the qualifications prescribed, it appears that they are expected to have some previous experience of light vessel work. There is a post of Light Serang on a scale of Rs. 49—1—54, though the holder of this post is in charge of lighting installations. Literary aptitude is stipulated as a desirable qualification for this post! Equally intriguing is the fact that there is a post of Light Tindal on a fixed pay of Rs. 48 to assist the Serang, and two grades of Lamp Trimmers on fixed scales of Rs. 44 and Rs. 36. If misunderstanding as to the functions of these posts is to be avoided and a rational pay structure is to be evolved, the present designations of these posts should be replaced by more apposite names. Incidentally, in the Despatch and Dredger services, there are two grades of Lamp Trimmers, three grades of Lascars, two grades of Tindals and two grades of Serangs; it should be possible to achieve some simplification by reducing these to three grades, Rs. 30—1—35, Rs. 35—1—50 and Rs. 40—2—60.

83. The term 'Serang' has also come to apply, in a general sense, to supervisory posts. Thus, in Calcutta, there are posts of Cargo Serangs to supervise the work of shore labour. Similarly, in Madras there are Crane Serangs whose duties are to supervise the work of Crane Drivers and to ensure the smooth working of the cranes. For a proper appreciation of the functions of the Serangs, it is desirable that these posts should be separated from those which carry purely nautical connotations.

84. In the Port Department in Bombay, there are two broad categories of Serangs, Serangs in charge of vessels and Shore Serangs; the latter are in charge of shore crew under the control of the Dock Master. The pay scales, for the first category, are the higher grade of Rs. 90—5—120 (plus a qualifying allowance of Rs. 8, on obtaining a 2nd Class Master's certificate) and the lower grade of Rs. 80—4—100—5—110 with a similar qualifying allowance. On the shore side the first grade carries a pay scale of Rs. 125—6—155 and the second grade Rs. 90—5—120. For the first grade (Inland steam vessel) a Serang's certificate is required, while the others are filled by promotion from the lower ranks.

85. In Calcutta, in the same Department, there are as many as 9 grades of Serangs in Class III. In light vessels, 1st class Serangs are on the pay scale of Rs. 54—1—64. The Deck Serangs, who are employed to superintend the work of deck crews, are on the pay scale of Rs. 59—2—79. In Suction dredgers, there are Serangs who are expected to have a 3rd class Inland Master's certificate; the pay scale attached to the post is Rs. 66—3—90. In the Pilot vessels there are two grades of Serangs carrying the scales, Rs. 54—2—74 and Rs. 75—9—90. These are filled by promotion from the lower ranks and no formal qualifications are prescribed. Serangs are employed in Ghats; the highest grade for the Ghat Serang, who is responsible for the general supervision of salvage and

the maintenance of moorings and pontoons is Rs. 120—5—140. There are two Serangs in the scale of Rs. 80—5—120 in charge of the offices at the two Ghats. To help the Serang, Assistant Serangs, on the pay scale of Rs. 52—2—62, have been appointed.

86. In contrast to the multiplicity of posts of Serangs in Calcutta, there is only one grade of Serang in Madras in the Marine Department on the scale of Rs. 100—5—130. These Serangs are expected to handle the tugs, take in and out all sailing vessels and supervise the mooring and unmooring of vessels on quay berths; they are expected to possess 2nd Class Master's Certificates under the Madras Harbour Craft Rules. Here the duties can be said to be true to the strict definition of the term. At Cochin, the Serangs are expected to perform the same duties as in Madras and possess an Inland Serang Certificate; the pay scale is Rs. 100—4—120—5—150. At Visakhapatnam, Serangs are on the pay scale of Rs. 60—3—81—4—125—5—130, but no detailed statement of their functions has been available. At Kandla, Serangs are on the scale of Rs. 40—2—60—5/2—75, but they are only expected to supervise the work of Khalasis and Crews.

87. It is interesting to mention in this connection that in the Marine Department of the North Eastern Railway, there are posts of Serangs who have been placed in the semi-skilled category on a pay scale of Rs. 35—60; there is also the tendency to apply this term to non-navigational jobs. A similar instance is the post of Bridge Erection Serang in the Engineering Departments of the Railways which is classified as skilled.

88. The bewildering variety of functions attached to the posts of Serang demonstrates that these posts have developed out of local circumstances and any sweeping comparison is bound to be misleading. It should, however, be possible to classify the Serangs in the Marine Departments of the Ports into two broad categories, namely, Serangs in-charge of navigation of vessels and Serangs in supervisory charge of deck or shore crews. It is difficult to fix, centrally, suitable scales for all the posts in the latter category; all that can be recommended is that the Ports should try to fit the various posts into any one of the following scales as may be considered appropriate :

- (i) Rs. 40—2—60
- (ii) Rs. 60—5/2—75
- (iii) Rs. 75—3—105

89. It will be seen that the above will not cover the Master Serang and the 1st Grade Shore Serang in Bombay; the pay scales for these posts will have to be fixed by the Port administration with due regard to the pay scales of comparable posts. The same observations apply with regard to Ghat Serangs in Calcutta.

90. As regards Serangs responsible for the navigation of vessels, the pay scales in Madras and Cochin are comparable. Although qualifications required are similar in Bombay, the pay scales are lower presumably because the Serangs are expected to take charge of small vessels only. There is a difference of only Rs. 10 between the Senior and Junior Serangs. It may be a fair solution to prescribe a scale of Rs. 100—5—130 for these posts, but these Serangs should handle, if necessary, tugs also. The pay scales in Madras and Cochin do not call for material alteration, but it may become necessary for the Port administration to make necessary readjustments to preserve inter-departmental relativities.

Tindal

91. The word 'Tindal', in its dictionary sense denotes a 'petty officer of Lascars' and is believed to have been derived from the Malayalam word 'Tandal'. As the Ports employ Lascars of so many descriptions, it is not surprising that there are large numbers of Tindals also. There has been an increasing tendency in all the Ports to apply the term 'Tindal' to all sorts of employees, who, among other duties, also carry out unskilled supervision. Thus there are Tindals of Stokers, Tindals of Firemen etc. Such posts occur practically in all the Technical departments. The pay scales also vary widely according to their functions.

92. Tindals are found in both Class III and Class IV. In Bombay, there is no Tindal belonging to the Port Department in Class IV, but there are a number of Tindals in the pay scale of Rs. 55—2—65 in the Engineering Department. In the Port Department there are a number of Tindals in Class III. Shore Tindals who are in charge of mooring vessels are on the scale of Rs. 60—2—70, which is also the pay scale for Tindals of Stokers in the 2nd Grade. For Tindals of Stokers in 1st Grade, the pay scale is Rs. 70—3—85; for Tindals of Stokers of Pilot vessels, the scale is Rs. 75—3—90, which is also the scale for Tindals of Lascars. The pay scale of Tindals in the Engineering Department, Rs. 65—3—80, is also comparable.

93. In Calcutta, there are as many as 27 pay scales for Tindals ranging from Rs. 32— $\frac{1}{2}$ —36 to Rs. 105—5—130. Most of these Tindals are required to work under Serangs in the same unit, with a bare difference of a few rupees in pay. One of the Memoranda submitted on behalf of Labour asserts that it is a fact that "the duties and responsibilities of 20 Class IV categories of Tindals are in no way inferior to that of the Cargo Tindal". In Madras a number of Tindals are in the scale, Rs. 35—1—50; a few posts also exist at a higher level on Rs. 50—2—60—3—75, which the Port administration has adopted as the top scale for Tindals. An unskilled Tindal, who is placed in charge of mooring cutters and boats, is expected to possess three years' experience as a Lascar. At Kandla, the Tindals are on the scale of Rs. 35—1—50. At Cochin, Tindals in the

higher grade are in the Marine Department and are on the scale of Rs. 80—4—120; those in the lower grade are on Rs. 40—1—50; the posts in both the categories, however, require the possession of a Serang's certificate and Competency and have navigational duties. At Visakhapatnam, the Deep Sea Tindals are on the scale of Rs. 60—3—81—4—125—5—130, apparently regarded as skilled; the other Tindals are on the scale, Rs. 40—1—50—2—60.

94. Many of the difficulties experienced in determining appropriate pay scales for Serangs are encountered in the case of Tindals also. In order to work out uniform scales of pay, it is necessary to compare the varied duties of the posts in all the Ports, but it is not easy to do so except in regard to certain obviously special categories of Tindals like the higher grade of Tindals of Cochin, Crane Tindals in Calcutta, Tindal Signalmen in Bombay etc. A great majority of Tindals are essentially engaged on semi-skilled work and it should not be difficult to fit them into the standard scales of Rs. 35—1—50 and Rs. 40—2—60. As regards Tindals in higher scales, the observations made in regard to higher grades of Serangs apply in these cases also.

Engine Driver -

95. The next post to be considered is that of the Engine Driver, of both steam and diesel engines. In Bombay, the Engine Drivers of certain Pilot vessels have the scale of Rs. 155—6—185—7½—200; other Engine Drivers in the 1st Grade are on the scale, Rs. 155—6—185. Engine Drivers of the 2nd and 3rd Grades are on the scales of Rs. 125—6—155 and Rs. 90—5—120. Engine Drivers of the 1st Grade are required to have a First Class Driver's Certificate, while those in the 2nd Grade a Second Class Driver's Certificate. The Engine Driver of the 3rd Grade receives a qualifying allowance of Rs. 16 on obtaining a First Class Certificate. In Calcutta, there are 8 grades of Drivers, the highest category of Licensed Driver carries the pay scale of Rs. 160—10—270 while the Licensed Driver not in charge gets the scale, Rs. 120—5—180. These posts are filled by promotion from Drivers who have First Class Driver's Certificate of Competence. There is no material to show whether this Certificate is identical with the one that is required to be obtained by the Drivers in Bombay. 1st Class Drivers in charge of steam engines get the pay scale of Rs. 84—4—100—5—150, while 1st Class Drivers not in charge get Rs. 66—3—90. 2nd Class Drivers are on the pay scale of Rs. 60—3—84 for whom a Second Class Motor Driver's Certificate of Competency is required. The functions are described as operation and maintenance of machines and boilers.

96. In Madras, the three grades of Drivers of floating crafts operated by steam are Rs. 70—3—88—4—100, Rs. 100—5—130 and Rs. 100—5—125—6—155. First Class Engine Driver's Certificate is required for the two higher grades and a Second Class Engine Driver's Certificate for the

last grade. Certificates are awarded under the Madras Craft Rules. Drivers of floating crafts run on petrol are in two grades of Rs. 50—2—60—3—75 and Rs. 70—3—88—4—100. The requisite qualifications are 1st and 2nd Class Motor Driver's Certificates under the Madras Craft Rules. The duties cover the working of engines and general minor maintenance.

97. Cochin Port has three classes of drivers on pay scales of Rs. 125—6—185, Rs. 100—4—120—5—150 and Rs. 40—1—50—2—60. 1st and 2nd Class Inland Driver's Certificates are required respectively for the first two grades. At Vishakhapatnam, Drivers are divided into two grades, a 1st grade on Rs. 125—6—185 and a 2nd grade on Rs. 80—5—120—8—160; no further details have been available about these posts. Drivers of Kandla are divided into three grades, Rs. 125—6—185, Rs. 100—4—120—5—150 and Rs. 60—5/2—75—3—90. The first two operate steam or diesel vessels and the last floating craft. The qualifications include respective classes of Drivers' Certificates.

98. The best approach to the problem of rationalising the pay scales of Engine Drivers is to divide Drivers of steam or diesel vessels into two grades; where a First Class Inland Steam Vessel Driver's Certificate or equivalent qualification is required and where the duties involve the operation of engines of vessels, the pattern set by Cochin seems to be most appropriate. It may not be difficult to adopt this as a standard pattern in Madras, Vishakhapatnam, Cochin and Kandla. Even in Bombay, this scale can be brought about by the amalgamation of the 1st and 2nd grades whose duties do not appear to be dissimilar. There seems to be no real necessity to maintain the 3rd grade as a long term measure in this Port. The position is, however, a little complex in Calcutta where, in addition to a large number of grades, adequate qualifications do not appear to have been prescribed. The pay scales also are low as compared with the general standard of pay scales in Calcutta. It is doubtful whether this is due to any lower level of duties prescribed by local circumstances, but it should not be difficult for the Port administration to effect a reduction in the number of grades and bring at least some of the important posts of Drivers to the grade of Rs. 100—4—120—5—150. It seems reasonable to prescribe this scale for all qualified First Class Engine Drivers uniformly in all the Ports.

99. There are also posts of Drivers of floating crafts which do not involve the duties of the same order. This category does not figure in the establishment list of Bombay. In Calcutta, the work is being done apparently by second class Drivers who are on the pay scales of Rs. 66—3—90 and Rs. 60—3—84. In Madras, they are on the scale of Rs. 50—2—60—3—75, at Vishakhapatnam the scale of Rs. 60—3—81—4—125—5—130 and at Kandla it is Rs. 60—5/2—75. Taking into consideration the general fixation of minima for skilled categories at Rs. 60, the scale of Rs. 60—5/2—75 would seem to be appropriate. It is not possible to make any specific

recommendation in regard to Bombay and Vishakhapatnam in the absence of adequate job descriptions.

Summary

100. The general conclusions in regard to the pay scales of representative posts chosen are summarised below:—

TABLE XXVI

Posts	Pay scales
	Rs.
Caulker	
Kasab	40—2—60
	(i) 30—1—35
Lascar	(ii) 35—1—50
	(iii) 40—2—60
Greaser	(i) 35—1—50
	(ii) 40—2—60
Wirchmen	(i) 40—2—60
	(ii) 60—5/2—75
Firemen	35—1—50
Seacunny (Helmsman)	60—5/2—75
Serang (other than special category)	(i) 40—2—60
	(ii) 60—5/2—75
	(iii) 75—3—105
Tindals	(i) 35—1—50
	(ii) 40—2—60
Drivers(Diesel & Steam Engines)	(i) 100—4—120—5—150
	(ii) 125—6—155—6—185
Driver Floating craft (basic)	60—5/2—75

Administrative Departments

101. Under the term Administrative Departments may be grouped the Offices of the Secretary and the Chief Accountant and Special Departments like the Land Manager's Department in Calcutta and the Estate and the Legal Departments in Bombay. The Secretary's Department renders *inter alia* secretarial assistance to the Board of Management or the Administrative Officer, and forms the co-ordinating link between the various Departments, exercising overall control in regard to establishment problems and, in most of the Ports, over the pool of motor vehicles and barges that may be required for staff purposes.

102. The work of the Chief Accountant's Department is the maintenance of accounts, the preparation of annual accounts and balance-sheets, ensuring check over payments and tendering advice to the administration on all accounting and financial matters. The nature of the work in Administrative Departments is 'ministerial' in character although expert knowledge in respect of accounting matters and service rules and conditions is necessary for efficient work. Such knowledge, however, can be acquired in the course of work; in most of the Accounts Departments the common practice is to prescribe Departmental tests to determine eligibility for promotion to responsible positions.

Categories in Ports

103. The categories of staff usually employed are Office Superintendent, Head Clerks, Assistants, Upper and Lower Division Clerks in Class III and Peons, Jamadars, Duftries and Record Sorters in Class IV. Similar establishments are also provided in Technical Departments to assist the Heads of those Departments in their non-technical and administrative duties. In the Accounts Departments, the hierarchy is somewhat different, the Head Clerks and Superintendents being usually substituted by Accountants.

104. In Bombay, the Clerks have been graded as Senior, 'A' Scale, 'B' Scale and Second grade. These scales are common to the Clerical establishments of all Departments. The Second grade, it has been explained, is intended for outdoor Clerks. The relative strength of 'A' and 'B' scales vary from Department to Department. In the Chief Engineer's Department there are 78 'A' scale Clerks and 103 'B' scale Clerks. In the Chief Accountant's Department, the numbers are 137 and 223 respectively. On the other hand, in the Departments of Dock Manager and the Secretary, 'A' scale Clerks outnumber 'B' scale Clerks. No definite proportions have been prescribed for regulating the strengths of these different categories.

105. The scale for Second grade Clerks is Rs. 55—5—85—5—130. For 'B' scale Clerks, the scale is Rs. 60—5—100—5—180. These are not standard scales, the nearest scales recommended by the Central Pay Commission were Rs. 55—3—85—4—125—5—130 and Rs. 60—4—120—5—170. The 'A' scale Clerks are on the scale of Rs. 100—8—180—10—200, which again differs from the standard scales prescribed by the Commission. The scale for Senior Clerks is Rs. 200—10—250. The posts of Head Clerks carry the scale of Rs. 250—15—310. In Calcutta, in contrast to the position prevailing in regard to the Technical posts, there is uniformity in the pay scales of Lower and Upper Division Clerks; but the proportion of Upper and Lower Division Clerks varies appreciably from Department to Department. To take extreme instances, the Upper Division Clerks outnumber the Lower Division Clerks by roughly 6 : 1 in the Accounts Department, while the Lower Division Clerks outnumber Upper Division Clerks in about the same ratio in the Chief Mechanical Engineer's Department. As in this Port the Clerical cadres are controlled independently by each Head of Department, it is not surprising that there is some discontent among the Lower Division Clerks in the Traffic and Chief Mechanical Engineer's Departments who on a comparison of their position with that of their colleagues in other Departments feel that the latter are placed more advantageously.

106. The pay scales of the Lower and Upper Division Clerks are Rs. 60—3—90—4—130—5—135 and Rs. 80—4—100—8—180 respectively. This again is slightly out of step with the scale prescribed by

the Central Pay Commission. There is also a Selection Grade for Upper Division Clerks, carrying a pay scale of Rs. 160—8—200—10/2—220. These Selection Grade Clerks are employed as Clerks-in-charge in the Secretary's Department, while in other Departments they are placed in charge of the more important units. As the Selection Grade posts are intended to provide an avenue of promotion, their proportion also varies from Department to Department. The largest number of Selection Grade posts is in the Stores Department which, significantly enough is a small and specialised Department.

107. In Madras, the Lower Division Clerks are on the scale of Rs. 55—3—85—4—125—5—130, while the Upper Division Clerks are on the scale of Rs. 100—5—125—6—155—6—185. The proportion of Lower to Upper Division Clerks, however, compares unfavourably with that in Bombay and Calcutta. In the Traffic Departments there are 20 Upper Division Clerks and 184 Lower Division Clerks; the proportion being 1 : 9 as against 1 : 5 in Calcutta which itself does not compare favourably with proportions in many Government Departments. In the Accounts Department, there is no intermediate Upper Division grade between the Lower Division Clerks and the Junior Accountants, who are on the Upper Division pay scale although they are working in a semi-supervisory capacity. This seems to have led to a bottleneck in the matter of promotion and instances of Clerks continuing in the Lower Division cadre for more than 12 to 15 years are not rare. Although the minimum qualification is only a School Leaving Certificate, there are as many as 38 Graduates employed as Lower Division Clerks in the Port. In Madras there is no selection grade for the Upper Division cadre.

108. In Cochin Port, the Lower and Upper Division Clerks are on the standard scales of Rs. 55—3—85—4—125—5—130 and Rs. 80—5—120—8—200—10/2—220, the proportion of Upper to Lower Division Clerks is roughly 1:4 although it varies from Department to Department. All the Clerical posts, except those attached to the work-charged establishment of the Engineering Department, are pooled together and centrally controlled by the Secretary's Department for the purposes of promotion. In this Port also a number of Graduates have been entertained in the Lower Division cadre. The general feeling among the Clerks is that the chances for promotion are far from adequate.

109. In Vishakhapatnam Port, the Lower Division Clerks are in the scale of Rs. 60—3—81—4—125—5—130, the Upper Division in the scale of Rs. 80—5—120—8—160. Two higher grades designated as 'B' and 'C' carry pay scales of Rs. 200—10—300 and Rs. 160—8—200—10/2—220 respectively. The proportion of the lowest grade of Clerks to the next higher grade is roughly 1:6. At Kandla, the Lower Division Clerks are designated as Junior Clerks, their pay scale is the normal Lower Division

scale but extended up to Rs. 170. The Upper Division Clerks are designated as Senior Clerks and carry the Upper Division Grade. It is interesting to observe that in this Port there are 24 Senior Clerks and 37 Junior Clerks.

Duties

110. A Lower Division Clerk in the scale of Rs. 60—3—81—4—125—5—130 (which is a recent revision of the old scale of Rs. 55—130) is expected to be employed only on duties of a routine character. In the Central Secretariat, for example, the duties of a Lower Division Clerk are ordinarily to act only as a diarist and to assist in flagging and referencing. He is not required to note on files nor is he supposed to have any detailed knowledge of rules and regulations. In the Offices of the Ports, a Lower Division Clerk is usually expected to attend to routine correspondence and make himself useful to the supervisory staff. Such an extension of the functions of the Lower Division Clerk becomes necessary because the Upper Division cadre is often small. It has been represented on behalf of the employees that there is no real distinction between the functions of Lower Division and Upper Division Clerks and the Upper Division cadre has in effect become only a Selection Grade for the Lower Division cadre. This was a sore point with the Graduate Clerks, who because of their superior qualification were required to undertake more responsible work without a corresponding increase in their pay.

Pay scales for Lower Division Clerks

111. Two scales were prescribed by the Pay Commission for Lower Division Clerks, Rs. 55—3—85—4—125—5—130 and Rs. 60—4—120—5—170. The higher scale, with a maximum at Rs. 150, is the prescribed scale for Commercial Clerks of the Railway Department. The Clerical staff in the lowest grade in Accounts and other Departments are, however, on the pay scale of Rs. 60—130. The proportion of the higher to the lower grades was till recently 1 : 3 in Departments other than the Accounts Department and 1 : 4 in the Accounts Department. As a result of the recent redistributions announced by the Railway Minister in February 1957, the proportion has been modified to 40 per cent. in the higher grades to 60 per cent. in the lower grade. The higher scale has been prescribed for commercial clerks in the Railways apparently because they are entrusted with the work of accepting and delivering parcels and goods, issuing tickets etc., which also involve general contact with the public.

112. The distinction in these terms may be made only in favour of the Traffic Department. But there seems to be no doubt that Office Clerks in the Ports have to render such assistance to a greater extent than in most of the Central Government Departments and an equitable solution may, therefore, be to keep the maxima and the minima intact at Rs. 60 and

Rs. 130 respectively, but prescribe a higher rate of increment, conforming in main to the 2nd standard scale for Lower Division Clerks. The scale can thus be Rs. 60—4—120—5—130; this will, incidentally, maintain a small differential between the functions of a Tally Clerk and an Office Clerk. It will also be relevant in this connection to point out that both the Ports of Bombay and Calcutta have adopted a scale slightly higher than the basic Lower Division scale. In Bombay the amalgamation of the 'B' and 'C' grades should follow as a consequence of this recommendation.

Pay Scales for Upper Division Clerks

113. An Upper Division Clerk is required to perform the clerical functions of a higher responsibility including noting and correspondence. He is expected to have a sound knowledge of the various rules and regulations. Though, normally, he is not supposed to supervise the work of Lower Division Clerks, a practice of putting Upper Division Clerks in certain sections to supervise the work of Lower Division Clerks appears to have grown up. In a sense, the Upper Division and Lower Division cadres are independent of each other and their strength is determined on independent considerations. In each Department there are some duties which cannot be effectively discharged by Lower Division Clerks and the base should also consist of qualified Upper Division Clerks. Headquarters establishments usually follow this principle. In the Secretary's Department, for instance, certain types of work relating to disciplinary control, promotions, and other establishment matters require ability and responsibility higher than what may ordinarily be expected of a Lower Division Clerk. Similarly, in dealing with accounting problems, a certain degree of specialised knowledge is necessary. The same can perhaps be said of documentation. Thus, there is plainly a case for a review of the duties of the Clerical cadres. While in the absence of further data, it may not be advisable to suggest any rigid ratio as between the two cadres, there seems to be some scope for the augmentation of the Upper Division cadre in all the Departments of the Ports, perhaps a proportion between 1 : 2 and 1 : 3 will be in closer accord with the requirements of most of the Departments.

114. As regards the scales, the higher start prescribed in Madras and Bombay is presumably with the idea of giving some weightage to promotions from the lower scales in view of the late stage at which such promotions usually occur. Similarly, the lower minimum may be on the assumption that the Clerk concerned would have moved to the next higher post by the time the maximum is reached. If the functions of the Upper Division Clerks are to be properly demarcated, the present scale of Rs. 80—5—120—8—200—10/2—220 will be the most appropriate in the present structure. With the redistribution of posts, in the light of the general principles formulated elsewhere, the necessity for an advance start may not really arise.

Head Clerks

115. Above the Upper Division Clerks are the posts of the Selection Grade, Head Clerks in Calcutta, Senior and Head Clerks in Bombay, Head Clerks in Madras and Cochin, 'B' and 'C' Grade Clerks in Vishakapatnam and Head Clerks in Kandla.

Position in Ports

116. In Bombay, the total number of Senior Clerks employed is 105 and the number of Head Clerks 21, as against 453 'A' grade Clerks. Among the major Departments, the Chief Engineer's Department has the largest proportion of 'A' grade Clerks. The proportion is also high in the Estate Manager's Department. Senior and Head Clerks are expected to exercise supervision; the posts are filled by promotion from lower ranks. The pay scales are Rs. 250—15—310 for Head Clerks and Rs. 200—10—250 for Senior Clerks.

117. In Calcutta, Head Clerks are on the scale of Rs. 200—10—300. There are in all 51 posts as against 562 posts in the Upper Division cadre and 56 in the Upper Division Selection grade. In addition to certain specified functions in the Sheds or in the Railway Department, there are special categories of Head Shed Clerks, Head Goods Clerks, and Head Delivery Clerks. These posts are in the Traffic Department and the question of their pay scales should be dealt with along with those of other posts in the Sheds. Here it is proposed to discuss only the Office establishment. The functions of Head Clerks are generally described as rendering assistance to higher officers and undertaking responsibility for the disposal of specific segments of work such as the preparation of salary bills etc. The next higher post in the hierarchy is that of the Head Assistant, carrying a scale of Rs. 260—15—350; he is said to assist the Office Superintendent by taking charge of one Section in the office.

118. In Madras, Head Clerks have been provided for only in the Engineering Department; their pay scale is Rs. 150—7—185—8—225. While in Calcutta and Bombay, no special qualification is insisted on (in Bombay, the reservation of 60 per cent of the Upper Division cadre for Graduates will, however, automatically result in a substantial number of Head Clerks being Graduates), a Degree in Arts, Science or Commerce has been stipulated in Madras. Knowledge of typing and shorthand has also been specified as desirable, though not an essential qualification. The number of posts is only three as against 44 Upper Division Clerks. Thus, in many Departments the Upper Division Clerks work directly under the Office Superintendents.

119. At Cochin, the two Head Clerks in the Engineering Department are on the scale of Rs. 160—10—300, while Head Clerks in the other Departments are in the scale of Rs. 120—8—200—10—240; the number

of officers in the second category is three. In addition, there are posts of four Assistants in the scale of Rs. 160—10—300, divided equally between the Secretary's and the Engineering Departments. The total number of these posts may be compared with the 38 sanctioned posts of Upper Division Clerks. The Head Clerks and Assistants have to pass the relevant Departmental tests, but a Degree qualification is not insisted on. The description of duties submitted by the Port does not explain why there should be two nomenclatures and two grades.

120. From Visakhapatnam, no information is available in regard to the duties of the posts, but so far as the number and pay scales of posts are concerned, there are 2 'B' Grade Clerks on Rs. 200—10—300 and 6 'C' grade Clerks in the scale of Rs. 160—8—200—10/2—220 as against 14 Clerks in the Upper Division scale. At Kandla, there are 4 posts of Head Clerks in the scale of Rs. 160—10—300, compared with 24 posts of Senior Clerks. A Degree with 2 years' office experience of Matriculation with 8 years' experience has been prescribed as the qualification. Kandla has not yet begun to function fully as a Major Port: as such the duties of a Head Clerk here extend to supervising the work of the entire office under the Office Superintendent.

Scales for Assistants and Head Clerks

121. Although the terms seem to have been used somewhat loosely, it is necessary to distinguish clearly the functions of an Assistant from those of a Head Clerk. The functions of an Assistant are by no means supervisory; on the other hand, an Assistant is expected to take charge of an important section of original work. The necessity for providing assistance of such a high order usually arises in higher formations where policy decisions have to be taken. The Heads of Departments in Calcutta and Bombay Ports have responsibilities similar to the Heads of many Central Government Departments. It is reasonable to assume in such cases that there is sufficient justification for a small number of Assistants. An appropriate pay scale for the post of an Assistant will be Rs. 160—10—250—10—300. In other Ports, the necessity for such a post should arise only in the principal administrative offices as, for example, in the Secretary's Department. As these posts will have to be related to work requirements on an individual basis, no definite formula in regard to the number or proportion of such posts is necessary.

122. As regards Head Clerks, these officers are in supervisory charge of Sub-Sections or Sections in Bombay, Calcutta and Madras, and of offices as a whole in the other Ports. Being a supervisory post, the strength of Head Clerks has to be related in some way to the strength of the staff whom they are called upon to supervise. There seems to be, however, no real distinction in functions, at least to the extent of having two different pay scales for the Head Clerks and Senior Clerks in Bombay

and Head Clerks and Head Assistants in Calcutta. In these two Ports, these two scales should, therefore, be combined into the scale of Rs. 200—15—350. In other Ports, the scale prescribed by the Pay Commission for Head Clerks in Subordinate Offices of the Government of India, Rs. 160—10—250—10—300 seems the most suitable.

123. The statement below compares the strengths of Lower Division, Upper Division and Head Clerks (or equivalent posts) in the Offices of the Ports, excluding the clerks employed in the Accounts Department.

TABLE XXVII

						Lower Division Clerks.	Upper Division Clerks.	Head Clerks.
Bombay	..	..	..	..	..	387	318	98
Calcutta	..	..	..	..	..	811	327*	31
Madras	..	..	..	..	..	275	44	3
Cochin	..	..	..	..	..	71	23	5
Visakhapatnam	..	..	..	..	..	79	13	6
Kandla	..	..	..	..	..	21	16	3

124. Unlike certain cadres, it is possible to rationalise the proportions within broad limits, for supervisory posts in Clerical establishments. Depending on the nature of work done by the Lower and Upper Division Clerks, a suitable ratio can be between 1:10 and 1:15 of the combined strength of Lower and Upper Division Clerks for regulating the strength of Head Clerks in a Port administration.

Office Superintendent

125. At the apex of the organisation of the offices of the Departments is the post of the Office Superintendent. This post may not always be necessary in small Departments where a senior Head Clerk should ordinarily be competent to discharge the duties. The Ports of Calcutta and Bombay have posts of Office Superintendents bearing the pay scales of Rs. 300—25—400 and Rs. 350—20—450; in Madras, the highest non-gazetted post excluding the Accounts Department is that of Assistant Secretary in the scale of Rs. 250—15—400 in the Secretary's Department. In the Account's Departments, the highest post in Class III is that of a Deputy Chief Accountant on the scale of Rs. 300—20—400. There are Office Superintendents in the Traffic Department and in the Secretary's Department and Deputy Conservator's Department in the pay scale of Rs. 160—10—250—10—300, which is the pay scale of a Head Clerk in the Engineering Department. At Cochin, the corresponding post appears to be that of a Manager in the pay scale of Rs. 250—15—400; at Visakhapatnam, the post is called an

*Includes 57 Upper Division Clerks in Selection Grade.

Office Assistant carrying a pay scale of Rs. 260—15—350; only one such post is provided in the Secretary's Department. At Kandla, the Head Clerk in each Department is in full charge.

126. It will thus be seen that there is wide variety both in pay scales and in nomenclature. The necessity for an Office Superintendent arises only when the work load of Head Clerks is such as to restrict supervision only to a segment of Office work, so that a higher co-ordinating authority becomes necessary. It is only in Bombay and Calcutta that an Office Superintendent or Manager is required in almost all the Departments. In Bombay some departments have posts of Assistant Superintendents also in the pay scale of Rs. 300—15—375. In other Ports, posts comparable to that of Office Superintendent are found only in 2 or 3 Departments.

127. It will be difficult to rationalise the pay scales of these posts unless there is some grouping together of posts. This seems desirable in any case; the grouping can be done of posts in Calcutta and Bombay, on one hand, and of posts in Visakhapatnam and Cochin on the other; Kandla can be excluded for the present from these two groups as the Departments there have not yet felt the necessity of employing more than a Head Clerk. For the posts of Office Managers (a uniform and more suitable designation will be that of Office Superintendent) in the Ports of Madras, Cochin and Visakhapatnam, the pay scale now in force in Madras and Cochin, namely Rs. 250—15—400, seems most appropriate and is in conformity with the recommendations of the Central Pay Commission in regard to Subordinate Offices.

128. In these Ports, a number of Departments do not have Office Managers, because in most cases the Head Clerks are able to manage the whole work. The position may, however, change if the number of Head Clerks is increased. The Administration will then find it necessary to provide higher posts of Office Superintendents (now called Office Managers in Madras, Cochin and Visakhapatnam) in all the principal Departments. It is important, from the point of view of rationalisation, to standardise the nomenclature of the supervisory posts as Head Clerks and Office Superintendents. Judging from the description of functions the term Assistant Secretary in Madras appears to be a misnomer. If the correct position is that the Assistant assists the Secretary by exercising a part of his function the post should be regarded as executive rather than ministerial. In that case, the pay scale should be upgraded.

129. The pay scales of Office Superintendents in Calcutta have formed the subject-matter of a representation from the officers concerned. It has been urged that the pay scales should be revised as Rs. 400—25—600 in pursuance of the recommendations of the Central Pay Commission. That scale was, however, considered suitable only for posts of Office Superintendents of attached Offices. An idea of the scale of operation of an Attached

Office can be gleaned from the fact that the Director General, Post and Telegraphs, and the Director General, All India Radio, are classified as Heads of Attached Offices. These offices work in close association with the Ministries of the Government of India and in the past the staffing of their ministerial establishment used to be in common with the Ministries (or Departments, as they were then called) of the Government of India. On the otherhand, it must also be recognised that substantial powers have devolved on the Administrations of the Major Ports and their work, particularly in two of the largest Ports of Bombay and Calcutta, is of a highly responsible character. The question of a simple scale naturally arises; for example, in Calcutta, the two Office Superintendents in the Engineering Departments have to supervise the work of ten Head Assistants and Clerks. Taking all the circumstances into consideration, it seems that a pay scale of Rs. 350—25—500 would be the more appropriate for the posts of Office Superintendents instead of the present scale.

Accounts Department

130. While the Accounts Departments employ a large number of Lower and Upper Division Clerks, the semi-technical nature of their work leads to further supervision by Accountants, for whom it is usual to insist on a technical qualification, acquired by passing a Departmental test or a recognised examination in Accountancy. The Accounts Departments also have outdoor audit and inspecting staff; the Inspectors are invariably qualified Accountants. In the Indian Audit and Accounts Department, the pay scale for an Accountant is Rs. 200—15—350—15—440—20—500. In the Railway Accounts Department, the Accountants are divided into two grades, the junior grade carrying a pay scale of Rs. 200—15—350 and the higher grade, Rs. 350—15—380—20—500.

131. In Bombay Port, the Clerical establishment is divided into the same number of grades as in other departments, namely, those of Head Clerk, Senior Clerk, and 'A' and 'B' scale Clerk. For local audit, there are 4 grades of Audit Inspectors. The first grade carries the pay scale prescribed for Assistant Superintendents, the second grade that prescribed for Head Clerks, the third grade that prescribed for Senior Clerks and the fourth grade the pay scale prescribed for Junior Clerks. Posts higher than the 'A' scale are filled up by promotion from junior ranks, while a quota of 50% in the 'A' scale is reserved for direct appointment of Graduates. There is no indication that any Departmental test is prescribed for promotion to higher posts; the designations seem to indicate that except for Inspectors the work is more clerical than technical. There is relatively a high proportion of 'A' scale Clerks to 'B' scale as compared to other Departments, there being 137 posts in the 'A' scale and 223 in the 'B' scale. Similarly, as regards Audit Inspectors, there are 6 posts in the first grade and 16 in the last grade.

132. On the Cash side, the highest post is that of a Cashier in the pay scale of Rs. 400—25—500; he is assisted by one Assistant Cashier on a scale of Rs. 300—15—375 and Shroffs of two grades on Rs. 200—10—250 and Rs. 100—8—180—10—200.

133. In Calcutta, the posts of Inspectors of Accounts carry the scale of Rs. 350—25—600 and form part of the supervisory establishment. The highest post in the subordinate cadre is that of Office Superintendent in certain important sections like the Booking Section; all other Sections are supervised by Head Assistants and Head Clerks. Here also, as in Bombay, the hierarchy is on the lines of Clerical cadres. Unlike other Departments, however, there is preponderance of Clerks in the Upper Division over Clerks in the Lower Division, the number of posts being 358 and 59 respectively. In addition there is a post of Divisional Accountant on Rs. 260—10—350 working under the Chief Engineer in his Divisional Accounts Office. In this Port also, no Departmental tests appear to have been prescribed. A feature of the Accounts Department here is that separate posts have been provided, in the Upper Division scale, for accounting machine, adding machine and comptometer operators. A post which is peculiar to this Port is that of the Attesting Officer who is on a pay scale of Rs. 325—25—450. The duties of this post are stated to be attestation of entries in Service records; the intention apparently is to relieve the Assistant Accountants of this routine but important item of work. There are also some specialised posts like those of Calculators, who are in the Upper Division selection grade; they are required to calculate Port charges in Headquarters. On the Cash side, the highest post is that of the Assistant Treasurer; there are two grades for this post, carrying pay scales of Rs. 300—25—400 and Rs. 260—15—350. There are a number of Cashiers and Cash Clerks in the Upper Division scale.

Junior Accountant

134. In Madras, the Accounts Department has a cadre of Accountants to guide and supervise the work of Clerks who belong to the Lower Division cadre only. The Accountants are divided into two grades; the posts of Junior Accountants carry the pay scale allotted to Upper Division Clerks in other Departments of the Port. The posts of Senior Accountants are on the scale of Rs. 160—10—250—10—300. A Departmental test has been prescribed for the post of Accountants who are also expected to be Graduates. On the Cash side, there are two posts of Cashiers carrying the scale of Rs. 160—10—300; one post of an Assistant Cashier in the scale of Rs. 100—5—125—6—185 and a small number of Shroffs in the Lower Division scale. At the top of the hierarchy is the post of Deputy Chief Accountant on the scale of Rs. 300—20—400.

135. In Cochin Port, the organisation is similar to that in Madras with the difference that the Accounts Department has an Upper Division Cadre also. The Accountants are divided into two grades, the lower carrying the

scale of Rs. 120—8—200—10—240 and the higher the pay scale of Rs. 160—10—300. A Departmental test has been prescribed for appointment to the post of Accountant. On the Cash side, the pattern is similar to that in Madras, with the post of a Cashier in the scale of Rs. 160—10—300. The maxima of the pay scales of posts of Assistant Cashiers, however, reach up to Rs. 220, some of the Shroffs are also in the Upper Division scale. As in Madras, the highest post in Class III is that of the Deputy Chief Accountant (Jr.) carrying the pay scale of Rs. 250—15—400.

136. At Visakhapatnam, the hierarchy again is in terms of Class II and I Clerks in the Lower and Upper Division scale. Supervision is done by a Sub-Head, who is on a pay scale of Rs. 150—7—185—8—225; this post is on the model of the Railway Department. There is also a post of Sub-Head in the selection grade carrying the scale of Rs. 200—10—300. As in Madras and Cochin, at the apex is the post of Deputy Chief Accountant but in the scale of Rs. 350—15—380—20—500 which as noted earlier corresponds to the posts of Senior Accountant in the Railways. On the Cash side, the Cashier is on the scale of Rs. 200—10—300, but his Assistant and Pay Clerks are only on Lower Division clerical scales. As this Port has been following closely the Railway Department in Service matters, there is presumably a Departmental test for determining eligibility for appointment as Sub-Heads.

137. The Accountant at Kandla is in the pay scale of Rs. 160—10—250—15—355; he supervises the work of the Senior Clerks in the Upper Division pay scale and Junior Clerks in the Lower Division scale. The Cash side is looked after by the Cashier whose pay scale is Rs. 160—10—300. The strength of the Department, as in the case of other Departments of this Port is very small as compared to other Ports. At the present stage of its development, the organisation of the Accounts Department depends mainly on the Accountant who is placed in charge of a specified Section of work; the importance of this post has been recognised and a Departmental test has been prescribed for admission to this cadre, as has also been done in Madras, Visakhapatnam and Cochin. This is a point which the larger Ports of Bombay and Calcutta should also bear in mind in the interest of proper and efficient functioning of the Accounts Department.

138. Now, it is evident that the duties and responsibilities of the post of Junior Accountant in Madras Port are definitely of a higher order than that of an Upper Division Clerk. Another peculiar feature in that Port is the absence of an Upper Division Clerical cadre in the Accounts Department, while in other Ports Upper Division Clerks are also posted in the Accounts Department; in fact in Bombay and Calcutta the proportion in the Upper Division cadre is higher than that in other Departments. While the post

of a Junior Accountant in Madras or Cochin may not carry the same responsibilities as in the Railway Accounts or the Indian Audit and Accounts Departments, there can be no doubt that the duties attached to the post are equivalent to those of a Sub-Head in the Railway Accounts Department. The corresponding pay scale of Rs. 150—7—185—8—225 is, therefore, recommended for adoption. It is also suggested that the nomenclature in Visakhapatnam Port should be changed to Junior Account from Sub-Head. At Kandla, where the Department is much smaller, the pay scale for Junior Accountant is higher, possibly because at a Project the Accountant has to face heavier demands; no change is, therefore, suggested at this stage in Kandla.

Senior Accountant

139. In the smaller Ports, there is also a higher cadre prescribed for Senior Accountant. At Visakhapatnam, there is a selection grade, while in other Ports the post carries higher responsibilities. While in Madras the number of posts of Senior Accountants is only 6 as compared to 24 Junior Accountants, there are more Senior Accountants than Junior Accountants in Cochin. Both Madras and Cochin have adopted the same scale, Rs. 160—10—300; at Visakhapatnam the selection grade starts at Rs. 200. The appropriate pay scale for these posts would thus be Rs. 200—15—350.

Deputy Chief Accountant(s)

140. The post of a Junior Deputy Chief Accountant has been placed in Class III in Madras, Cochin and Visakhapatnam. From the descriptions supplied, it looks as if this officer is expected to assist and act on behalf of the Chief Accountant and, if so, the post is executive in character. As in the case of Assistant Secretary in the Secretary's Department in Madras, there seems to be a case for upgrading this post. Considering the duties and responsibilities the work cannot be less responsible than that of a Senior Accountant in the Railway Department; if the Administration feel that this post should be kept in Class III only, it would be more appropriate to give the highest pay scale that is possible for a non-gazetted Accountant in the Central Government. I have therefore no hesitation in recommending the pay scale of Rs. 350—15—380—20—500, which is in fact the scale now in force in Visakhapatnam Port.

141. In Bombay and Calcutta, there may be some difficulty in applying the above principle inasmuch as the organisation of the Accounts Department generally seems to follow that of other Departments and no special provision for a Departmental test has been made. This is a matter to which the Ports should address themselves and, in the meantime, in conformity with the general pay patterns in those Ports, the posts of Senior and Head Clerks in Bombay and Head Clerks and Head Assistants in Calcutta should be unified to form a single scale of Rs. 200—15—350.

It will bring out the nature of their functions more clearly, if these posts are also designated as Junior Accountants. For the discharge of more responsible duties, it may be worth while forming a cadre of Senior Accountants, but for that purpose, the appropriate stage will perhaps be when a corps of qualified Accountants is built up by the introduction of suitable Departmental tests. As regards the pay scales on the Cash side, these are, in all the Ports, interlinked with the pay scales on the Accounts side; no special recommendation is therefore necessary.

Proportions

142. A reference has already been made to the relative strength of the Lower and Upper Division cadres in this Department in Bombay and Calcutta. The statement below shows the comparative position in all the Major Ports:

TABLE XXVIII

								Number of posts in Upper Division.	Number of posts in Lower Division.
Bombay	..	..	..	..	..	..	..	137	223
Calcutta	..	..	..	..	..	..	..	427	60
Madras	..	..	..	..	..	..	..	..	118
Cochin	..	..	..	..	..	..	..	18	67
Visakhapatnam	..	..	..	..	..	..	..	6	22
Kandla	..	..	..	..	..	..	..	2	11

So far as Calcutta is concerned, Clerks in the Selection grade are included in the Upper Division figure, while the Lower Division includes a Clerk-cum-Typist. In Calcutta also the number of posts connected with the working of comptometer or adding machines are on the Upper Division scale.

143. It will be recalled that in the discussion relating to the Traffic Department a reference has been made to the lack of provision within Upper Division Cadre. Apart from the question of avenues of promotion, there can be little doubt that many aspects of Accounts work will fully test the capacity of an Upper Division Clerk; as suggested earlier in connection with the Traffic Department, steps should be taken to rectify the present imbalance at some of the Ports by increasing the relative strength of the Upper Division cadre and appointing Graduates or similarly qualified persons to such posts. It will also improve efficiency if there is a high standard of Departmental tests and qualified persons are encouraged to take such tests.

144. In Madras, the introduction of the Upper Division grade would be justified from all points of view. It would not be desirable to recommend

any rigid proportion, but a rational approach at the start may be 1:2, if provision is made for the entertainment of Graduates as Upper Division Clerks.

145. As regards the supervisory ratio of Accountants, the comparative position is shown in the following statement :

TABLE XXIX

	Number of supervisory posts.	Number of Clerical posts (Upper and Lower Divisions).
Bombay	32	360
	<i>plus 17 (Inspectors)</i>	
Calcutta	45	487
Madras	30	118
Visakhapatnam	4	25
Cochin	12	88
Kandla	2	19

The figures of clerical posts do not include posts of Superintendents and employees engaged in cash work. The supervisory ratio is the highest in Madras and the lowest in the Ports of Bombay and Calcutta. But in Calcutta there are a number of posts in the Upper Division Selection grade and the Inspectors of Accounts have been placed in Class II. In Madras, the Port authority will no doubt consider whether the introduction of the Upper Division scale will require any reduction in the number of Accountants; the ratios are otherwise not very low and do not seem to call for any radical change.

146. In Cochin Port, it was represented that unlike the Clerical staff in other Departments who formed part of a common pool, the Clerks of the Engineering Department were treated as a separate unit and the avenues of promotion available to them were far less attractive than in other Departments; in this connection it was stated that while the proportion of Upper Division to Lower Division Clerks was 1:3 in other Departments, the proportion in the Engineering Department was 1:17. Such problems are likely to arise in other Ports also as the proportions vary from one Department to another. One solution of this problem may be to pool all similar posts together and regulate promotion centrally; against this it can be argued that such a promotion will deprive some of the Departments of specialised experience which will otherwise be acquired by the Clerks and in Departments where work is of a technical character, this may lead to administrative and other difficulties. In earlier paragraphs, the desirability of maintaining equitable proportions has been pointed out more than once. I would now further suggest that where the chances of promotion are unduly depressed in any particular Department, there should

be frequent reviews to see that experienced members of the staff receive due recognition by opening suitable channels of promotion as for instance by the creation of Selection Grade posts as necessary. The Graduate Clerks of one of the Major Ports have represented that they should be straightway taken in a quota reserved for Graduates, without being called upon to compete with Graduates from the open market: the question appears to be a local one and possibly a transitory one and it is not necessary to deal with it as a part of my rationalisation proposals; it deserves, however, sympathetic consideration as there is a certain feeling of frustration among qualified men and women, particularly in the Lower Division posts, who have to wait for an unconscionable time for a chance of promotion.

Welfare Departments

147. The most important form of welfare activities undertaken by the Ports is the provision of medical facilities. So far as the medical staff is concerned, the junior complement in Bombay consists of two posts of Assistant Medical Officers in the scale of Rs. 150—7—185—8—225—15—300; 8 posts of Compounders in the scale of Rs. 55—5—130; one Sanitary Inspector on Rs. 120—8—200 and two grades of Sanitary Overseers on Rs. 125—6—185—8—225. The Class IV establishment consists of Peons, Sweepers, Mukadams and Dressers. The scales of the last two categories are Rs. 35—1—50 and Rs. 40—1—50 respectively.

148. In Calcutta, there are 15 Assistant Surgeons and 2 Assistant Health Officers in the scale of Rs. 200—10—350 and 46 Compounder Dressers on Rs. 60—3—90—6—150. Special categories are Assistant Matron, Dental Surgeon, X-Ray Technician and Resident Theatre Sister. The Department also employs 46 Nurses including 14 Staff Nurses. The Calcutta Port Commissioners also have a Preventive establishment of 2 Health Visitors on Rs. 100—5—150, 2 Inoculation Officers and 2 Vaccinators on Rs. 150—10—250 and Rs. 45—5—65 respectively, 3 Laboratory Assistants on Rs. 60—3—90—6—150, 9 Sanitary Inspectors on Rs. 100—8—140—10—230 and 10 Sanitary Sub-Inspectors in the scale of Rs. 70—3—100. There is also a staff of Jamadars, Store-keepers, Clerks and Head Clerks. Unlike Bombay, however, the Scavenger and Sweeper force is not centrally controlled by the Medical Department. The number of Class III posts is 228 as compared with 28 in Bombay.

149. In Madras, apart from Clerks and Store-keepers, there are 4 Assistant Surgeons on Rs. 200—10—300—15—450; a First Aid Superintendent on Rs. 150—7—185—8—225, a Radiographer on Rs. 85—4—125—5—130; a Woman Health Visitor on Rs. 85—5—150 and 5 Compounders in the scale of Rs. 55—3—85—4—125—5—130. The total Class III establishment is 26. In Class IV there are posts of Orderlys and First Aiders, the total strength of all categories of Class IV being 44.

150. The medical staff at Cochin, besides the usual Clerical and Class IV establishments, consists of 4 Nurses on the scale of Rs. 100—5—125—6—185, 4 Compounders on Rs. 55—3—85—4—125—5—130 and 8 First Aiders on Rs. 40—1—50. The total strength is 44.

151. At Visakhapatnam, there are two grades of Assistant Surgeons on pay scales of Rs. 260—15—400—20—500 and Rs. 100—8—140—10—300. On the Preventive side, the Assistant Health Inspector, Assistant Sanitary Inspectors, Assistant Malaria Inspectors and Compounders are on Rs. 60—3—81—4—125—5—130. The posts of Malaria Inspector and Sanitary Inspector carry the pay scale of Rs. 150—7—185—8—225. The total strength of Class III staff is only 15 and Class IV 72; the relatively large number of Class IV staff is due to the fact that Sweepers are under the control of the Medical Department as in Bombay.

152. At Kandla, the Grade II Civil Assistant Surgeon is employed on the scale of Rs. 120—8—160—10—200—10—300. 3 Nurses are on the scale of Rs. 100—5—125—6—185, a Nursing Sister on Rs. 150—7—185—8—225, a Health Visitor on Rs. 85—5—150, and 2 Compounders on Rs. 55—3—85—4—125—5—130. The Class IV posts include 2 First Aiders on Rs. 40—2—60 and 6 Ward Orderlys on Rs. 35—1—50 and Rs. 30—1—35. The total strength of Class III is 13 and of Class IV staff 21.

153. The highest post in Class III as well as the most important is that of the Assistant Medical Officer in Bombay and Assistant Surgeons Grade II in Calcutta, Madras, Visakhapatnam and Kandla. The pay scales are, however, quite different. In Bombay the Assistant Medical Officer is on the scale of Rs. 150—7—185—8—225—15—300; his duties are described as being in charge of the Dispensary and the qualification prescribed is a Licentiate of the College of Physicians and Surgeons. In Calcutta, the Assistant Surgeons are on the scale of Rs. 200—10—350; they have to be Licentiates in Medicine with experience as House Medical Officer in a 1st grade Hospital. In Madras, the pay scale is Rs. 200—10—300—15—450; the prescribed qualification is a Diploma in medicine and a year's experience as House Surgeon. The scale of pay at Visakhapatnam is Rs. 100—8—140—10—300, while at Kandla it is Rs. 120—8—160—10—300; at both these Ports the Assistant Surgeon is expected to be a Medical Graduate. The information received from the Port does not reveal whether private practice is allowed. The Administrations of Visakhapatnam and Kandla appear to have adopted the recommendations of the Central Pay Commission; the pay scales, however, compare unfavourably having regard both to the nature of duties and the prescribed qualifications. It is curious that in the Port of Kandla, a senior Compounder-cum-Store-keeper starts on Rs. 100 and a qualified Assistant Surgeon on Rs. 120. Similarly, in Bombay, an Assistant Surgeon draws less pay initially than a Senior Clerk in the same Department. In Calcutta, the Staff Nurse gets

more than the Assistant Medical Officer in charge of the Dispensary. The Central Pay Commission do not appear to have taken due notice of such disparities, as they dismissed the claims of Assistant Surgeons in the following terms:

“The Assistant Surgeons desire to be equated to the Civil Surgeons of the Provincial Medical Services and ask for gazetted rank. The question of gazetted rank is a matter that we prefer to leave to the administration. The Assistant Surgeons are, no doubt, men of University qualifications and it is true that the higher offices open to them are limited in number, but this is a feature of the service which cannot be altered for their sake”.¹

154. Having regard to the importance of a Medical Officer's work in a Major Port and the need to attract and retain persons of sufficient experience and professional ability, I have no hesitation in recommending that at least the higher grade prescribed for Assistant Surgeons by the Pay Commission, namely, Rs. 260—15—440—20—500 should be uniformly adopted.

155. No Hospital facilities as such are provided by the Bombay Port and Visakhapatnam Port administrations; there are, however, Hospitals with 150 beds in Calcutta, 10 beds in Madras and 10 beds in Cochin. Nurses are employed in these Hospitals; the pay scale in Calcutta is Rs. 150—5—250, in Madras Rs. 85—5—150, in Cochin Rs. 100—5—125—6—185 and at Kandla Rs. 100—185. The Central Pay Commission had recommended two grades for Nurses, a lower grade on Rs. 100—185 and a higher on Rs. 150—225. The lower grade is already applicable in Cochin and Kandla and should be adopted in Madras also. The Calcutta Port Administration will no doubt take into consideration the higher grade. The pay scale of Compounders is except in Calcutta, the standard pay scale for the lowest category of Class III. In Calcutta, however, the scale is slightly higher because the Compounder is expected to act as a Dresser also. To give weightage to this local factor, it is recommended that the pay scale may be adjusted as Rs. 60—4—120—5—130; an increase beyond the maximum of Rs. 130 is not recommended as the duties of the Compounder cannot be considered to be higher than those of other comparable posts; in fact the Pay Commission had recommended an upper limit on the time scale at Rs. 125 only although the starting pay for a 1st grade Compounder is the same as that for a Lower Division clerk. As regard the Class IV staff on the Medical side, the pay scale for categories equivalent to that of Dressers may be Rs. 35—1—50. The fixation of pay scales for other categories of posts can be undertaken by the Port administrations on the basis of the norms indicated above.

¹ Report of the Central Pay Commission, page 179.

Miscellaneous Posts

Stenographers

156. No posts of Stenographers figure as such in the establishment lists of Cochin and Madras Ports and the work is, apparently, being done by Typists who have acquired the necessary proficiency. In Madras, Typists who have passed the Lower Grade Examination in shorthand get Rs. 15 as special pay per month and those who have qualified in the Higher Grade, a special pay of Rs. 35. In the Port of Visakhapatnam, on the other hand, there are two grades, the lower one carrying the pay scale of Rs. 85—5—120—8—200—10/2—220 and the higher one Rs. 200—10—300. In Calcutta and Bombay, Stenographers are, again, on two scales; in the former Port, the lower grade carries the scale of Rs. 180—10—230 and the higher grade, Rs. 200—10—300. In Bombay, the Lower grade is on the usual scale for 'A' scale clerks, *i.e.*, Rs. 100—8—140—8—180—10—200, while the higher grade carries the scale of Rs. 200—10—300.

157. The Central Pay Commission recommended the scale of Rs. 80—220 for application to these posts in the Subordinate Offices. For Stenotypists in the Central Government Offices, the practice is to pay a special pay of Rs. 20. In addition, Stenographers attached to Heads of Major Central Government Departments are on the scale of Rs. 200—10—300. The most equitable way of rationalising the pay scales will be to adopt the Central Government pattern. This may require, in Ports like Cochin and Madras, a division of the present employees into categories of 'Stenographers' and 'Steno-Typists'. There should be no difficulty in doing so as the pattern is uniform everywhere. Similarly, the higher scale Rs. 200—10—300, will be suitable for application to Personal (Stenographic) Assistants attached to the Principal Administrative Officers; in Major Ports of Calcutta and Bombay, the duties and status of the Principal Heads of Departments may also justify Stenographers in this scale.

Drivers

158. Drivers of Staff Cars are on the basic Class III minimum scale in Bombay and in Visakhapatnam. In Calcutta, they are on the scale of Rs. 60—2½—75—3—90. In Madras, they are on Rs. 50—2—60—3—75 and in Cochin on Rs. 60—5/2—75. While in Bombay higher pay scales have been prescribed for Drivers of heavy trucks like those of Fire Brigades, no higher scales have been prescribed for this purpose in other Ports. In the Government of India Offices, most of the Staff Car Drivers are on the pay scale of Rs. 60—5/2—75. But in the Railways, the higher scale of Rs. 60—3—81—4—93—4—125—5—130 has been prescribed, the Staff Car Drivers being expected to carry out minor repairs also; the duty description except in Bombay do not indicate whether this is required to be done by the Drivers. If the Drivers have to undertake minor repairs,

there is justification for their being brought on the scale of Rs. 60—3—81—4—93—4—125—5—130. If their work is confined to driving duties only, the scale of Rs. 60—5/2—75 is equitable. It is also a matter for further examination by the Port Administrations whether higher scales can be prescribed for Drivers of Heavy trucks or similar vehicles, as has been done, for instance, in the Fire Brigade Establishment in the Bombay Port.

Messenger System

159. The statement below compares the strengths of categories like Office Peons, Jamadars, Peon Overseers etc., in the various Ports.

TABLE XXX

									Total strength
Bombay .. .. .	..	..	..	..	..	..	..	..	643
Calcutta .. .. .	..	..	..	..	..	..	..	..	844
Madras .. .. .	..	..	..	..	..	..	..	..	86
Cochin .. .. .	..	..	..	..	..	..	..	..	79
Visakhapatnam .. .. .	..	..	..	..	..	..	..	..	65
Kandla .. .. .	..	..	..	..	..	..	..	..	37

160. The system of attaching Peons individually to Officers and to Branches is a legacy of the past when large numbers of unskilled staff were employed for this purpose at low wages. Apart from low wages, such staff are entitled only to a lower scale of benefits; in the not distant past a Peon who proceeded on leave was made to pay a portion of the leave salary of the substitute employed in his vacancy. By the implementation of the recommendations of the Central Pay Commission and subsequent liberalisations made by the Central Government, their wages have been substantially increased and their eligibility to other benefits regarding Leave, Pension etc. practically brought on par with Class III staff. Even a literacy qualification is insisted on though the Central Pay Commission formulated the basic minimum scale only for unlearned staff. The effect of the present system of allocation individually has been to employ a large number of Peons; the period they are gainfully employed in a day is quite a minor portion of the time they spend practically idle outside the Office or Office rooms. In some Western Countries, the duties performed by these Peons are streamlined by the introduction of a Messenger Service System in which all the Peons are pooled together to form a Corps of Messengers whose work is centrally controlled. As compared with the present allotment of a Peon for a Branch, it is not difficult under this system for a Peon to attend to the work of several Branches. Even after making allowances for miscellaneous duties, other than the work of carrying papers, files, etc. between Branches, and for maintenance of an adequate Reserve Pool and provisions to ensure that the system does not break down even for a minute, it will not be over optimistic to estimate a reduction of anything

like 30 per cent to 40 per cent in the present strength. As there are, roughly over 1,700 employees of this description, economies that may be expected by the introduction of a Messenger System can easily be of the order of Rs. 4 lakhs per annum in all the Ports.

161. Although the advantages of having a Messenger System were acknowledged as early as 1949, certain practical difficulties like the scattering of various units of Departments and the general lack of literacy have impeded its introduction, as a general measure, in the Central Government. The Port Offices, however, are in a more advantageous position in that there is generally some consolidation of Offices in compact premises. In one of the Major Ports, a large building to house all the Offices is under construction. Thus, the conditions in the Ports are more favourable; a fair trial of this system, which is functionally more efficient and economical, by the Port Administrations is strongly recommended. With the improvements and expansions during the Second Plan period, there will be no real necessity for any retrenchment; it should not be difficult to absorb the surplus Peons in further vacancies that will arise as a consequence of the Plan projects.

Special Department

Port Railways

162. In Bombay Port, the commercial and transportation work involved in running the Railway system, has been entrusted to a separate Department set up for the purpose; in the Ports of Calcutta and Madras, this work forms part of the functions of the Traffic Department. In all these Ports, the Engineering Department attends to the maintenance of the permanent way and the rolling stock. The Line staff consist of Yard Masters and their Assistants, Controllers and their Assistants, Trains Clerks, Coupling Porters and Trollymen on the Transportation side; Station Masters, Assistant Station Masters and Goods Clerks on the commercial side. The Port Railways function within their limited scale in very much the same manner as a general Railway system. The Port Railways are also members of the Indian Railway Conference Association which regulates matters of common interest such as Wagon interchange, standardisation of stock, etc.

Station Masters

163. In Bombay, Station Masters have been divided into two grades carrying pay scales of Rs. 350—25—500 and Rs. 250—15—310. The Assistant Station Masters are also in two grades, Rs. 250—15—310 and Rs. 220—10—250; they have to work on shifts. A curious feature is that the second grade of Station Masters and the first grade of Assistant Station Masters are on the same time scale. This category does not exist in the other two Ports, even in Bombay, these officers are employed essentially on work in yards as may be seen from the fact that these posts are

filled by promotion from Train Clerks. In Calcutta, the highest Class III post, on the transportation side, is that of the Foreman in the scale of Rs. 200—10—300. The higher posts, namely those of Yard Master and Assistant Yard Master, are in Class II. The duties of Yard Foreman, of whom there are 18 in Calcutta, are stated to be supervision of a Sub-section of a Yard. In Madras, the highest official in Class III employed in marshalling work is the Yard Master on a scale of Rs. 160—10—300; a Degree in Arts, Science and Commerce, in addition to experience, has been prescribed as a necessary qualification. The Yard Master is in full charge of a Yard; there are three posts of this description in Madras Port.

164. In the Indian Railways, there are four categories of Yard Masters, the pay scales ranging from Rs. 150—225 to Rs. 360—500. The largest number of posts are, in that department, on the scale of Rs. 200—300. The Madras Port also employs ten Assistant Yard Masters on Rs. 100—5—125—6—185. In the Indian Railways, Assistant Yard Masters are on a number of scales, the lowest minimum and the highest maximum being Rs. 64 and 350 respectively. It is interesting to note that in the Railways the Yard Foremen are grouped along with Assistant Yard Masters; there are two posts of Yard Foremen in the Southern and Western Railways in the pay scale of Rs. 200—300 which corresponds to the pay scale of Yard Foremen in Calcutta Port. Other Yard Foremen are mostly on scales of Rs. 150—225 and Rs. 100—185; it is also noteworthy that the Eastern Railway, which serves Calcutta Port, has most of its Yard Foremen in the scales of Rs. 100—185 and Rs. 64—170. The highest grade for Yard Foremen employed by that Railway carries the Pay scale of Rs. 150—225; what is perhaps the biggest marshalling yard in Asia, the Moghal Sarai marshalling yard, is under the control of that Railway.

165. The pay scales prescribed for the Station Masters in Bombay Port are more on the lines of the pay pattern in that Port for posts of comparable responsibility in other Departments; there is apparently no idea of equating them with similarly designed staff in the Indian Railways. No comparison with other Ports is possible in respect of this category; neither can a comparison be drawn with the Indian Railways where the work of Station Masters is more intimately connected with the work of commercial Departments. A fair comparison between Calcutta and Madras is, however, possible. At the same time, it must be borne in mind that in the case of supervisory staff, the precise extent of supervision is an important factor. Traffic over the Calcutta Port Railways is without question much heavier than that in Madras. It is evidently due to these variations that there are a number of grades in the Railways. Having regard to the duties and responsibilities of these posts, there should be a higher grade in Calcutta. In Madras, the existing pay seems to be fair, in view of the fact that most of the Assistant Yard Masters in the Railways are on the scale. *Prima facie*, the pay scale for a yard Foreman in Calcutta Port appears to be

somewhat on the high side considering the position in the Eastern Railway, which apart from Moghal Sarai, controls some of the biggest marshalling yards in the country at Asansol, Ondal, Gomoh, Chitpore and Howrah. A scale of Rs. 150—225 would be more equitable, but then the pay scales for Yard Masters and Assistant Yard Masters also seem to have been pitched high. In fact, even in Calcutta Port an increase in the pay scales of other categories like Assistant Permanent Way Inspectors has been demanded by comparison with that of Yard Foreman.

Shunting Masters

166. The duties of a Shunting Master are to assist the Yard Master or Foreman in the placement and removal of wagons. In Bombay, these duties are discharged by Train Clerks in the pay scale of Rs. 90—6—144—8—160 which is identical with the pay scale prescribed for categories like 1st grade Clerks, Manifest Clerks, etc. in the Docks Department. The Bombay Port employs 66 Train Clerks. In Calcutta, the Shunting Masters are on the Upper Division scale of Rs. 80—4—100—8—180 and there are 55 of them. The Port also employs, in addition, Yard Clerks, 50 of whom are in the Upper Division and 113 in the Lower Division. Their duties vary from attending to Up and Down trains to preparing statistical statements relating to rolling stock, consignments, ore arrivals, etc.; they also render assistance to Train Controllers. In Madras, the Shunting Masters are all in the Lower Division.

167. In the Indian Railways, the pay scales for Shunting Masters vary from Railway to Railway. In the Eastern Railway, the staff are on the scale of Rs. 55—130 and Rs. 75—105; in the Southern Railway, the scales are Rs. 90—120 and Rs. 75—105; in the Central Railway, they are on the scale of Rs. 55—130; the Western Railway does not have similarly designated posts, but has a number of Shunting Jamadars on the scale of Rs. 75—105. As regards Train Clerks, they are in all the Railways mostly in the scales of Rs. 80—160 and Rs. 55—130.

168. The prescription of a number of grades may be an indication of fact that while there may be no difference in the nature of work there are difference in degree. In Bombay, the Train Clerks are apparently Train Clerks-cum-Shunting Masters. In Calcutta, many of the Yard Clerks are also Train Clerks. It would simplify and standardise the nomenclature and effect some uniformity among the Ports, if in Bombay the present cadre of Train Clerks is split up into Train Clerks and Shunting Masters; in Calcutta, the cadre of Yard Clerks may also be reorganised to make Train Clerks distinct from other Clerks. In Madras, there is apparently no necessity for Train Clerks.

169. As regards pay, there is no need to alter the present scales in Madras beyond revising it in the light of the recent decision of the Central Government in regard to the last grade in Class III. In Bombay and

Calcutta, considering the volume of traffic, the Upper Division scale in the new standardised pattern proposed for the Traffic Department that is the scale of Rs. 80—5—120—8—200 would appear to be adequate. As regards the Junior Clerks in Madras the pay scale should be brought to the basic Lower Division level, in line with the general recommendations made in regard to Clerks employed in Tallying and other work.

Goods Clerks

170. In Bombay Port, Goods Clerks are on the pay scale of Rs. 155—8—195—10—215. The Assistant Goods Clerks have been divided into three grades on Rs. 110—6—146—8—170, Rs. 90—6—144—8—160, and Rs. 55—135. The duties of Goods Clerks are to exercise supervision over the work of the Assistant Goods Clerks and also be in charge of the station at a few important depots. The duties of the Assistant Goods Clerks have been stated as attending to commercial correspondence and clerical work pertaining to loading and unloading of wagons. In Bombay, there are 14 Assistant Goods Clerks in the first grade, 64 in the second grade and 121 in the third grade. The Goods Clerks represents the highest point in the chain of promotions. In Calcutta, the Chief Goods Clerks is on the scale of Rs. 260—10—350. Under him there are 4 posts of Head Goods Clerks on Rs. 200—10—300, 1 Goods Clerk and 7 Forwarding Clerks in the Upper Division and 9 Assistant Forwarding Clerks in the Lower Division pay scale. In Madras, the highest post is that of the Goods Supervisor on Rs. 160—10—300; the incumbent of this post is expected to be a graduate and conversant with the rates, rules, and conditions in force in the Railways; he is responsible for the commercial side of the Railway section which includes supervision of the booking, delivery and accounting staff working under his control. The Port employs, in addition, three Clerks in the Upper Division, 15 Clerks in the Lower Division and 55 Junior Clerks.

171. It will be noticed that in all these Ports the classification has been in terms adopted for the Clerical cadres in other Departments; these will require adjustments in the light of the recommendations made elsewhere. In Bombay, there seems to be no adequate reason for keeping the first and second grades of Assistant Goods Clerks as separate; a uniform scale of Rs. 80—220 should cover both the categories. It will standardise nomenclature if a combined grade is designated as Goods Clerks, 1st grade. As regards the pay scales for the present posts of Goods Clerks, it seems that the Ports regard their responsibilities as distinctly lower than those of Senior and Head Clerks; in such circumstances an appropriate pay scale will be Rs. 150—225. On the other hand, in other Ports the posts of Head Goods Clerks are considered equivalent to those of Head Clerks; to keep this distinction clear, it is suggested that these posts in Bombay may be called Goods Clerks Grade I. In Madras, the post of Junior

Clerks should be brought up to the basic Lower Division scale. The number of Supervisory and Upper and Lower Division Clerks employed for this work in the three Ports are as follows :

TABLE XXXI

	Supervisory	Upper Division	Lower Division
Bombay	9	78	121
Calcutta	5	56	84
Madras	1	3	70

Markers

172. The Ports of Bombay and Calcutta employ Markers whose duty it is to mark consignments. The pay scale in Bombay is Rs. 40—1—50—2—60, while in Calcutta these posts, called Markmen, are on the scale of Rs. 40—2—60. The adoption of a uniform scale of Rs. 40—2—60 in Bombay is recommended.

Coupling Porters

173. The work done by Coupling Porters in Calcutta and Madras is apparently carried out in Bombay by Shunting Porters of whom there are three grades, with pay scales of Rs. 45—1—50, Rs. 35—1—45 and Rs. 30—1—35 respectively. The third grade is, however, not utilised for coupling and uncoupling work or setting up points and it is, therefore, not comparable with Coupling Porters in the other two Ports. In Calcutta the pay scale of Coupling Porters is Rs. 35—1—50, and in Madras Rs. 40—1—50—2—60. The Ports have a large number of these employees, the number being 307 in Bombay, 258 in Calcutta and 92 in Madras. It is recommended that Coupling Porters of the first two grades in Bombay and the Shunting Porters in Calcutta and Madras may be placed in two grades carrying the pay scales of Rs. 35—1—50 and Rs. 40—2—60 respectively. The designation may also be standardised as Shunting Porters.

Lighthouse Department

174. Lighthouses are maintained by all the Ports as essential aids to navigation in the approach channels. In Bombay, there are two lighthouses which are in the charge of Lighthouse Keepers; in the larger Ports, there are also Assistant Lighthouse Keepers. The pay scales of the Lighthouse Keepers and the Assistant Lighthouse Keepers are Rs. 155—6—185—8—225 and Rs. 125—6—155 respectively. These posts are filled by promotion from the lower ranks; no specific qualifications have been prescribed. In addition to the usual dearness allowance the lighthouse staff also receive ration allowances in lieu of free rations. In Calcutta, the pay scale for the Lighthouse Keeper is Rs. 250—15—325 and that of the Assistant Lighthouse Keeper Rs. 170—10—220. There is also a Second Assistant Lighthouse Keepers on a fixed pay of Rs. 150. These

employees get a uniform allowance of Rs. 25 per month. In Madras, the pay scale of the Head Lighthouse Keeper is Rs. 100—5—125—6—185; his Assistants are all in the Lower Division pay scale. The minimum qualification is a S.S.L.C. Certificate or its equivalent. As the Madras lighthouse is open to visitors, it is also the responsibility of the Head Lighthouse Keeper to collect fees from the visitors. At Cochin, the Head Lighthouse Keeper is on the pay scale of Rs. 75—3—105; he is required to have knowledge of telegraphy and signalling as he has to work in turn with the Signaller. At Visakhapatnam, the Head Light Keeper is on the pay scale of Rs. 80—5—120—8—160, while the Assistant Light Keepers are on Rs. 60—4—120—5—150. At Kandla the Senior Lighthouse Keeper is on the scale of Rs. 75—3—105 and the Junior Lighthouse Keeper on Rs. 40—2—60. Both Lighthouse Keepers are expected to know visual signalling and the operation of wireless telephones for inter-communication with Pilot vessels and Signal stations.

175. The pay scales of Light Keepers working in lighthouses under the control of the Central Lighthouse Department are as follows:

TABLE XXXII

	Rs.
Head Light Keepers	100—5—125—6—155—EB—6—185
Head Light Keeper (Bhatkal)	160—10—330
Light Keeper i/c (False Pt.)	100—5—125—6—155—EB—6—185
A Grade Light Keepers	80—4—120—EB—5—150
Light Keepers	80—4—120—EB—5—150
Light Keepers (Puri)	80—4—120—5—150
B Grade Light Keepers	60—5/2—75
C Grade Light Keeper	40—2—60
Sub. Asstt. Light Keepers	30—1/2—35 (in Madras Distt).

176. The Lighthouse staff posted at certain lighthouses also receive the following amenities and allowances in addition:

- (a) Rent free family quarters, where available;
- (b) Supply of free magazines, journals, library books, gramophone with records, crockeries, kerosene oil; Newspapers, potable water during drought, playing cards, medicine, chests;
- (c) Free supply of clothing (uniforms).

The staff are also granted the following allowances:

- (a) Education allowance of Rs. 15 p.m. per child, up to three children, when sent out of their place of residence;
- (b) Usual allowances as admissible to all Central Government servants of similar status;
- (c) Compensatory local allowances at Rs. 6 to Rs. 8 p.m. for Light Keepers serving in certain Lighthouses;

- (d) The following allowances are paid to staff at some other Lighthouses:
- (i) Married officers: Special pay of Rs. 150 p.m. to Light Keepers and Separation allowance at the rate of 10 per cent of pay;
 - (ii) Unmarried Officers : Special pay of Rs. 100 p.m. to the Head Light Keeper and Rs. 75 p.m. to Light Keepers.
- (e) Rock allowances ranging from Rs. 10 to Rs. 27 to Head Light Keepers and different grades of Light Keepers at certain Lighthouses;
- (f) Ration allowance of Rs. 14 and Rs. 20 p.m. to a Head Light Keeper and one A grade Light Keeper at a certain Lighthouse; and
- (g) Local allowance of Rs. 2 p.m. to one B Grade Light Keeper at a certain Lighthouse.

Only in the Ports of Bombay and Calcutta, have any compensatory allowances been added; these are modest compared with the scale of amenities and allowances provided by the Lighthouse Department. It should, however, be noted that the Lighthouses maintained by the Central Lighthouse Department are in isolated spots, which are completely cut off from the main coastline, while the Lighthouses of the Ports are closeby.

177. It is only in Madras that the pay scale of the Head Light Keeper is identical with that prescribed by the Lighthouses Department. The nature of work appears to vary from Port to Port as also the extent of responsibility. In the circumstances, it is difficult to suggest any uniform scale of pay. No recommendation is therefore being made apart from such adjustments as the Ports might find necessary on account of the revision of pay scales following this Report.

Fire Services

178. All the Ports are maintaining fire fighting organisations. The largest unit in Bombay which has at its head a Port Safety and Fire Officer assisted by another Officer, the respective pay scale being Rs. 375—650 and Rs. 300—530. The highest Class III posts is that of the Fire Station Superintendent on Rs. 250—15—370. Other posts in Class III are those of Assistant Superintendents in the scale of Rs. 200—10—250, Section Leaders on Rs. 180—10—220, Sub-Section Leaders on Rs. 130—6—160—10—180 and Rs. 85—5—130, Pump Operators on Rs. 70—3—85 and Motor Drivers in the scale of Rs. 85—4—125—5—130. In Class IV are posts of Firemen in the scale of Rs. 50—2—60, Mucadams on Rs. 40—1—50 and Fire Bucket Lascars on the scale of Rs. 30—1—40.

179. In Calcutta, there are fewer categories. A peculiarity of this Port is that the Fire Services are under the Traffic Department. The highest post in Class III is that of the Fire Officer on Rs. 200—25—400. There is also one post of Super Cargo in the Upper Division Selection grade. In

Class IV the greatest number of posts are those of Firemen in the scale of Rs. 30— $\frac{1}{2}$ —35. Above Firemen are Leading Firemen on Rs. 34—1—38 and Rs. 39—1—44 and a Serang in the scale of Rs. 39—1—44.

180. In Madras, the highest post is that of the Port Fire and Assistant Security Officer in the scale of Rs. 160—10—250—10—300 with a special pay of Rs. 75 p.m. Below him are Sub-Officers on Rs. 55—3—85—4—125—5—130, Leading Firemen on Rs. 35—1—50, and Firemen on Rs. 30— $\frac{1}{2}$ —35.

181. At Cochin, the head of the organisation is the Fire Officer in the scale of Rs. 150—7—185—8—225. Lower categories are Fire Sergeant on Rs. 75—3—105, Leading Firemen on Rs. 40—1—50—2—60 and Firemen on Rs. 35—1—50. A Fire Unit of the State Government is stationed in Visakhapatnam Port and the Port administration has, therefore, no separate fire fighting organisation of its own. At Kandla there is a Fire Officer in the scale of Rs. 150—7—185—8—225, Fire Sergeants on Rs. 75—3—105, Leading Firemen on Rs. 40—2—60 and Firemen on Rs. 35—1—50.

Fire Station Superintendents etc.

182. The post of Fire Station Superintendent in Bombay is filled up by promotion from lower ranks and no special qualifications are insisted on. The Assistant Superintendent is in charge of the work in Butcher Island, Pir Pau Island, and the Marine Oil Terminus. In Calcutta, the Fire Officer is directly recruited from outside. Although the minimum educational qualification is only Matriculation, a Certificate in Fire Training is also required as an essential qualification. In Madras, in addition to being in charge of the fire service organisation, the Fire Officer is also expected to assist the Deputy Port Conservator in regard to safety measures and the handling of explosives, dangerous substances, etc; this work in Bombay has been entrusted to an Officer of executive rank. In Cochin the qualifications prescribed are at least five years' active service in a Provincial Fire Brigade and technical knowledge of fire-fighting, although no formal Certificate has been specified. Here also, the Fire Officer is not expected to look after the safety measures. At Kandla, the previous experience required is three years'; the Fire Officer is not responsible for safety measures. Having regard to the experience required and the duties, the pay scales of the supervisory staff in Cochin Port appear to be adequate and do not call for any alteration. In Madras, however, the Fire Officer is also required to attend to safety measures, besides holding charge of the fire services organisation; his duties cannot be regarded as less onerous than that of an Office Superintendent in that Port. It is therefore recommended that the pay scale for this post should be Rs. 250—15—400; the special pay of Rs. 75 p.m. which is now being paid should be abolished. In Calcutta and Bombay also this scale seems to be the most appropriate and may therefore be adopted in those Ports.

Leading Firemen and Firemen

183. The appropriate scales for Leading Firemen appear to be Rs. 40—2—60 and for Firemen Rs. 35—1—50. The need to place Firemen in the semi-skilled category has already been discussed in connection with Marine Department Stoking Firemen. In Ports where this category exists, the proportion of Leading Firemen to Firemen vary appreciably as may be seen from the statement below :

TABLE XXXIII.

Port	Number of Leading Firemen.	Number of Fireman.
Calcutta	7	111
Madras	13	70
Cochin	7	31
Kandla	5	26

The proportion is very low in Calcutta and the possibility of enhancing this to bring it into closer accord with the proportions in the other Ports should be taken up by the Port administration.

Transfer of Special Departments

184. In all the three Departments, the Port Railways, Lighthouses and Fire Services, there is a common feature in that they represent in miniature the work done by mammoth Departments set up specifically for similar purposes by the Central or State Governments. The contrast is most vivid in regard to the Railway Department if a comparison is made in terms of mileage and rolling stock. The route mileage of the Calcutta Port Commissioners' Railway is only 17.51 miles, that of the Bombay Port Trust's Railways 16.63 miles. The route mileage of Eastern and South Eastern Railways serving the Port of Calcutta are 1,391 and 3,050 miles respectively. Similarly, the route mileage of the Central and Western Railways serving Bombay Port are 4,757 and 5,332 miles respectively.

185. It is interesting also to compare the position in regard to track mileage. The total track mileage of the Calcutta Port Railway including marshalling yards, siding etc. is 196.05 miles, which is more than 10 times the route mileage. Similarly, in Bombay the track mileage is 132.12 miles, that is 8 times the route mileage. This proportion of track mileage to route mileage is higher than any Railway in India, the proportion of 4:1 prevailing over the Eastern Railway being the highest among Indian Railways. This is clearly suggestive of the intensity of traffic that the Port Railways are called upon to carry and underscores the fact that proportionate to the revenues of the Port, heavy investments have to be made in providing marshalling and terminal facilities. It is thus not without significance that the terminal charges form a substantial portion of the earnings of the Port Railways.

186. A comparison in terms of traffic is also of interest. The Bombay Port Trust Railway carried during the year 1955-56 nearly 4.0 million tons. The corresponding figures for the Railways in regard to Calcutta Port are 1.3 million tons and in Madras Port also 1.3 million tons. It is stated that the Bombay Port Trust Railway handled during that year nearly 59 per cent of the entire rail-borne traffic in Bombay.

187. The Port Railways co-operate with the main Railways system and accept consignments in their own wagons for delivery over 'foreign' Railways. Thus, functionally they act similar to the main Railway systems. The Port Railways are also Railways within the meaning of the Indian Railways Act, 1890.

188. The question, naturally enough, has arisen as to why the carriage of goods to and from the docks cannot be entrusted to the Indian Railway system as has been done for the operation of the Cochin Harbour Railway. From the point of view of staff, the advantages which may follow will be better chances of promotion, greater opportunities of further training, and an extensive range of amenities that a bigger organisation can afford, as well as eligibility for Pass privileges admissible to the employees of the Indian Railways. The advantages of such an arrangement, from the operational and financial points of view, may be simply reckoned as the beneficial results of working with a larger pool of rolling stock, locomotives and skilled personnel, receiving the best available technical direction and high-level supervision. The procurement of essential stores may also be simpler and more economical; when a sellers' market prevails, a large scale purchaser has always an advantage over his smaller rival. Certain disadvantages which may follow if the Port Railways are worked as a part of the main Railway system, will be less localised attention and a possible drop in priorities when plans are made for the improvement of facilities or purchases of special equipment. It is also worth mentioning in this connection that the Special Officer appointed to enquire into the working of the Bombay Port Trust Railway recommended the absorption of the Port Trust Railway into the Central Railways. The balance of advantage seems to be in favour of absorption, although the question is still open.

189. Similarly, equipping and operating Lighthouses does involve a degree of specialised knowledge and skill. One of the suggestions of the Estimates Committee of Parliament was that all the Lighthouses irrespective of whether they are classified as 'General' or 'Local' should be taken over by the Central Lighthouse Department. In this age of technological progress, there must obviously be further improvement and expansion of such important navigational aids; difficulties such as the lack of technical personnel, expert advice for procurement of equipment, proper recruitment and training of staff, the application of advanced scientific methods etc. can be solved better by a large Central Organisation possessing experienced directional and technical staff and adequate research and workshop facilities. But unlike the Railways, the pay scales of Lighthouse staff in Ports,

particularly those in Bombay and Calcutta, are higher than those in the Central Lighthouse Department. There may be the added disadvantage that without any improvement in pay scales or prospects of promotion, the staff may be called upon to work in remote localities. The present unsatisfactory position in regard to promotions was also noticed by the Estimates Committee who recommended that suitable avenues should be opened up. If the recommendations are implemented, there will undoubtedly be some advantage in transferring the administration of Port Lighthouses to the Central Lighthouse Department. Of the advantages so derived not the least will be the remedying of the incongruous situation that has followed the notification of certain categories of Port employments under the Minimum Wages Act as explained in Chapter VIII.

190. Some of the above considerations will apply with equal force to an arrangement under which the Port can make full use of the fire fighting organisation of the State Government or Municipality, instead of depending on its own necessarily slender resources ; in case of a serious outbreak, as found on the occasion of the Bombay Dock Explosions in 1944, the existing Port unit is not likely to be effective. Three of the leading fire fighting organisations in the country are those of the three great Municipal Corporations of Bombay, Calcutta and Madras. There is little doubt that from the functional point of view, particularly in times of emergency, such an arrangement will be a distinct advantage provided steps are taken to absorb in the larger organisation all existing staff who are acquainted with the local conditions and a separate and properly equipped unit is maintained by the organisation within the Port area.

Pooling of Medical Facilities

191. The extent of medical facilities provided by the various Ports also varies. The Bombay Port has a set of Medical Attendance Rules for their employees, but only a few dispensaries have been provided. In Calcutta, the Port Commissioners run a Hospital with 150 beds with radiological and pathological departments. In Madras, the Port has a dispensary and a small hospital with a few beds. The Cochin Port administration maintains a small Hospital ; in Visakhapatnam Port there is only a dispensary.

192. The Dock Workers (Regulation of Employment) Enquiry Committee had rightly attached importance to the provision of medical facilities. The Dock Labour Boards are, therefore, making separate arrangements for the medical treatment of stevedore workers. The Bombay Dock Labour Board will shortly open a dispensary and in Calcutta the construction of a hospital with an ultimate provision of 115 beds is in progress. While there can be no two opinions about the need for providing more medical facilities, the duplication of effort resulting in small and disparate units, with varying standards, is hardly to be preferred to what might be attained if the Port administrations and Dock Labour Boards were to pool

their resources together to provide up-to-date Medical services in well equipped centres, with highly qualified surgical and other specialists, laboratories, and First Aid teams to deal immediately with minor casualties in the docks. In the development of the Port Medical services in the U.K. the National Dock Labour Board has continually stressed the "necessity of avoiding duplications whether of equipment or manpower" and of centralising resources as, for example, at their Rehabilitation Centre at Salford which is available to men from all the Ports in the North of England. The Dock Workers (Regulation of Employment) Act, 1948 relates to both shore and stevedore workers. A practical approach would, therefore, be for the Port Trusts to take over the responsibility for the provision of medical facilities for stevedore workers, the Dock Labour Boards contributing their share of the expenditure. Another alternative will be for the Port administrations to run a Contributory Health Service Scheme if they are in a position to set up their own Hospitals in association with the Dock Labour Boards. At present, although the Ports of Bombay and Calcutta are of comparable size, no Hospital has been provided in the Bombay Port area, though a smaller Port like Cochin has been able to do so.

Dock Labour Boards

Class III and IV Posts

193. The Dock Labour Boards in the Ports of Bombay, Calcutta and Madras have been set up only recently; the oldest of them is only five years old. Although some valuable work has been done by them in the direction of providing housing and medical treatment for stevedore labour, in addition to the working of the decasualisation Schemes, they are still in the formative stage. In Calcutta, until recently, the Administrative Body contemplated in the scheme had not taken over the day-to-day administration which had been undertaken by an officer appointed by the Government. Such a body has been appointed now with effect from 2nd August, 1957. Only two years ago, a Tripartite Committee went into the working of these Boards; the recommendations of that Committee are in the process of implementation. It was, therefore, strongly urged before me, and not by the representatives of the Stevedore Associations alone, that so soon after the review by a Tripartite Committee, it would not be opportune to suggest any further changes before the Boards have settled down. It cannot be gainsaid that there is some force in this line of thought.

194. Nevertheless, it is not difficult to form a broad idea of the pattern of development of pay scales for categories of staff similar to Class III and Class IV. As the Dock Labour Boards are autonomous bodies, not dependent on one another and not obliged to consult one another, certain trends, if not detected and rectified in time, can well lead to further lack of uniformity and in a way recreate new problems in one sector of the

Port. There seems to be a growing tendency already for the peculiarities of nomenclature, the anomalies of pay scales and the disproportion in grades of employees of the Port administrations to be reflected in the offices of the Dock Labour Boards.

195. The Calcutta Dock Labour Board Office has 427 employees as against 197 in Bombay and 65 in Madras. The number of different pay scales in force is 38 in Calcutta, 22 in Bombay and 10 in Madras. Some of the odd scales applied to Class IV staff of the Port administrations have been repeated in the Dock Labour Board Office as, for example, the scale of Rs. 32— $\frac{1}{2}$ —36 prescribed for a Record Supplier. As in the case of the officers under the Calcutta Port Commissioners, there are not only divergences but also shades of differences in nomenclature. The familiar symptom of an unco-ordinated growth of establishment, disparity in pay scales, has appeared even in minor posts whose duties are, or should be, more or less uniform; a typical instance is the post of a Compounder, whose scale of pay is Rs. 75—5—100—8—140 in Bombay, Rs. 60—3—90—6—150 in Calcutta and Rs. 55—3—85—4—125—5—130 in Madras. The explanation offered is that the Compounder in Calcutta is expected to do dressing also but in that case, if the Calcutta scale is correct, the scale in Bombay would be irrational as at that Port a separate post of Dresser has also been provided.

196. Apart from variations as between the Ports, it will also be of interest to compare pay scales within the Port itself. In Bombay, the lowest category of Class IV employees, namely, Peons and Watchmen, have been placed in the scale of Rs. 35—1—40 instead of in the scale of Rs. 30—1—35 adopted for other categories employed by the Port Trust. Cooks again are on the scale of Rs. 45—1—50 as against Rs. 35—1—50 under the Port Trust. On the other hand, the Dock Labour Board does not employ categories like Jamadars, Head Cooks etc. and higher scales in Dock Labour Boards for Peons and Cooks lie between unskilled minimum and unskilled supervisory scales. A possible reason may be to give some weightage for lack of suitable higher posts. The divergence is more pronounced in the pay scales of Upper Division Clerks; while the normal scale for an Upper Division Clerk in the Bombay Port Trust is either Rs. 90—160 or 100—200, the Dock Labour Board employs an Upper Division Clerk on Rs. 80—5—100; the Administrative Body pays its Upper Division Clerk a variety of scales ranging from Rs. 70—5—100 to Rs. 131—7—180. In contrast, the pay scales of the employees of the Dock Labour Board, both in Calcutta and Madras, are similar to the pay scales in the Port administrations.

Uniformity among Dock Labour Board

197. It is not impossible to effect some uniformity among the various Dock Labour Boards and Ports without prejudicing any future changes that may be necessitated as a consequence of the experience gained in the

working of these bodies. The staff employed by these Boards have duties mainly clerical in character. It is, therefore, recommended for the consideration of the Boards that as far as the Class IV staff are concerned, they may be placed in two grades on scales of Rs. 30—1—35 and Rs. 35—1—50. As regards the Class III staff, the appropriate scale for the Lower Division Clerks would be Rs. 60—4—120—5—130 and for the Upper Division Clerks Rs. 80—5—120—8—200—10/2—220, which are the scales prescribed for Clerks, in the Lower and Upper Divisions, in the offices of all the Ports. For higher posts, the choice may lie between the scales of Rs. 150—7—185—8—225 and Rs. 160—10—250—10—300.

198. In view of the fact that the Boards themselves are in the process of evolution, it may not be desirable at this stage to recommend any immediate application of the principles formulated elsewhere in regard to the proportions of various grades. It may, however, be brought to the notice of the Boards that should they consider fixing higher pay scales than those mentioned above ; a rational method would be to select scales identical to those recommended for such posts in this Report. The Dock Labour Boards and Administrative Bodies will find it useful to correlate any revisions in the pay scales of their employees with any similar revisions by the Port administrations.

199. It is important not to underestimate the difficulties which new Boards may encounter in setting up and reorganising their establishments or to overlook any special or local reasons for departures from the norm. At the same time, it will be a good principle to follow if both the Port administrations and the Dock Labour Boards keep one another informed of any material revision in the pay scales and other conditions of service. This will be a safeguard against disparities cropping up in future and may eventually make for the increased contentment of Port and Dock workers. The necessity for the provision of amenities like medical aid, hospitals, contributory schemes, training facilities etc. on a joint basis has already been discussed and will bear repetition in this context.

Principles for Fixation of Pay in Revised Scales

200. Although this was not included in the original Terms of Reference, Government agreed in the course of discussions with Labour representatives that my recommendations should include principles for the fixation of pays of existing incumbents in the revised scales. It is therefore necessary to indicate in this Report as to how the pays of such of the existing employees of the Port administrations as may elect to come on the new scales should be determined. The point is of importance as it has to be considered whether in such pay fixations weightage should be given to those who have remained on a particular time scale for a considerable length of time. According to the normal rules applicable to Government Departments, which have generally been followed by the Ports, only the next higher stage

is allowed ; in cases of pay scale revision over a wide range, however, it is generally recognised that *ad hoc* formulæ have to be evolved if the advantages of revision are to be equitably distributed.

201. The formula which has been pressed on behalf of Labour approximates to what may be called a point to point calculation ; it involves the placing of each employee at that stage of the new scale to which he would have risen by reason of his length of service if he had entered that Department on the new scales. The Central Pay Commission rejected such a proposition and observed as follows :

“For this purpose, we have been asked to assume that the new scale had been in force from the commencement of the service of each individual. We are unable to accede to this claim and we see no justification for it. It seems to us right to presume that, except in the lowest grades, the revised scales of 1933 were not inadequate with reference to the then prevailing price level or cost of living. Unless this assumption can be displaced, the claim made by the Services cannot be sustained.”¹

In implementing the recommendations of the Pay Commission, attempts were made to strike a *via media* between the point to point system as the fixation of the next higher stage which would manifestly be unfair to old employees. Such solutions had necessarily to be pragmatic. As a consequence of their application anomalies crept up from time to time for which further solutions had to be found. In fact the Ministry of Railways decided to give a second option to many categories of their employees on account of the changed circumstances that were the result of such decisions. It is, however, hardly necessary to discuss in detail the various developments at this stage, except in so far as to ensure that similar consequences do not follow in the case of the Major Ports.

202. There is a material difference in the background before the Central Pay Commission and that in the present enquiry. The Central Pay Commission were appointed to review the pay scales which were admittedly inadequate on account of the increased cost of living in 1947. The Commission had also to take note of certain important concepts of social justice which had evolved by that time, particularly that of the living wage. The Commission could not project all these circumstances into the past, which would have been the case had they acceded to the demand for a point to point fixation. The scope of the present enquiry is different. No attempt is made to revise the pay structure in the light of increased cost of living or similar considerations. What has been attempted is rationalisation of a large number of disparate and anomalous pay scales of a variety of posts which have evolved in the course of years in a number of autonomous organisations and Centrally administered units. One of the objects of the enquiry

¹ Report of the Central Pay Commission, page 44.

is to secure as large a measure of uniformity as possible, on the principle of equal pay for equal work ; there was also an understanding, as clarified in the Terms of Reference that the proposals for rationalisation should not result in the reduction of existing scales when they are higher than the Central Pay Commission's Scales. It has been emphasised more than once that the steps shall be in terms of standard pay scales prescribed by the Central Pay Commission. In one sense it can be said that the enquiry is essentially a redressal of anomalous situations which would not have arisen had the recommendations of the Pay Commission been applied *in toto* by the Ports in the first instance.

203. In this connection it is of interest to quote the decision¹ of the Civil Service Arbitration Tribunal of the U.K. in an Award on the method of calculating a Civil servant's pay when his grade is given in a revised scale of pay :

"The present practice derives from Civil Service Arbitration Tribunal Award 95, dated 3rd June, 1948, in which the Tribunal stated. They desire to put on record their view that 'corresponding points' is the right principle to be adopted. . . . This principle means that staff enter the revised scale of pay at the point they would have reached had it been in force from the time they entered the grade. Old and new scales are set out side by side in vertical columns with the minima opposite each other. The 'corresponding points' are then on the same horizontal lines and, with minor exceptions, pay is adjusted accordingly."

Few Industrial Courts and Tribunals appear to have expressed any definite opinions on this point, but an award of the Adjudicator in a dispute between the Imperial Chemical Industries (India) Ltd. and its employees contained the following conclusions :

"As regards the adjustments in the new scale recommended to the present employees in the Company, the Union has demanded point to point adjustment according to the service. The Company, on the other hand, has contended that the adjustments should be made according to fundamental rule No. 22 in the Government Service Manual, as the existing rates are adequate. It may be noted that in considering the question of adjustment the Central Pay Commission has not followed either the fundamental rule or the ordinary method but has evolved a different method. I recommend that the adjustments should be according to Rule No. 1 of the recommendations of the Pay Commission, *i.e.*, the employees should be put in the new scale at the stage above their present pay increased by one incre-

¹ Royal Commission on the Civil Service, 1953-55 Cmd. 9613, page 7, para 30.

ment for every three completed years of service. In any case he must not get more than the maximum in that grade".¹

The Industrial Tribunal, Bombay, and the Labour Appellate Tribunal did not give any specified direction on this point when they awarded revisions in the pay scales of certain categories of employees like Tally Clerks of the Bombay Port.

204. The main objection to a point to point fixation of pay is financial, rather than one of principle. Having regard to the possibility of additional financial burdens, the most equitable solution would be to grant one increment for every three years' service, as was done by the Central Government when implementing the recommendations of the Central Pay Commission. The adoption of this formula may also lead to some anomaly as, for instance, increments may be drawn earlier by those who enter the service later or if a fixed date is chosen as the date for further increments, the solution may not be altogether fair to some of the older entrants. Such anomalies can, however, be avoided by readjusting the dates of increment according to the lengths of service reckoned on the basis of three year's period.

205. In clarifying the Terms of Reference relating to rationalisation of pay scales, Government had also agreed that there should be no reduction in the existing scales for any particular posts which happen to be higher. On the need for protection of the rights of the existing incumbents in the event of revisions of pay scales, there can be no difference of opinion. In fact, the practice in all such cases of pay revision has invariably been to afford such protections. On the other hand, if a particular pay scale is admittedly high, not reducing it to the appropriate level will go against the very spirit of 'rationalisation'. Apart from this, the maintenance of such excessive pay scales will manifestly be unfair to comparable occupations in the same establishment and will distort the entire pattern of differentials and relativities. As between two new entrants in two comparable occupations it will confer an unfair and unearned benefit on the entrants to a particular job. This again will create anomalies and, in their wake, discontent. I am not, therefore, able to recommend such freezing of the pay scales and consider that it will be quite within the spirit of the Terms of Reference to restrict protection of the higher pay scales only to the existing incumbents.

Special Allowance for Sweepers

206. In Bombay Port, Sweepers are being paid an 'unclean' allowance of Rs. 5 per month, in addition to the normal time—scale of pay for unskilled labour. The quantum of allowance is Rs. 5 for those employed in cleaning latrines and Rs. 3 to those employed in sweeping roads etc. Information regarding the basis on which this has been sanctioned is not

¹ 'Labour Adjudications in India' compiled by D. G. Damle, Orient Longmans, page 584.

available. The representatives of Labour Unions stated in this connection that the Committee appointed by the Bombay Government to investigate into the service conditions of these men had recommended further concessions like the reduction of working hours and the provision of promotion grades.

207. There is no information to indicate whether this practice is being followed by other State Governments. In the Central Government no special allowance is being sanctioned for this purpose. As the general structure of pay scales and allowances of State Governments is considerably different from that recommended by the Central Pay Commission, it seems difficult to recommend its extension to other Ports unless the practice has secured acceptance by the State Governments concerned. In any case, a few suggestions are being made elsewhere in this Report to provide suitable facilities for unskilled men to qualify themselves for higher employment ; with the growth of social consciousness the necessity of sweepers remaining sweepers throughout their service may not also arise.

Avenues of Promotion

208. In a rationalised system of pay scales, the desirability of providing avenues of promotion needs no special emphasis ; it helps to maintain and strengthen staff morale and at the same time provide a source of encouragement for more efficient work. This aspect has been touched upon while reviewing the relative proportions of different grades. Most of the Staff Unions or Associations place emphasis mainly on seniority, calculated on the basis of length of service, as the principle for regulating promotions. There is much to be said in favour of physical standards like length of service. From the point of view of the employees themselves, however, the disadvantage of proceeding strictly according to seniority alone, without taking into consideration the merits of individual employees, is that promotions may occur at a very late stage ; in such circumstances the person promoted will be able to occupy the higher post for a comparatively short period before retirement ; he will also have little opportunity of acquiring sufficient experience in the higher post for still further promotion in the regular chain. Such a situation is neither in the interest of the employees nor of the employers.

209. Where objective tests of skill have been laid down, as in the case of Engineering and Marine posts, promotions and ranking by means of periodical tests may result in eligible young men being picked up quite early for the highest rungs of the ladder. In this connection, the suggestion in the Railway Classification Tribunal Award (better known as the 'Waterhouse' Tribunal) that a quick transition from unskilled to semi-skilled categories should be provided for in the form of a simple test, which an unskilled employee is able to take after completing three years of service, is also commended for adoption to the extent practicable.

Summary

210. Detailed recommendations with regard to the pay scales of posts taken as 'test' posts and proportions of different grades have been summarised in the relevant portions, but conclusions and recommendations of a general nature may be broadly summarised as below :

- (i) The basic minimum scale for Class IV should be revised to Rs. 30—1—35 in all the Ports. Similarly, the basic minimum scale for Class III staff employed in Clerical duties and for whom Matriculation or equivalent qualification is prescribed as the minimum, should be Rs. 60—3—81—4—125—5—130. Apart from this any other alteration in the present wage structure not based on the recommendations of the Central Pay Commission is not considered to be within the Terms of Reference of this enquiry.
- (ii) It has not been possible to embark on a detailed job evaluation partly because of the limitations of time and partly because of certain practical difficulties which stand in the way of the application of Factor Comparison or Point Rating methods. The method adopted has, therefore, been to choose certain categories in each Department and endeavour to fix the appropriate pay scales in the light of the recommendations of the Central Pay Commission for comparable posts under the Central Government. There is, however, a clear necessity for work studies to be undertaken by Port Administrations if problems of this type are to be solved in absolute terms.
- (iii) As regards other posts, fixation of pay scales will have to be done by the Port Administrations having regard to the inter-departmental and intra-departmental relativities and differentials. While due weight has to be given to the last two factors, the Port Administrations should seek to 'broadband' categories of staff ; weightage should normally be given to the above factors only if these would result in a material alteration of the pay scales or a translation into another standard scale prescribed by the Central Pay Commission.
- (iv) The possibility of introducing any system of payment by results in the Technical Departments, particularly in regard to categories like Tally Clerks, Crane Driver, etc., should be considered further by the Ports.
- (v) In many Administrative Departments, the proportion of Upper Division clerical cadre to the Lower Division and the proportion of the Supervisory staff to the clerical strength is quite low in most of the Ports ; higher proportions will be more in consonance with work requirements also.

- (vi) In the Accounts Department, the Port Administrations of Calcutta and Bombay should examine the possibility of prescribing Departmental Tests to regulate eligibility for appointment to supervisory posts in their Accounts Departments. It is also suggested that the present designations in those Ports should be changed to Junior and Senior Accountants.
- (vii) The Port Administrations should make a beginning towards the introduction of the Messenger system.
- (viii) There seem to be weighty reasons for the transfer of control of certain Special Departments like the Port Railways, Lighthouses and Fire Services to the Railway Board, the Central Lighthouse Department and the Fire Services Organisation of the State Governments concerned. This, however, is only a suggestion.
- (ix) Medical facilities should be pooled between the Port Administrations and the Dock Labour Boards.
- (x) While it is premature to suggest any radical changes in view of the fact that the Dock Labour Boards have commenced functioning only recently, there is a possibility of effecting uniformity among the Dock Labour Boards even now by adopting the standard pay scales for Lower and Upper Division Clerks and higher posts. It will be a good principle to follow if both the Port Administrations and the Dock Labour Boards keep one another informed of material revisions in the pay scales and other conditions of service.
- (xi) The fixation of pays of staff who have elected to come on to the new pay scales should be done on the basis of one increment for every three years of services as was done by the Central Government when implementing the recommendations of the Central Pay Commission. It may be possible to avoid anomalies by readjusting the dates of their increments in respect of periods falling short of multiples of three years.
- (xii) While the existing staff will naturally have the option to retain their old pay scales if they are more advantageous, it will not be equitable to freeze at a higher level such of the posts whose pay scales at present happen to be higher than those justifiable in the light of the recommendations of the Central Pay Commission.
- (xiii) In the absence of further information in regard to the practice in other State Governments and in view of the fact that the pattern of pay scales of Central Government on which the above proposals are made is different from the pattern of the

pay scales of State Governments, it has not been found possible to recommend payment of 'unclean allowance' which is now being paid in Bombay Port to Sweepers in other Ports also.

- (xiv) The desirability of providing suitable avenues of promotion requires special emphasis.

Financial Estimates

211. The recommendations have covered a fairly wide range of key posts in the various pay scales and the lines on which further adjustments may be undertaken by the Port Administrations have been duly indicated. It should be possible now to form some idea of the cost of the rationalised wage bill. As the pay scales for other posts and the provision of adequate channels of promotion will have to be determined by the Port administrations the financial picture at this stage must necessarily be somewhat incomplete. The additional expenditure that the Ports may have to incur for implementing the recommendations in respect of the selected posts has, however, been broadly estimated and compared with the expenditure on establishment during the year 1955-56 as follows :

TABLE XXXIV

(Rs. in lakhs.)

							Expenditure on Establish- ment in 1955-56	Estimated additional Expenditure
Bombay	..	..	..	..	..	..	3.29 crore	2.2
Calcutta	..	..	..	..	..	..	4.49 crore	4.5
Madras	..	..	..	..	..	..	66 lakhs	2.3

The figures in respect of Visakhapatnam and Cochin have not been included as they are likely to be much lower than a lakh of rupees.

212. In the above estimate relatively large additional expenditure in Madras Port is the consequence of the recommendation that all Junior clerks who are duly qualified should be placed on the scale of Rs. 60—130 and that there should be additional posts in the Upper Division and for Head Clerks. As regards the estimate for Calcutta, the latter factor as well as the revision suggested in regard to the scale of Class IV staff are the contributory causes. In Bombay where both these considerations do not exist, an important element in the additional financial commitments estimates is the proposed upgrading of the scale of pay of Crane Drivers of the lowest category.

213. It is not possible to attempt an estimate of the additional expenditure the further adjustments in the pay scales may entail. Even if an equal amount is reckoned as additional expenditure on this account, the total

financial commitment is not likely* to be more than Rs. 20 lakhs per annum for all the Ports.

214. It may also be of interest to have some impression of the incidence of the establishment charges ; the comparative statement below shows the proportion of establishment expenditure to total revenue expenditure among the Ports as well as the Railways, and the Posts and Telegraphs during the last four years :

TABLE XXXV

Year	Bombay	Calcutta	Madras	Rlys.	P. & T.
1952-53	46·8	50·4	37·4	48·4	70·3
1953-54	58·1*	45·9	50·1	51·8	69·7
1954-55	52·4	46·1	54·9	50·3	69·6
1955-56	48·1	48·5	52·7	52·0	66·2

It will be noticed from the above that the proportion of establishment expenditure in the Ports compare favourably with that in the Railways and Posts and Telegraphs.

215. Any scheme of rationalization of pay scales covering the bulk of employees of three of the oldest statutory bodies of the country, which can stand comparison with the great Municipal Corporations of their respective areas, and of three other organisations, one of which had been managed for years by the Railways and another by successive State Governments and a third still being developed as a Capital Project, may ordinarily be expected to cost proportionately more in the early years. It would have been a different matter if a revision had been attempted of the basic wage structure itself. It has been estimated by one source that the demand for revision of the minimum basic scale for Class IV employees to Rs. 40—2—60 would cost an additional expenditure of nearly Rs. 4 crores per annum in one Major Port alone.

216. As it is, the total annual establishment expenditure of all the Ports during the year 1955-56 was of the order of Rs. 12 crores. An additional expenditure of even Rs. 25 lakhs will mean about 2 per cent of the total wage bill. In any case it is important to consider the advantages which must accrue to the country, in these momentous years of the Second Five Year Plan, from a more efficient working of the Ports and expeditious handling of all imports and exports by a contented and reasonably paid staff. It should not be impossible to make up for the additional cost of the proposals for rationalisation by effecting economies and carrying out administrative reorganisations.

*The excess expenditure in Bombay in 1953-54 was on account of payment of arrears under the Minimum Wages Act.

PART II

CHAPTER IV

DECASUALISATION OF SHORE WORKERS

Variety of Work

Port and Dock work involves a great variety of jobs calling for labour and arising out of numerous and diverse demands, often made without material warning but invariably requiring immediate attention. Trade movements in general, the flow of goods from the hinterlands for export, the arrival of large quantities of cargo in bulk, and a number of other causes, sometimes related to international developments, may influence the extent and gravity of these variations. There are also the natural uncertainties, accentuated by the vagaries of tide, weather, monsoons and such other conditions, associated with the movement of ships. Many of the factors which directly lead to the casual conditions in traffic are beyond the control of the Port authorities or, for that matter, of the importers and exporters.

2. The demand for dock labour is thus dependent upon the arrival and departure of vessels and the quantity and type of cargo. The very nature of employment at the docks, and the inherent fluctuations in the amount of work, tend to lead to a large pool of labour, with a nucleus of permanent or regular workers and an appreciable number of men who, except in times of heavy rush of work, remain under-employed or unemployed. As the Royal Commission on Labour in India had found in 1931, "there is usually labour in excess of immediate requirements, and the tendency is for employers to encourage larger reserves than necessary in order to provide for ample margins against emergency". The Commission pointed out that the main problem in connection with dock labour was that of minimising the hardships due to unemployment or under-employment. After emphasising the importance of decasualisation on the ground that labourers who regularly offer themselves for work at the docks were entitled to secure as large a measure of regular employment as the nature of the calling would allow, they recommended that the "aim should be, first to regulate the numbers of dock labourers in accordance with requirements and, secondly to ensure that the distribution of employment depends, not on the caprice of intermediaries, but on a system which, as far as possible, gives all efficient men an equal share".¹ In their view the system of registration recommended should include all those employed in the

¹Report of the Royal Commission on Labour in India, 1941, page 186.

work of loading and unloading on board the ships or on shore, *i.e.*, harbour, dock, wharf, quay, or at any similar place where such work is carried on.

Nature of Cargo handling Operations

3. For a proper appreciation of the Port and Dock labour problem, it is important, first, to have a complete picture of the operations involved in the landing of cargo on shore. While stevedore workers are placed on board the ship, the requisite labour must be ready on shore. According to the manning arrangements, sufficient sets of cargo gear are provided to maintain continuous work for which the utmost possible co-operation is necessary. It should be remembered that the ship can always beat the shore in discharging general cargo, and a number of different operations proceed simultaneously or follow one another. Cranes may land at shed as well as direct into road trucks or rail wagons, while the ship's derricks may be putting cargo overside to lighters and other craft. The work at shed level may consist of receiving cargo from slings, sorting, to put distinguishing mark, to indicate the bill of lading number and the ship from which it has been landed; and to prevent its getting mixed up with other cargo, and delivering according to the forwarding order to rail wagon or road truck for discharge to consignees or to internal vehicles for transfer to warehouses either free or bonded. Tally clerks keep a tally of all goods delivered; the ship may also employ Tally clerks to take a complete independent tally *ex-ship*. The shed supervisor, similarly, checks all goods against ship's releases emanating from vessels, owners or agents, holding back unreleased goods. Customs officers who watch the goods and check packages against entries in their possession may require unentered goods to be held back in the transit shed or have certain packages opened and weighed. When all the manifested cargo has been charged, a temporary halt is called in the work of delivery and the balance of cargo remaining in the shed is carefully counted and recorded by marking the commodity, and by adding the result to the total of cargo checked, the complete out-turn of the ship is determined.

4. The operation of loading a vessel outward is much the same in reverse order. Exports require extra handling, because it takes longer to stow than to discharge. For a ship taking up general cargo for various destinations, careful stowing is of the greatest importance. For effective loading operation, the ideal arrangement is for the cargo to be accumulated in the appointed shed some days in advance of the ship's arrival, and placed, as nearly as possible, in the order in which it will be loaded in the ship and in accordance with a draft stowage plan—heavy bottomed cargo near the quay side, cargo for the different holds opposite where they will be, and dead cargo kept well away. The goods are shipped in accordance with shipping notes issued by the shipowners' office; receipt is given to the shipper of every parcel, which he afterwards exchanges at

the steamship office for the bill of lading. Throughout the loading of a ship only tested gear must be used and safe working loads must be strictly observed, the safe trim of the ship being an important consideration.

Labour for Shore Work

5. It will be apparent from the above description of a typical series of cargo handling operations how complex are the requirements of labour for shore work. Some of these operations are further complicated by the peculiarities of the prevailing conditions. The practices vary from Port to Port. In Calcutta, foodgrain imports are bagged and stitched on board the ship before discharge, often direct on to motor trucks brought alongside, but in Bombay bulk shipments of foodgrains are unloaded loose in front of the transit sheds requiring such large quantities to be swept up and bagged and stitched by a corps of labourers before delivery to trucks or wagons. In Bombay hooks are not used on cargo, while this is usually done in Calcutta. There is no dumping of heavy consignments of iron and steel at the docks in Bombay, whereas this is allowed in Calcutta. In Madras tubs to carry mineral ore loads direct to the hold of a ship are not in use as is the practice in Vizagapatnam. Apart from the variety of unskilled labour required at the docks, the provision of many types of mechanical equipment including some of the most highly developed electric cranes of extensive working radius and high capacity, the introduction of modern methods of freight handling by the use of fork lifts and other appliances, and the need to follow special processes for particular kinds of commodities have also made it necessary for the dock authorities to employ a large number of workers with technical knowledge or skill.

Present Position of Shore Labour

Employers of Labour

6. This rather heterogeneous labour force, consisting of different groups and categories of workers; is employed by various agencies; those are primarily the Port authorities themselves, the Dock Labour Boards at three of the Major Ports, the shipowners, the stevedores, various Government Departments, contractors, public utility undertakings, industrial and commercial concerns, traders, importers and exporters, owners of lighters and barges, ship repairers, etc. The classes or categories of workers employed by each of these authorities differ according to the nature of work undertaken by them. Of these, by far the most important employers are the Port authorities in respect of shore labour and the Dock Labour Boards or the Stevedore Associations, as the case may be, in respect of stevedoring labour. Other employers of labour are the contractors for handling foodgrains, salt, coal, ores etc., and the agencies for the painting and chipping of vessels, and the plying of lighters, launches and barges within the Port

limits. So far as the loading and unloading of ships and the handling of cargo at the docks are concerned, the labour employed for such work can be broadly classified into stevedore workers who handle cargo in the ship's holds, and shore workers who handle cargo at the docks, in transit sheds, warehouses etc.

Extent of Departmentalisation

7. The shore workers in the Major Ports are either directly employed by the Ports or are engaged by contractors. Departmentalisation schemes for shore labour have been in force in the Ports of Calcutta, Madras and Bombay. The workers have been divided into three categories. The first category is more or less on a par with permanent employees and enjoys the benefits of provident fund, gratuity, leave, holidays and weekly off, besides being guaranteed a minimum wage. The second category receives certain privileges of a restricted number of holidays in Madras and the right of compensation under the Workmen's Compensation Act, medical relief and housing facilities in Bombay. The third category of workers is purely casual and is entitled to no benefits, privileges or guarantees.

8. The basis of the present system is that the first category called 'A' in Bombay and Madras and Primary Gangs in Calcutta, consists of persons regularly employed on a piece work basis. The second category, called 'B' category in Bombay and Madras and Ticca Gangs in Calcutta is intended for workers required in case of extra work; these workers are also said to receive, as a matter of practice, fairly regular employment and are expected to be chosen from among the casuals. The third category of casuals called 'R.E.E. gangs' are recruited through the Regional Employment Exchanges; they are registered casuals and correspond to 'C' category at Bombay and Madras.

9. As regards the other Major Ports, the harbours of Visakhapatnam and Cochin have been open to sea-going vessels for an appreciable period, Visakhapatnam from October, 1953 and Cochin from 1931; Kandla, with the construction of 2 deep water cargo berths, was opened to such traffic only on 3rd March, 1957. In these three Ports, however, the administrations do not employ any dock workers; all labour is supplied by contractors who generally treat them on a casual basis. The available information in respect of these workers will be found in a later part of this Chapter.

Different Categories of Shore Workers

10. The total number of all shore workers in the direct employment of the Port authorities in Bombay, Calcutta and Madras as reported by them, is 13,569, excluding 'C' category workers of Bombay and Madras and R.E.E. gangs in Calcutta whose total number is approximately 7,755.

Of the three categories in Bombay Port, 'A' category mazdoors have been decasualised, while 'B' and 'C' category mazdoors are casuals. In Bombay they are paid in accordance with a scheme for payment of piece rates laid down in an Award of the Labour Appellate Tribunal, Bombay, implemented with effect from the 3rd March, 1956. Time rate is also paid for handling certain types of cargo such as iron and steel. The order of priority of employment is 'A', 'B' and 'C'. The Primary Gangs in Calcutta Port are a permanent labour force of whom 1,624 are time-rated labour on Rs. 30— $\frac{1}{2}$ —35 p.m. and 6,201 Primary labour on piece rates. The Ticca or Secondary workers are casuals, divided into Cargo Docks Ticca labour and Coal Docks Ticca labour. The third category, called the Regional Employment Exchange Gangs, is also casual. The order of priority of booking of this labour force is Primary gangs, Cargo Ticca labour, Coal Ticca labour and R.E.E. gangs in Cargo Docks and Jetties: and Primary Gangs and Coal Ticca Gangs in Coal Docks. In Madras Port, of the three categories, 'A' is permanent, 'B' is semi-permanent, while the 'C' category consists of registered casuals. Here 'A' and 'B' category workers are employed in the first two shifts and the casuals in the third shift.

11. The following table, as based on data received from the Port administrations, shows the figures of shore workers at each of the Major Ports : the number of shore workers engaged by contractors at the various Ports has also been included in the table to indicate the comparative position, though complete information has not been supplied.

TABLE XXXVI

Name of Port	Departmental/ Primary Labour in Calcutta/ 'A' Category in Bombay & Madras	Ticca Labour in Calcutta/ 'B' Category in Bombay & Madras	R.E.E. Gangs in Cal./ 'C' Category in Bombay Casual in Madras	Shore workers employed by contrac- tors	Total
Bombay	2,701	500	4,500	1,425	9,126
Calcutta	7,825	1,643	2,055	560	12,083
Madras	750	150	1,200	6,700	8,800
Visakhapatnam .. .. .	..	..	..	2,280	2,280
Cochin .. .. .	..	..	..	2,100	2,100
Kandla .. .. .	..	..	..	330	330
	11,276	2,293	7,755	13,3 5	34,719

It will be evident that the percentage of permanent shore labour force to the total shore labour strength employed by Port authorities is the

highest in Calcutta with 68 per cent followed by Madras with 35 per cent and Bombay with 35 per cent. Secondly labour in Calcutta can be compared to 'B' category workers in Bombay and Madras. The percentages of these categories in the three Ports are : Calcutta 14 per cent, Bombay 6.5 per cent and Madras 7 per cent. In the last category *i.e.*, R.E.E. Gangs in Calcutta, 'C' category in Bombay and Casuals in Madras, Bombay has 58.5 per cent. Madras 57 per cent and Calcutta only 18 per cent. Thus, while between Bombay and Madras Ports there is practically little difference in the ratio of the three categories of shore workers between Calcutta Port on the one hand and these two Ports on the other, the variation in ratio is considerable. In Calcutta Port, the permanent strength is more than twice the number of casuals but in Bombay and Madras the position is reversed and the casuals there are nearly double the number of the permanent men.

12. In Bombay, casual workers are engaged on both time rates as well as piece rates; a majority are now paid piece rates under a scheme prescribed by an Award of the Labour Appellate Tribunal. The lowest paid labourer receives a daily wage of Rs. 3/14. No distinction is made between the various categories in respect of wages except that 'A' category workers receive the benefit of the incremental scales.

13. In Calcutta, as in Bombay, permanent and temporary men have the same scales of pay on time-rate, ranging from Rs. 30— $\frac{1}{2}$ —35 to Rs. 45—1—50—E.B.—2—60— $2\frac{1}{2}$ —85. Casual labour are appointed on contract rates in the Chief Mechanical Engineer's Department and the Stores Department on Rs. 2 per day. There are different rates for Porters and for 'Sardars' for certain shifts. R.E.E. Gangs are also paid the same rates.

14. In Madras, 'A' category workers (Mazdoors and Maistries) are paid Rs. 50 and Rs. 55 by way of retainer plus piece work rates. Registered casuals are engaged on Rs. 2 per day and Rs. 2/4 per night. The time rates for the casuals are the same as for 'B' category workers. So far as the piece rates are concerned, the registered casuals are paid at a higher rate than the 'A' category workers as the latter are in receipt of retainer also.

15. At Visakhapatnam, casual shore workers are supplied by contractors and are said to be paid at market rates of pay in accordance with the Railway practice. At Cochin also, labour is employed by contractors who pay casual workers at rates varying according to the nature of their work. Some workers who have been decasualised by the contracting firm are paid at the rate of Rs. 2/8/- per day. At Kandla, the workers on daily wages are paid according to scheduled rates, of which certain illustra-

tive examples are Rs. 2 for 'Khalasis' and Rs. 2/8 for Helpers. The Port administration does not employ any shore labour. The disparity in the rates of payment to the various categories of labour will be discussed in detail in a later part of this Chapter. As regards the payment of Attendance money to shore workers, it may suffice to note here that in Madras it is paid to category 'B' workers and in Calcutta to category 'A' workers. In Bombay, it is paid to both the categories 'A' and 'B'. In Madras, as stated earlier, retainers of Rs. 50 and Rs. 55 are paid to Mazdoor and Maistries respectively.

16. The normal working hours of the Ports are divided into three shifts. The workers have to report daily at call stands. In Bombay, a worker not booked for the first shift has to report again at the call stand before the start of the second shift. In Madras also the booking is done more than once a day.

Scope of Enquiry.

17. Although decasualisation is not necessarily an economic necessity from the point of view of the efficient working of Ports, more especially where manpower is ample, it has been generally accepted that casual labour should be reduced as far as possible. As some representatives of Labour have urged that all casual workers of all categories, whether employed by Port authorities or contractors, should be decasualised, it is desirable that the scope of the enquiry in this respect should be determined before the main aspects of the problem are discussed and specific proposals are formulated.

Question of reducing Casual Shore labour to minimum

18. In the Terms of Reference, the question which has been remitted to me for enquiry is as follows :

- (viii) Question of reducing to a minimum the number of casual workers employed by Port authorities and the drawing up of departmental schemes for the decasualisation of Port workers.

The wording itself makes it quite clear that the question is one of reducing to a minimum and, so far as I am able to interpret it, this presupposes the possibility of some workers being left on a casual basis. I am strengthened in this brief by the fact that at the Third Meeting of the National Harbour Board, on a suggestion made by a Labour representative that steps should be taken to abolish casual labour altogether, the consensus of opinion was that the best that could be done was to minimise the number of casual workers. According to item (viii) of the Terms of Reference the question of decasualisation and its extent was required to be considered in relation to only such workers as are employed by the Port authorities. An agreement was subsequently reached, as in point (f) of the List of points attached to the Terms of Reference, that the "question of reduction to a minimum of the number of casual shore workers

employed by Port authorities should also cover shore workers employed by contractors”, on the understanding that there was no statutory power to compel the contractors to accept the recommendations. Except for the slight variation between item (viii) and point (f), the former referring to ‘casual workers’ without any qualification and the latter to ‘casual shore workers’, it is apparent from the Terms of Reference that the enquiry is to be confined to casual shore workers employed by the Port authorities and the contractors and that, besides examining the question of departmental decasualisation schemes, the minimum to which the number of such workers can be reduced has to be considered. The word ‘Port workers’, occurring with reference to decasualisation in item (viii), must be taken to mean, in the light of the wording of point (f), the casual shore workers of the Ports.

Disparity in Wages

19. It is also necessary to refer to a further point, which was included in the Terms of Reference, as follows :

Disparity (1) between wages of permanent workmen employed by the Port authorities on time-rate on the one hand and the temporary and casual workers on the other and (2) between the shore labour on time-rate and stevedore labour on time-rate.

The enquiry in this respect is limited to time-rates of payment.

20. It may be of interest to recall that the earlier attitude in the U.K. had been in favour of wholesale decasualisation of all casual labour; this view was strongly expressed by the Court of Inquiry presided over by Lord Shaw, in 1920, in the following manner :

“The Court is of the opinion that labour frequently or constantly under-employed is injurious to the interests of the workers, the ports and the public, and that it is discreditable to society. It undermines all security and is apt to undermine all self-respect upon the workers’ part. It is only among those who have sunk very far, and whom the system itself may have demoralised, that it can be accepted as a working substitute for steady and assured employment.

In one sense it is a convenience to authorities and employers, whose requirements are at the mercy of storms and tides and unforeseen casualties, to have a reservoir of unemployment which can be readily tapped as the need emerges for a labour supply. If men were merely the spare parts of an industrial machine, this callous reckoning might be appropriated, but society will not tolerate much longer the continuance of the employment of human beings on those lines.

The system of casualisation must, if possible, be torn up by the roots. It is wrong. And the one issue is as to what practical means can be adopted of readily providing labour while avoiding cruel and social conditions.”¹

The Port Labour Inquiry Committee in 1931, however, pointed out, while referring to the evils of the situation arising out of casual conditions and the inability of individual action to overcome them, that it was :

“most important not to under-estimate the difficulties which have been encountered in the pursuit of decasualisation thus far or to overlook the special problems which are peculiar to certain ports, particularly those engaged in a seasonal traffic. In such cases the fluctuations in the labour demands are often cyclical in character so that a measure of unemployment of a type to which all industrial workers are liable is experienced”.

The Committee further observed :

“It may be said that the inherent fluctuations in Port work are too great to permit the employment of unregistered workers to be entirely eliminated. When it is possible for a registration scheme so to limit its register that practically all the registered workers obtain fairly regular employment and the necessity of engaging unregistered workers still arises only occasionally, it may fairly be said to have reached the limit of practical possibilities in the regularisation of port employment. Even this high degree of achievement is beyond the reach of a few ports where much of the employment is seasonal and the fluctuations of work are so severe that there is in fact no normal requirement which can be used as a basis for adjusting the size of the register. Such cases must always present a special difficulty only to be overcome by local treatment.”²

In a memorandum attached to the Report of the Port Labour Inquiry Committee, Mr. Ernest Bevin and some other Labour Members of the Committee, while recommending the adoption of a comprehensive scheme of “Maintenance and Pensions for Dock Workers”, acknowledged that

“the evidence clearly establishes that registration schemes alone will not provide a solution to the problem of casual employment at the docks. Whilst registration tends to check any inrush of unemployed from other industries it does not provide an adequate means for dealing with under-employment among dock workers, or for the organisation and distribution of available employment.”³

¹Report of the Shaw Court of Inquiry, London 1920, Para 17.

²Port Labour Inquiry, Report 1931, pages 15 and 36-37.

³Port Labour Inquiry, Report, 1931, page 65.

In another Memorandum certain other members of the Committee observed that they were "convinced that the decasualisation of dock labour can be accomplished only step by step."¹

21. When in 1937 a decasualisation scheme was agreed upon in principle, there were differences over details and these continued until, during a shortage of labour, the Dock Labour (Compulsory Registration) Order, 1940, was brought into force; various registration committees were set up and work could be undertaken only by registered employers. During the War a model scheme was prepared and a National Dock Labour Corporation was established to administer it, but two sides of the industry could not agree and another Order had to be passed in June, 1947, replacing the Corporation by a National Dock Labour Board, with Local Boards representing dock workers and dock employees equally. By October, 1955 the scheme covered, out of a total of some 300 Ports, 86 of the more important Ports grouped under 25 Local Boards.

Progress of Decasualisation in Major Ports

22. Historically, the organisation of shore labour can be traced from private employ to that of contractors and then under the Port authorities themselves. The cargo handling operations in the three Ports of Cochin, Visakhapatnam and Kandla, however, have continued to be entrusted to contractors, and even in Bombay, Calcutta and Madras where shore workers are employed by the Port Trusts the handling of certain types of cargo at the docks, and loading and unloading generally at the Bunders, Inland wharves etc., are undertaken by labour engaged by contractors.

Royal Commission on Labour, 1931

23. The proposal of the Royal Commission on Labour in India contemplated, in the first place, a scheme of registration to be supervised and controlled by the Port authorities with the assistance of representatives of shipowners, stevedores and labourers and, in the second place, a re-organisation of methods of engagement and pooling of labour supply so as to secure an equitable distribution of employment among the registered workers. In view, however, of what was considered the inherent difficulties of decasualisation, accentuated by the peculiar methods of recruitment of dock labour, it was thought, in 1934, that the best course was to concentrate for the time being on the first aim.

24. As long ago as 1932 the Government of India had accepted the general principle of decasualisation and had asked for the formulation of schemes at two Ports, Rangoon and Karachi where unemployment had been acute. In Karachi the proposal met with hostility. The idea of

¹Port Labour Inquiry, Report, 1931, page 68.

complete registration in one or two Ports was then dropped, and the Local Governments were consulted on the question of making registration general and compulsory. Grave doubts were expressed about the practicability and desirability of such a measure. The bulk of labour was recruited from upcountry places and was largely casual. There were no signs of weakening in the 'Sardar' system and any proposal which sought to restrict his choice might not be practicable. Registration alone could not effect decasualisation. To have the desired result it must be accompanied by a roster system or, in the alternative, by a restriction on the numbers registered and the prohibition of unregistered workers. It was also considered that owing to the seasonal nature of labour, the fact of registration alone would not deter the worker from leaving the Port when it suited him, to return to his village or get employed in other fields. The advantage of the existing system was that the contractor would and did fit in Port work with other forms of employment. One Port administration pointed out that labour was mostly recruited from the neighbouring villages; while they worked under that headman, sufficient control was maintained by the Port over the Tolliwallas so that the system had proved efficient and popular; it would, therefore, be inadvisable to substitute an official system of individual registration. It was thus felt that any improvement in the regularity of dock employment should be sought rather in a methodical improvement of existing methods than in a drastic upsetting of them.

Draft Scheme of 1939

25. In 1939 a draft scheme was drawn up with the idea that the registration of men who were eligible for employment would afford at once the means of so regularising the supply of labour as to make it bear some relation to the actual demand. It was assumed that it should be worked without the abolition of the Gang system and, on the crucial question of payment of attendance money, the intention was not that all labour on a register should be entitled to the same pay or even to some pay for every day whether work was available or not; the British decasualisation scheme, it was considered, suffered from one great defect in that labour was paid at the same rates whether any work was undertaken or not. The important points of the scheme were that :

- (i) attendance money should be paid in the absence of a monthly minimum wage;
- (ii) reorganisation of methods of engagement was necessary;
- (iii) suitable places for the engagement of workers or surplus labour stands would have to be provided;
- (iv) there must be safeguards against the tendency to attend merely to obtain attendance money rather than as a means of further employment;

- (v) the register should include shore labour and other categories such as engine drivers, electricians, fitters, workshop and Railway hands, etc.; and
- (vi) machinery for registration should ensure that the individual labourer was registered and that there was due provision for inspection.

There was some divergence of views on the above scheme. One opinion was that registration should be restricted to labour necessary to handle normal traffic. Another view was that the register should contain sufficient numbers to deal effectively with rush periods. The consideration of the scheme was postponed several times and then dropped on the ground that decasualisation schemes could not be proceeded with under War conditions.

Madras Scheme of 1944

26. In 1944, however, it was decided that the shore labour in Madras Port should be departmentalised. It was recognised that there were difficulties in respect of contract labour; it was difficult to negotiate increased payments, in conformity with the needs, in a contractual scheme; until the contract was renewed it would be difficult to persuade the contractor to increase the basic rates above that prescribed in the contract. Apart from this, contractual labour gave rise to other features which were unhealthy and would require to be dealt with. The scheme of departmentalisation at Madras was only a partial one as it contemplated a retained labour force of 700 men, whereas the normal supply of labour appeared to be about 1,500. The question, therefore, arose as to how exactly the Port Trust proposed to secure workers in excess of 700 to meet sudden demands. It was decided that from April, 1944, that the strength of shore labour force would be increased from 700 to 1,000; in addition, extra temporary labour not exceeding 500, would be required. A feature of the scheme was that a retainer fee of Rs. 15 was payable in addition to wages on the basis of piece work.

27. Prior to the departmentalisation scheme, shore work had been undertaken by the Port Trust through contractors. These contractors were paid by the Port Trust on a tonnage basis and they, in their turn, paid their labour for the work done on piece rate. This practice, though somewhat anomalous, had prevailed in Madras for over thirty years, but the administration felt that if it became necessary to handle imports and exports, at a continuous rate of 7,000 tons a day, it would not be possible to secure an adequate supply of labour unless a retention fee was paid to keep sufficient labour ready. With this view it was suggested, in the first instance, that contractors should be retained, but the workers should be paid a daily or

monthly remuneration in addition to tonnage payments; a sum of Rs. 10 per month, to be paid by the Trust to the contractors was suggested. After consultations with Labour and other interests the handling of cargo on shore, hitherto carried on by contract labour, was taken over by the Madras Port Trust departmentally with effect from 1st January, 1944. The Traffic Manager was authorised to engage the necessary labour and a Sub-Committee of the Board was appointed to recommend the rates of payment. Certain necessary supervisory and other posts were also sanctioned on a temporary basis. An important feature of the departmental system was that the retainer of Rs. 15 would be payable to 670 labourers in addition to the payment of piece-rates for work actually done by the labourers, and that a retainer of Rs. 20 would be payable to 30 Maistris, thus creating a total retained labour force of 700 men. Departmental Schemes somewhat similar came into force in Bombay and Calcutta in 1948.

Dock Workers (Regulation of Employment) Act, 1948

28. Soon after the termination of hostilities, the attention of the Ports was drawn to the question of decasualisation of stevedore labour. While some progress had been made in respect of shore labour, the stevedore and pool labour had been left untouched. It was now considered that all labour employed by the Port authorities and by contractors for work connected with the loading and unloading of ships should be covered, while the indoor clerical staff and permanent employees would be excluded. A secondary register would be necessary for the purpose of including labour to cover rush periods. No attendance money would be payable. It was recognised that decasualisation at the Major Ports was undoubtedly an important and necessary measure of social security.

29. The Dock Workers' (Regulation of Employment) Act IX of 1948 was intended to be applied to all categories of labour working in a Port. But the Dock Labour Schemes which were framed under this Act were on the representation of Port authorities, restricted to stevedore labour mainly because

- (i) shore labour was already decasualised and was reported to be working well in Calcutta and Madras;
- (ii) there was such wide disparity in the conditions of service, etc. that it would be impracticable to cover all dock labour by a uniform scheme; even if such a scheme were possible, it was doubtful whether it would be acceptable to labour.

For these reasons the scheme was restricted to stevedore labour.

30. The Dock Labour (Regulation of Employment) Scheme came into force in Bombay in February, 1952, in Calcutta in October, 1953 and in Madras in August, 1954. The implementation of this scheme gave rise

to complaints from different quarters and the Dock Workers' Advisory Committee appointed under Section V of the Dock Workers' (Regulation of Employment) Act, recommended the appointment of a Committee to enquire into the working of the schemes. The Government of India accepted this recommendation and by a resolution of the Ministry of Labour, dated 14th January, 1955, appointed a Committee to examine the schemes with Mr. S. S. Vasist as Chairman. The Committee went into the question and submitted a report on 7th September, 1955. They restricted their recommendations to stevedore workers and the question of shore workers, so far as decasualisation was concerned, was left over for further consideration. The observations of the Committee in this connection may be quoted below:—

“It is noted that at all the three Ports casual labour is employed by the Port authorities in varying magnitudes. The proportion of casual employment to the total employment is considerable. It has been represented that the employment of casual labour on this scale by the Port authorities has an unhealthy effect on the decasualised stevedore pool labour. In order to create a proper healthy atmosphere amongst the shore and stevedore labour, who have to work side by side and on whose joint and co-ordinated efforts the rate of handling and the turn-round of vessels depend, the Committee feels that the question of decasualisation of the shore casual labour also should be taken up. As the employment of shore labour is covered by the respective Port Act or Port Trust Act, the Committee has not examined the question in detail, but recommends that the Government may review the situation and suggest to the Port authorities that a suitable decasualisation scheme in respect of casual labour may be framed by them.”¹

Shore Workers employed by Contractors

31. All labour in the Docks, at one time or another, meant contractor's labour. As the main purpose of decasualisation is to provide greater regularity of employment and to ensure that there is an adequate supply of labour, the system can best be worked by placing workers directly under the Port administration or the Dock Labour Board as the case may be. Any extension of decasualisation, therefore, involves the elimination to that extent of labour employed by contractors.

Objection to intermediaries

32. The Royal Commission on labour had recommended the adoption in each of the main Ports of a system of registration which should be

¹Report, page 103, para, 616.

supervised and controlled by the Port authority assisted by the representatives of shipowners, stevedores and labourers. They had further pointed out that "the existing system which gives to low paid toliwalas and other intermediaries the power to determine which men should receive employment is bound to be associated with abuse".¹

33. As stated earlier, action was initiated in 1944 in Madras and in 1948 in Bombay and Calcutta to departmentalise shore labour. In pursuance of the provisions of the Dock Workers (Regulation and Employment) Act, 1948, schemes were framed for the decasualisation of stevedore labour and the establishment of Dock Labour Boards in Bombay, Calcutta and Madras. But it must be pointed out that in shore work there has been little progress towards the elimination of the system under which labour has continued to be supplied by contractors. There has been relatively little decasualisation in this direction, though some labour under contractors, as for instance, 300 men out of a total of 1,500, employed by a firm in Cochin, have to some extent, been decasualised in the sense of being regular workers.

Lack of Sufficient Data

34. The main difficulty in considering the question of contractor's labour is the lack of precise information as to the number of workers employed by them in the various Ports. According to information received so far, the total number of contractor's labour is roughly 13,395 as compared with Port authorities' shore labour, including casuals, numbering 21,324. The information supplied is, however, admittedly incomplete. To cite one instance, a firm of contractors, handling what must be a substantial contract for the unloading of foodgrains in bulk in Bombay, has been unable to state the exact number of shore workers employed by them, the reason advanced being that 'no register has been maintained of the men engaged from time to time'. Further request for information elicited the following typically vague reply:

"The number of men engaged on the foodgrains handling work purely depends on the steamers that we have to handle at a time. However, I give you a rough idea of the labour engaged on one steamer. If the number of steamers at a particular time is four, this will be four times and if it is 8, then it will be 8 times. The approximate labour required for handling of one foodgrain steamer is as follows:

Filling labour About 8 gangs of 10/12 persons each.

Loading labour About 5 to 6 gangs of 16 to 20 persons each.

¹Report of the Royal Commission on Labour in India, page 186.

Sweepings and other About 25 to 30 miscellaneous labour persons per shift.

This does not include the transport, supervisory and other staff.

The number of days a steamer works depends on the quantity the steamer carries and the rate of discharge by the stevedores per day."

Variation in Ports

35. As it is, the available figures show that the total number of workers employed by contractors is almost two-thirds of the total strength of labour directly under the Port administrations. In Calcutta, the number of shore workers employed by contractors is said to be only 560 as against 11,523 employed by the Calcutta Port Commissioners. In Bombay, it is 1,425 as against 7,701 employed by the Bombay Port Trust; the former figure does not, however, include the workers engaged by the firm handling the bulk foodgrain imports. In Madras, there are 6,700 contractors' workers on the shore side as compared with 2,100 employed by the Port. In view of the data received from Madras, it is doubtful whether the figure reported from Calcutta is correct; further the figure for Bombay is short of the number of workers engaged by the foodgrains contractors. In Madras, contractor's labour is over 300 per cent of the regular labour force. As regards the Ports of Cochin, Visakhapatnam and Kandla, all shore workers are employed by contractors; the total numbers intimated are 2,100 in Cochin, 2,280 in Visakhapatnam and 330 in Kandla. These figures also cannot be regarded as final in the absence of properly verified statistics.

36. Time and again attention has been drawn to the large scale employment of labour by contractors for different kinds of shore work. In Madras Port, only such workers handle export cargo; it is normally handled by departmental labour in Calcutta and Bombay Ports. At Bombay and Madras certain import cargoes like sulphur, rock phosphate, china clay etc. are handled by labour employed by the importers who directly deal with such consignments from the wharves. In Calcutta, the handling of bulk cargo, which is bagged on board before discharge, is done by shore labour employed by the Port Commissioners. At Bombay there is a system of preferential berths where work is done by contractors' labour. As regards the export of coal, while in Calcutta the Port labour attends to the entire operation except at some places where labour is employed by the shipping companies, in Bombay and Madras, it is entirely handled by contractors' labour.

Suggestions in Second Five Year Plan

37. The Second Five Year Plan states that the major problems of contract labour relate to the regulation of their working conditions and

ensuring their continuous employment. The Plan also suggests that for this purpose it is necessary to:

- (a) undertake studies to ascertain the extent and the nature of the problem involved in different industries;
- (b) examine where contract labour could be progressively eliminated. This should be undertaken straightway;
- (c) determine cases where responsibility for payment of wages, ensuring proper conditions of work, etc. could be placed on the principal employer in addition to the contractor;
- (d) secure gradual abolition of the contract system where the studies show this to be feasible, care being taken to ensure that the displaced labour is provided with alternative employment;
- (e) secure for contract labour the conditions and protection enjoyed by other workers engaged by the principal employer; and
- (f) set up a scheme of decasualisation, wherever feasible.¹

38. It is difficult to make any detailed recommendations in regard to workers employed by contractors in the absence of adequate information. The relevant data have not been forthcoming despite steps taken by the Port authorities to obtain them; the paucity of material information will be evident from the illustration cited in para 34.

39. The extent and nature of the problem involved in the Port transport industry can be properly gauged only after the Port authorities have undertaken studies suggested in (a) above and collected sufficient information regarding the number of labourers engaged by each contractor, the nature and duration of their work, the types and quantities of cargo handled or other functions discharged, the details of wages and allowances, and other conditions of employment. In view of (c) it is also important to ascertain the terms under which the contractor supplies labour for the principal employer.

40. The measures enumerated in the Plan envisage the progressive elimination or gradual abolition of contract labour. In a way it can be said that some progress has already been made in this direction. In 1931, the Royal Commission on Labour found that in Calcutta most of the dock labour recruited chiefly from Bihar and the United Provinces through Sardars was supplied by contractors and was not directly employed by the Port Commissioners. The fact that the Port Commissioners now have a total strength of 11,523 workers of whom nearly two-thirds have been decasualised and registered as Primary labour, while the number of shore workers employed by contractors is reported to be only 560, though this

¹Second Five Year Plan, 1956, page 582.

is probably an under-estimate, clearly demonstrates that the principle of elimination of contract labour has been duly borne in mind. In Bombay also recourse to the contract system is on a comparatively small scale except for bulk imports of foodgrains. In Madras Port, however, substantial use is being made of contractor's labour, but here also it is mainly for such special cargo as iron, manganese ore, scrap iron, coal, sulphur or rock phosphate in bulk. At the other three Ports, of course, in the absence of any decasualisation all shore labour has continued to be supplied by contractors.

41. It should appear from the views expressed in Bombay that the Port Trust had decided some years ago not to perform any delivery functions on behalf of any Government Department. They have, therefore, been opposed to undertaking any such work. With regard to bulk imports of foodgrains, it has been pointed out that these are discharged in bulk, bagged and weighed, and the bags are stitched and stacked, if necessary, and finally loaded into wagons or lorries by the foodgrains contractor's labour; the position is somewhat complicated as foodgrains are not bagged on board the vessels by stevedore labour as in Calcutta and a large proportion of the men engaged by the contractors are really fillers and stitchers who, according to the Port administration, cannot be employed for the handling of any other type of cargo; the balance of the labour are Mathadies who are averse to handling any cargo other than bagged cargo. Further, it has been stated that the tonnage discharged varies from day-to-day and though this may be substantial during a period of congestion it may go down during a slack season when it might be difficult for the Port administration to find employment for such workers. In this instance, the continued use of contract labour in the circumstances is to some extent due to the attitude of the Unions themselves as they refused to allow their members to bag foodgrains in the ship's holds when the possibility was investigated some years ago. Other contract labour in Bombay under three other firms of contractors are also Mathadi or Bunder and other workers handling overside cargo, loading or unloading on or from lighters and country craft, stacking in sheds, repairing packages, stitching defective bags, collecting sweeping, weighing export cargo and working on preferential berths.

42. It is significant that besides Bombay and Madras, where also contractor's labour employed mainly for special types of cargo, their activities in Calcutta also are confined to a limited sphere. It has been reported from Calcutta Port that the contractor's labour, who are shore workers other than those employed by the Commissioners and employed in vessels, work only at coal jetties at Garden Reach and Shalimar.

Progressive Elimination of Contractors' Labour

43. In the circumstances, I am unable to agree, as demanded by the Labour representatives, that contractor's labour should be dispensed with

forthwith. As a matter of fact, as decasualisation gradually becomes the normal working condition of the majority of dock labour, it should be possible for the Port administrations to entrust all ordinary cargo handling operations to their own workers. The Plan also contemplates elimination of contract labour in a progressive manner; in view of the special features of certain goods and their clearance as explained above, any sudden or abrupt change is more likely to dislocate the working of a Port rather than assist the authorities in improving the turn-round of shipping. My general recommendation is that the Port authorities should aim at further reduction of contract labour particularly in Madras, to the extent the work now done by them can be effectively and willingly taken over by the Ports' regular or temporary workers; it should be clearly understood that labour obtained through contractors should be strictly restricted to such special types of cargo or to such aspects of cargo handling and other operations as are not ordinarily undertaken by workers employed by the Port authorities. In the absence of further data, it is not possible to suggest any specific target, but considering the nature of work now handled, particularly operations relating to such cargo as foodgrains, ores and coal, it is recommended that the Ports should make every endeavour to keep contract labour below 25 per cent of the total strength of Port labour.

Prevailing Rates of Payment

44. As regards the incidence of wages, full details have not been available. A rough idea can, however, be had of the various prevailing rates of payment from the following statement based on information supplied through the Port administrations:

TABLE XXXVII

Bombay	..	..	..	Piece rate ranging from Rs. 3/1/- to Rs. 12 according to output. Piece rate ranging from Rs. 2/8/- to Rs. 8 for loading 100 bags according to capacity of bag and nature of work. Time rate of Rs. 3 to Rs. 4 per day.
Calcutta	..	..	..	Piece rate ranging from Rs. 3 to Rs. 5/8/- per day.
Madras	..	..	..	Piece rate of annas 9 to annas 10 per ton or time rate of Rs. 1/8/- per day to Rs. 3/12/- per day.
Visakhapatnam	..	..	..	Piece rate ranging from Rs. 3 to Rs. 5/12/- per 100 bags varying according to capacity. Time rate of Rs. 2 per day.
Cochin	..	..	..	Casual workmen—at rates fixed according to nature of work. Decasualised Labour Rs. 2/8/- per day.
Kandla	..	..	..	Piece rate of annas 8 to annas 10 per ton. Time rate of Rs. 2/8/- per shift.

In this connection it will be useful to refer to the views expressed by the Industrial Tribunal and the Labour Appellate Tribunal. The Award¹ of the Industrial Tribunal dated 7th June, 1955 dealt with the question of decasualisation of shore workers employed by contractors and laid down the principle that rates sanctioned in the Award¹ for shore workers doing similar type of work should be paid to contractors' labour. The Tribunal further observed that minimum steps to decasualise shore workers engaged by contractors were clearly necessary and directed the contracting firms to keep a register of shore workers and give them photo identity cards; to employ them by rotation; not to employ any workers for more than 33 shifts in a month; and to give an attendance allowance of Rs. 1-4-0 per day on days on which no work could be provided (except in the case of Palewalis and Shivnars who were to receive an attendance allowance of Re. 1). While the Labour Appellate Tribunal, before whom this Award went on appeal, made some changes in the quantum of payment by their decision dated 1st February, 1956, they confirmed the principle that contractor's labour should be paid at rates corresponding to the Port Trust's shore workers.² In fact the contracting companies themselves conceded that gang workers who did the same work as the Port Trust workers should *mutatis mutandis* have the same service conditions in respect of manning, basic wages, dearness allowance, processing rate, time rate, minimum guaranteed wage, payment for overtime and for work on holidays and weekly rest days as the Port Trust workers. These decisions are important, while the progressive elimination of contractor's labour may be a slow process and take some time, steps should be taken to approximate the wages paid to contractor's labour on the same basis and at the same rate as those paid to workers under the employ of Port administrations.

Demand regarding certain employees

45. Incidentally, at a late stage in the enquiry, a point was raised by a Labour Federation in regard to about 300 men employed by the Licensed Measurer's Department of a Chamber of Commerce for lifting and removing cargoes for weighment. It was urged by the Federation that "these workmen are heavy manual workers working like stevedore workers on board a ship but are being paid much less under a wrong designation 'Peons' *i.e.* like an ordinary unskilled worker in the scale 30— $\frac{1}{2}$ —35" and that they should also be covered by my 'general recommendation'. The Chamber of Commerce contended that the "staff cannot by any stretch of imagination be regarded as 'port and dock workers' ". It appears from the information supplied by the Chamber that 294 men who lift and move cargo do so for the purpose of weighing and measuring and 43 other men shift and despatch gear to sheds and ships for the same purpose. I have already

¹The Gazette of India, Extraordinary, Pt. II, Section 3, dated June 13, 1955, p. 11.92.

²Decision of Labour Appellate Tribunal in Bombay Dock Labour Appeals, p. 50

referred above to the special types of work done by contractors' labour; weighing and measuring are also functions of a special nature. If the Chamber of Commerce is a contractor supplying labour, the case of such workers will be covered by the recommendations in this Report regarding contractor's labour. If, however, they are exclusively in the private employ of the Chamber of Commerce and are utilised for work of the employing organisation, they will not be contractor's labour in any sense.

Reduction of Casual Labour to Minimum

Assessment of Requirements of Shore Labour

46. In order to formulate recommendations on the question of reducing to a minimum the number of casual workers, it is necessary, in the first instance, to form an idea of the requirements of shore labour of the Ports. The number of workers of various categories, permanent, temporary and casual, in the three Ports of Bombay, Calcutta and Madras, as also the approximate number of workers employed by contractors in the other Ports of Visakhapatnam, Cochin and Kandla, have been noted earlier. According to the information received, the total strength of shore labour of all the Major Ports is 21,324, which, however, does not include men engaged by contractors, full particulars about whom have not been supplied.

47. The above figure is only a rough approximation and will have to be increased when complete information is available about all the workers employed by the contractors. It must, however, be borne in mind that this figure does not necessarily indicate the number of men actually employed on shore work. At the most, it may be regarded as a target for the total labour force. Nearly half of the workers are listed in Ticca or "B" category and "C" category or casual registers. It has been alleged by some of the labour representatives that the workers on the casual lists hardly get employment for more than two days in a week. On the other hand, the Port administrations have claimed that at least five days' work is given to the casuals every week. For calculating the average attendance figures, it is essential to have adequate statistical data, but even such material may only be, as described in an appeal from an Award of an Industrial Tribunal, "a plethora of statements, tables and charts" which could at best give an elusive approximation.

48. In 1953, the total number of workers in Bombay was 4,703, 1,998 in category "A", 265 in category "B" and 2,440 in category "C", whereas it is now 7,701, that is, an increase of 2,998 men. This increase included an addition to the category of rank casuals to the extent of 2,063 and was attributed to the introduction of a third shift. Similarly, in Madras, there has been an enrolment of 1,200 workers as casual labour, as against 750 and 150 in the "A" and "B" categories; this is also said to have been due

to the working of a third shift from 1st June, 1956. As regards Calcutta, the proportion of Casuals to labour in the Primary and Ticca or Secondary categories is less than 25 per cent. The actual figures are 7,825 in the Primary, and 1,643 in the Secondary categories, while the R.E.E. gangs number 2,055. In fact, the Primary strength in Calcutta is twice that of the other two categories.

Labour's View

49. The submission on behalf of Labour is that though there has undoubtedly been some need for extra men to meet the demands of increased tonnage, the tendency of Port administrations has been to place more men in the second and third categories without increasing the permanent strength. A further grievance is that though only two categories were contemplated in the Scheme and in fact in one Scheme it was expressly provided that peak requirements or shortage due to excessive absenteeism should be met by employment of purely casual labourers whose names do not appear in the "A" or "B" register but not so as to reduce the number of registered workers, a third category of rank casuals was brought in without any justification. Labour, it has been emphasised, believes in the principle of total decasualisation and does not accept that peak requirements or rush periods, or, for that matter, the introduction of a third shift, justify the retention of casuals. The Labour representatives have strongly urged that even if it is conceded for the sake of argument that some casual labour may have to be retained, the principle should be to place the majority of workers on the permanent register, leaving only a very small minority on the casual list; at the same time, it has been reiterated that the general view of Labour is that there is no need for any casual list.

Present Strength of Casual Labour

50. The Port administrations have, however, felt that there are compelling reasons for keeping a number of workers on a casual basis, though it has also been stated that some of the Port authorities may not be averse to an upward revision of the strength of "A" and "B" categories. A reason given by one of the Ports for retaining a large number of men on the casual list, as urged before an Industrial Tribunal, was the reduction in the output of work by shore labour. The Tribunal, however, pointed out that the schemes themselves provided for the drastic remedy of dismissal for workers who were habitually slow in their work and there was also provision that if the tonnage handled fell persistently below the datum line for two or three months, the Port was at liberty to introduce a piece rate system; it was, therefore, improper to use the right to employ casuals as a weapon to curb the undesirable or unbending attitude of Labour.¹

¹Bombay Port Trust and its employees, Ref. No. 1 of 1952 before Industrial Tribunal Bombay.

51. The other reason advanced was that Labour had been resorting to 'go-slow' practices. On this point, the Tribunal considered that provisions in the existing schemes afforded sufficient safeguards against the adoption of a 'go-slow' policy by Labour and that there had been no evidence of any action taken by the Port authority in this respect. The fact that remedial measures in the schemes had not been enforced might also lead to the conclusion that the 'go-slow' was not sufficiently serious to warrant such action. Even conceding that Labour had indulged in such tactics, the Tribunal felt that the engagement of a large number of workers on a casual basis to man the third shift could hardly be justified on that ground alone.

52. A third reason for the maintenance of casual workers was that a third shift had been introduced and this required the services of extra men. The third shift had been initially started as an experimental measure but there is little doubt that it has now come to stay. My recommendations in Chapter VII, on "Working Hours and Night Shifts" are that there should be a uniform night shift of six hours at all the Ports and that the shifts should be as continuous as possible, with comparatively short intervals in between. With the rise in the tempo of both imports and exports, it is practically out of the question to manage without night shifts for some time to come.

53. Labour's point of view in regard to the retention of a large number of workers on a casual basis was also considered by the Labour Appellate Tribunal, whose observations in regard to the conditions in Bombay in 1954 may be quoted:

"Judged in this perspective there is no room for argument that purely casual labour to the extent of 2,400 as admitted by the Port Trust has been dictated by departmental exigencies or due to excessive absenteeism. So far as peak requirement is concerned, there was an occasion in 1949, but there is no such contingency now nor it was urged. It becomes, therefore, palpably clear that the introduction of third shift and the employment of a large number of pure rank casuals has brought down the number of permanent workers and the Union has a real grievance."

On the question as to whether the employment of rank casuals in category "C" was consistent with the Scheme, the Tribunal remarked that :

"it is regrettable that the employment of "C" Class labour has led to serious abuse in defiance of an express provision of the decasualisation scheme. The provision is to the effect that the employment of purely casual labour is not intended to reduce the number of registered labourers."

Referring to the number of workers in the three categories, the Tribunal further stated as follows:

“The numbers speak for themselves, and Shri Seervai very properly admitted that the infringement of the Scheme was not capable of explanation. We are concerned here with a Public Trust, and we hope the Port Trust Authorities, now that their attention has been drawn to the matter, will see that there is no repetition.”

54. The question of assessing the precise requirements of shore labour of a Port is not free from difficulty. It is pertinent to note that as the total number of workers of all categories in Bombay in 1953-54 was 4,703, that is, 2,998 less than the present total of 7,701, there has been an increase of nearly 60 per cent over the original labour force. The corresponding increase in the total tonnage handled by Departmental labour in Bombay up to March, 1956, was to the extent of about 36 per cent. only, as the following figures will show:

TABLE XXXVIII

									Tons
1953-54	..	..	..	..	..	..	..	..	2,712,731
1954-55	..	..	..	..	..	..	..	..	3,258,722
1955-56	..	..	..	..	..	..	..	..	3,472,383

So far as the total cargo handled at the docks are concerned, there had in fact been a diminution in the tonnage, as the following statement will show:

TABLE XXXIX

Year					Imports	Exports	Total
1953-54	..	..	..	..	3,075,819	1,646,864	4,722,683
1954-55	..	..	..	..	3,136,862	1,507,426	4,644,288
1955-56	..	..	..	..	2,358,257	2,139,421	4,497,678

Factors for assessing strength

55. In assessing the required strength of shore labour, factors which are generally regarded as relevant are:

- (i) the volume of trade and its variations;
- (ii) the types of cargo to be handled;
- (iii) the availability of mechanical aids;

- (iv) the rate of output of labour; and
- (v) the general working conditions.

Volume of trade and its variation

56. As the essential problem of dock work is that of co-ordinating the demands of sea borne traffic and regulating the supply of labour, it is necessary to have a picture of the total cargo loaded and unloaded at each port. The volume of work will principally depend on this factor. One method of estimating the requirements of labour would be to take an average of the total tonnages of imports and exports during the preceding five years; in the case of Ports which already have departmental decasualisation schemes, it should indicate whether or not more workers might be added to the permanent register.

Total and Average Tonnages of Ports (Quinquennial period)

57. The following tables show the figures of imports and exports and the total and average tonnages of the Major Ports during the five years ending 1955-56:

TABLE XL

Year	Imports	Exports	Total
<i>Bombay Port:</i>			
1951-52	5,807,000	1,673,000	7,480,000
1952-53	4,695,000	1,943,000	6,638,000
1953-54	4,775,000	1,951,000	6,726,000
1954-55	5,630,000	1,954,000	7,584,000
1955-56	6,707,000	3,599,000	10,306,000
TOTAL ..	27,614,000	11,120,000	38,734,000
Average tonnage per year ..	5,522,800	2,224,000	7,746,800
<i>Calcutta Port:</i>			
1951-52	4,093,068	5,489,914	9,582,982
1952-53	3,319,018	6,354,058	9,673,076
1953-54	2,723,062	5,336,037	8,059,099
1954-55	3,240,436	4,573,377	7,813,813
1955-56	3,409,062	4,621,673	8,030,735
TOTAL ..	16,784,646	26,375,059	43,159,705
Average tonnage per year ..	3,356,929	5,275,012	8,631,941

TABLE XL—*contd.*

Year					Imports	Exports	Total
<i>Madras Port:</i>							
1951-52	..	..	..	..	1,854,682	300,138	2,154,820
1952-53	..	..	..	..	1,869,082	335,685	2,204,767
1953-54	..	..	..	..	1,641,325	494,610	2,135,935
1954-55	..	..	..	..	1,716,301	485,069	2,201,370
1955-56	..	..	..	..	1,833,874	627,737	2,461,611
				TOTAL	8,915,264	9,243,239	11,158,503
				Average tonnage per year	1,783,053	448,648	2,231,701
<i>Visakhapatnam Port:</i>							
1951-52	..	..	..	..	2,90,085	9,36,627	1,226,712
1952-53	..	..	..	..	1,52,554	10,47,741	1,200,295
1953-54	..	..	..	..	1,85,824	12,05,015	1,390,83
1954-55	..	..	..	..	2,39,510	7,95,725	1,035,235
1955-56	..	..	..	..	2,28,406	10,94,648	1,323,054
				TOTAL	10,96,379	50,79,756	6,176,135
				Average tonnage per year	2,19,276	10,15,951	1,235,227
<i>Cochin Port:</i>							
1951-52	..	..	..	..	12,62,638	3,18,209	15,80,847
1952-53	..	..	..	..	12,24,851	3,26,443	15,51,294
1953-54	..	..	..	..	1,323,501	3,23,681	15,57,182
1954-55	..	..	..	..	11,97,956	3,53,663	15,51,619
1955-56	..	..	..	..	12,20,836	3,87,851	16,08,687
				TOTAL	61,39,782	17,09,847	78,49,629
				Average tonnage per year	12,27,956	3,41,969	15,69,925

Extent of Cargo Handled at the Docks (Decennial Period)

58. What is equally important, for determining the strength of shore labour, is to assess the precise extent of cargo loaded and unloaded at the Docks. The requisite data in this respect have not been available except for Bombay and Calcutta : in the case of Bombay, the tonnages handled at the Docks have been separately noted in the Port's Administration Reports, while for Calcutta these have been estimated approximately. The statement below shows the total trade tonnages of these Ports and of the tonnages of cargo handled at the Docks during the decennial period commencing 1946-47 :

TABLE XLI

Year	Total Trade tonnage of port	Tonnage of Cargo handled at the Docks
<i>Bombay Port :</i>		
1946-47	5,275,000	4,133,866
1947-48	6,370,000	5,249,601
1948-49	6,582,000	5,201,413
1949-50	6,285,000	4,877,309
1950-51	6,887,000	4,886,904
1951-52	7,480,000	5,623,864
1952-53	6,638,000	4,869,338
1953-54	6,727,000	4,722,683
1954-55	7,584,000	4,644,288
1955-56	10,306,000	4,497,678
<i>Calcutta Port:</i>		
1946-47	6,438,065	3,352,049
1947-48	6,949,528	3,462,181
1948-49	8,163,067	4,867,442
1949-50	8,774,821	4,145,593
1950-51	7,501,499	4,364,849
1951-52	9,582,982	6,251,271
1952-53	9,673,076	6,305,868
1953-54	8,059,099	5,118,694
1954-55	7,813,813	4,625,548
1955-56	8,030,735	4,482,568

The total trade of the remaining Major Ports in 1956-57 has been estimated as follows :

TABLE XLV

Cochin	..	..	..	..	..	..	..	1,836,943
Visakhapatnam	..	..	..	..	..	..	..	1,488,885
Kandla	..	..	..	..	..	..	..	473,496

Types of Cargo to be handled

Oil imports

60. The increase in Bombay in the total trade figure was mainly due to large imports of mineral oils which in 1956-57 amounted to 5,961,654 tons, out of which 5,545,149 tons were dealt with outside the Docks. An important feature of the trade of a modern Port is the bulk import of oil which does not require the use of registered dock workers; though important in its bearing on the economy of the country, it has no direct effect on the Port transport industry as such. The relative importance of mineral oils in the volume of trade for assessing the total strength of labour is thus negligible.

Bulk cargo

61. There are also certain other kinds of imports which are cleared at the docks, which even in the absence of adequate mechanical arrangements require comparatively less labour than for general cargo. A prominent item of this nature is now the bulk import of food grains which has risen considerably and will assume still greater importance in the near future. In 1956 the total imports of foodgrains amounted to 1,420,000 tons ; in the first half of 1957, the imports had already come to 1,700,000 tons, and about 2,047,000 tons are expected during the rest of the current year, making a total of 3.74 million tons.

62. While the clearance of bulk imports of foodgrains, particularly when these are landed duly bagged, is easier and requires less time and labour than general cargo in various kinds of packages and bearing different marks, there are certain other bulk cargoes which take relatively longer time to handle. Reference in this connection must be made to the large imports of iron and steel which have presented a special problem to the Port authorities; these items of imports, are not only heavy and of unusual sizes, but require for their movement from sheds, warehouses, and dumping grounds special types of trucks and wagons. In 1956-57, nearly half a million tons were handled in Bombay as against a little less half the quantity in the previous year. The position is complicated by the fact that labour

employed on these consignments in Bombay is not covered by the piece rate system which has been applied to other cargo. Calcutta has also had to deal with this item to an increasing degree. An idea of the increase in this direction may be had from the following figures relating to these two Ports :

TABLE XLVI

Year						Calcutta (Tons)	Bombay (Tons)
1953-54	..	..	..	..	..	211,800	1,40,900
1954-55	..	..	..	..	..	405,718	2,81,500
1955-56	..	..	..	..	..	424,430	2,99,500

63. On the export side, the two traditionally important items are coal and gunnies. Both these are exported mainly from Calcutta. The total export of coal in 1955-56 exceeded 2.5 million tons and of gunnies a little below 1 million tons. Exports which have assumed importance in the present drive to earn more foreign exchange, are those of iron ore and manganese ore. The principal Ports of export are Visakhapatnam, Calcutta and Bombay; Madras also handles a substantial amount. The quantities exported in 1955-56 amounted to 2.61 million tons. In the calendar year 1957, the total exports of iron ore alone will be of the order of 2.5 million tons.

Overside handling

64. Some types of cargo lend themselves easily to overside loading ; a notable example is the export of jute gunnies of which nearly 90 per cent. of a total trade of about a million tons were loaded by lighters in Calcutta. Similarly, coal exports also mainly from Calcutta to the extent of about 2.10 million tons in 1956-57, are dealt with outside the docks proper. The loading of coal at special places in stream saves valuable space and time and obviates the necessity of a thorough cleaning before the cargo can be handled at the quays. Sufficient information about the Ports of Visakhapatnam and Kandla is not available. The tonnages of cargo handled overside at the other Major ports, during the last three years ending 1955-56, have been reported as follows :—

TABLE XLVII

			Calcutta	Bombay	Madras	Cochin
1953-54	..	..	1,877,209	171,600	57,375	654,169
1954-55	..	..	1,906,402	121,400	79,409	659,817
1955-56	..	..	2,106,003	96,800	115,581	753,785

The extent of overside clearance in Bombay is comparatively small, being only about 10 per cent. of the total tonnage in 1955-56 ; in fact, there has been a progressive deterioration in this respect during the period. In Madras, there has been some increase in overside handling, but the proportion in 1955-56 was still only 5 per cent. of the total tonnage. At Cochin, however, overside cargo was nearly half of the total tonnage of the Port. As shore labour is not ordinarily required for such purpose, the number of workers required by the Port administration will be less to the extent cargo is handled overside.

General Cargo

65. On the other hand, general cargo requires a larger labour force than other kinds of goods handled at the docks. Where there are many separate units of various weights, sizes and marks, work on the quay and through the shed requires many more pairs of skillful hands and sharp eyes. The mechanised handling of general cargo can improve output to some extent, but real labour-saving devices are much more readily applied to bulk cargo. Obviously, it is swifter and cheaper, for example, to tip the contents of a 20-ton coal wagon into a ship or a lighter than it is to load or unload some hundreds of assorted packages, although the total weight may be no more. This type of cargo has, therefore, an important bearing on labour required for shore work. In some Major Ports such as Madras and Cochin, general cargo features more prominently in their imports and exports and to that extent they require more men for shore work.

Availability of Mechanical Aids

66. Special attention is now being paid to the handling of imports by exploring the possibility of increased mechanisation. For bulk cargoes, which have a close bearing on the bunching of ships, particularly at a time when large imports are being made to meet urgent demands of the country, the use of mechanical means such as grabs, elevators, suction equipment or pipe lines, as has been long recognised, can accelerate the discharge or loading of cargo to a remarkable extent. There has also been considerable advance in designs and methods of mechanical aids for the handling of general cargo. The subject will be discussed in further detail in Chapter V with reference to the turn round of shipping, which itself is an important question. Here it is only necessary to point out that in estimating the extent of manpower for shore work cognisance should also be taken of the availability of mechanical equipment and appliances, the extent of their use and their actual effect on the clearance or movement of goods. In this connection, the mere existence of certain types of equipment would not be relevant unless these are in good working condition and really serve the purpose for which they were originally brought. There was a general impression in

both Calcutta and Madras that some of the appliances were out of date and hardly capable of responding to the tempo of work in the Ports. In Bombay a large number of old cranes have been replaced by new units, but further replacements are still necessary. The Port is, however, in advance of other Major Ports in the matter of mobile cranes, fork lifts, tractors and electric platform trucks. Unless there is an adequate number of suitable cargo handling appliances, the impact on the strength of labour force is not likely to be appreciable.

The rate of Output of Labour

67. A factor of considerable controversy has been the rate of output of labour ; indeed, lengthy submissions have been made in this connection by the representatives of ship owners and stevedores to point out that the low output of labour had been one of the main reasons for the continuing congestions and the delays in the turn-round of shipping. The view has been expressed that the present output has fallen below half of the pre-War days. It has been urged on behalf of the shipowners that what is required is the expeditious introduction of piece rate schemes in all the Ports. Their general view is that piece rates have worked well and have definitely resulted in some improvement in output. Originally, there was some deterioration in the quality of work, but even that is now disappearing. The most important feature of piece rates in the view of the employers is that it links wages with productivity. It is, however, felt that such schemes require a sufficient number of supervisory officers to supervise and make a careful record of the work at various stages.

68. The opinion of Labour has been somewhat divided in this respect. It was opined at one stage that piece rates were open to several objections. Some representatives of Labour still do not believe in the propriety of putting workers on piece rates instead of on more liberal time rates. Others, who had previously felt grave doubts about its utility and justification, appear to have, since its introduction in Bombay, come to accept it but feel that in the long run it may have an adverse effect on the health of the workers and also create other difficulties.

69. It would not be advisable to be too optimistic about the benefits which might accrue from piece rates. The system has both advantages and disadvantages. It seems necessary to move in the matter with due caution, particularly as some of the best Ports on the Continent of Europe such as Rotterdam, Antwerp and Hamburg have not responded very favourably to piece rates. In the ultimate analysis, it is not the wage alone that determines the rate of output. Students of management problems have pointed out that equally good output, or even better output, can be secured by good management and an appeal to the worker's sense of duty than by a mere financial incentive.

70. In a later part of this Chapter, I will refer to the general aspects of time rates and piece rates as these have been brought up in the course of discussions; at this stage, it would be sufficient to indicate, for assessing the requirements of labour, what is the present level of output in some of the more important Ports. According to the Bombay Port administration, the performance on piece rates has improved considerably, but it has lagged behind in work done on time rate basis. The tonnage per man per day shift on piece rates has been calculated as 6 tons for the handling of both import and export cargo, as compared with the time rate output of only 2.8 tons for imports and 2 tons for exports. During the night shifts, which are of 6 hours' duration in Bombay, the tonnages are correspondingly lower. As regards imports of bagged cargo such as rice, the tonnage per man per day shift is 15 tons and cement 11 tons.

71. The average tonnage handled by a Mazdoor in Madras Port has been worked out on the basis of figures supplied for the year, July, 1956 to June, 1957. The average amounts of 3.49 tons per day shift. In the dry months of February-April, the average ranged as high as 4.24 to 4.34 tons, but it fell to 2.97 to 2.93 tons during the rainy season of July and August. It may be noted that all shore work in Madras is on time rates.

72. Precise data about the present rate of output in Calcutta have not been available. Earlier estimates of the daily rate of output at the three Major Ports of Calcutta, Bombay and Madras, as based on the total tonnages and the number of workers employed, are that the average rate of output per man per day shift in 1954-55 was 2.1 tons in Calcutta, 3.7 tons in Bombay and 2.7 tons in Madras. The averages related to a period prior to the introduction of piece rates in Bombay.

73. It is clear that there is considerable variation in the rates of output not only according to the types of cargo but also from Port to Port. The general level of output has undoubtedly been low. The Port administration, as also the workers themselves, are fully aware of the need to improve output and the indications are that the rate is likely to rise in the near future. According to an authoritative source, in the pre-War days in Calcutta it was possible to obtain as good averages with bagged cargo like rice, as 29.85 freight tons per gang hour of a ship loading general cargo at the docks in London; a gang in London also normally consists of 13 men and it should be remembered that the handling of general cargo consisting of packages of various sizes and shapes, mainly in small consignments, take longer time. At the docks in the Port of London again, it is said to have been quite a common practice a year ago for experienced gangs to load 400 to 450 tons of easy cargo in one day of 8 hours. In London, of course, the payment is by results and with the further introduction of piece rates covering all shore workers, the rate of output in our own Major Ports may also be expected to increase and this should, in due course,

have an important bearing on the number of men actually required for shore work.

General Working Conditions

74. The incidence of wages, overtime, weekly off, leave and other matters have been dealt with in detail and various recommendations have been made in Chapters VI to IX in respect of Labour demands. In my proposals for the rationalisation of pay scales also, in Chapter III, the removal of a number of the disparities and anomalies which gives rise to discontent among labour has been suggested. There can be no doubt that the improvement of working conditions creates a healthier and more helpful atmosphere, which in turn leads to better work. Further, welfare and other amenities and the establishment of cordial labour relations also play an important part in obtaining better results. These are, however, variables, the effect of which is difficult to estimate in exact terms. While the above factors are individually and collectively important for the assessment of the requirements of labour, the Ports alone are in a position to collect all the necessary data to make such assessments from time to time. There are further human considerations which enter into the context of assessing the strength of labour.

Total strength of shore labour

75. The Port administrations appear to have taken some of the factors discussed above into consideration in recruiting workers and building up a labour force. It is, however, difficult to get over the impression that apart from the unnecessarily large number of men on a casual basis, the total strength is itself somewhat excessive. In our country there is, of course, no labour shortage as has been experienced in foreign Ports. Despite such difficulties, and the inclusion of an appreciable number of over-aged men, the docks in other Ports are handling a much higher tonnage. According to a Team Report of the British Productivity Council, the rate of discharge of iron ore at U.K. Ports now averages over 3,500 tons a day, though the pre-War discharge was 500 tons per ship per day. Reference has already been made to the fact that the labour force handling a total cargo of 1.4 million tons in Aberdeen, in 1954, consisted of only 350 men. In London, by far the largest Port authority area in the U.K. "a labour force of approximately 30,000 handled approximately 51 million tons of goods in 1954 compared with 41 million tons in 1939".¹

76. Nearer home, the example of Singapore may also be of interest. The Singapore Harbour Board is possibly unique as a Port authority, in that it employs directly all labour engaged in working cargo both on the

¹ British Productivity Review, Team Report 24, May 1956—Page 31.

wharves and on the vessels; it also owns and operates two dockyards capable of affecting major repairs to vessels of the largest class. The total strength of all such labour employed by the Board, however, was about 10,000 persons in 1954. The total cargo handled in Singapore Port in this year amounted to 14.49 million tons; excluding the number of ships that were cleared in the roads and the mineral oil shipments dealt with at special oil terminals outside the Harbour, the total cargo of ships actually berthed alongside Singapore Harbour Board's wharves amounted to 11.10 million tons.²

77. The present strength of the labour force consists of 11,523 persons in Calcutta, 7,101 in Bombay and 2,100 in Madras. It has been pointed out above that the tonnage cleared at the Calcutta docks in fact exceeded that of Bombay by nearly a million tons. Further, the departmental labour in Bombay, in 1955-56, actually handled 3,472,383 tons out of the total cargo of 4,497,678 tons at the Docks. It can, therefore, be understood that there would be some variation between the total strength of the two Ports, but the extent of the variation, particularly with better mechanical aids in Bombay, appears to be somewhat out of proportion. The main difficulty seems to have arisen out of the retention, in a 'C' Category, of a large number of casuals who in Bombay are 4,500, as compared with 2,055 in Calcutta. It was explained that the strength of the casuals was due to the introduction of a third shift in Bombay, but it was found in March, 1955 that 828 casual workers were actually employed in the third shift.

78. One of the measures that must be taken to ensure the proper working of any decasualisation scheme is to regulate the supply of labour in the aggregate. The inevitable consequences of oversupply of labour are that all and sundry, by the law of averages, obtain some share of the work available, but the majority find themselves under-employed. It is, therefore, important to guard against any continual inflow of labour far in excess of the requirement. Indeed, though only 828 casual workers were required for the third shift, by August, 1954 the number of casuals had risen to 3,200, and there was a further increase of another thousand workers by March, 1955. In Calcutta the total labour force consisted of 8,944 men in 1954-55; it is now 11,523 without a similar corresponding increase in the tonnage of cargo handled at the docks. In Madras also the addition of 1,200 casuals has been attributed to the introduction of the third shift; the average number of casual mazdoors engaged per day, in April 1956-March 1957; however, amounted to 637. The peak engagement took place in September, November and December 1956, when the figures were 847, 840 and 815 respectively, but in some months, April and May 1956, these were down as low as 342 and 302.

Fixation of Minimum

79. While the factors discussed above in detail have to be taken into consideration, to the extent they affect the requirements of labour, the total registered strength must also take into account the average number of casuals at present engaged in the third shift. The best line of action for the fixation of the minimum will be to take the average daily attendance figures of permanent as well as casual workers in the last five years; this may be increased by 20 per cent. to provide for absenteeism and leave reserve. 75 per cent. of the gross total thus obtained may be reckoned as the necessary strength in the Permanent register and the balance of 25 per cent. should be placed in the Temporary register. In calculating the Ports tonnages, only cargo actually cleared or expected to be cleared at the docks, or overside where the Port's labour undertakes such work, should be taken into consideration. As far as practicable, provision should be made to give employment to all the workers for 6 days at a stretch.

80. The total strength should consist of all shore workers at the docks including those engaged in the performance of agency functions on behalf of the Central and State Governments and other principals. Agency work is a contractual obligation and workers employed on such work should be reckoned as part of the permanent labour force in any decasualisation scheme. Besides labour solely engaged in cargo handling operations, there are workers in canteens and others described as helpers of gangs who have been entered on the muster rolls for shore labourers and paid as such. In fact the schemes expressly provide that a labourer will ordinarily be required to work on all types of dock work such as the handling of import and export cargo, loading and unloading of wagons, carts and lorries, piling and stacking in transit sheds, removing packages to warehouses, receiving and stacking cargo in Duty Paid and Bonded warehouses and various other odd jobs. It is also laid down that labourers who have specialised in particular jobs will, as far as possible, be provided with such work, but in the absence of such work on any day they should be prepared to accept any type of work offered. It is, therefore, clear that workers undertaking any of the above jobs should be included in the shore labour of a Port.

81. The number of men on the temporary register should, as stated earlier, be 25 per cent. One of the purposes of the temporary register is to provide leave reserves. It had been contended before some Tribunals by some of the Ports that there should be no ceiling on the 'B' category, which would now correspond to the temporary register. To set no limit on the number of temporary workers might encourage indiscriminate recruitment of casual workers and cut at the very root of the principle of security of tenure which decasualisation schemes are intended to provide.

82. It had also been urged that 'B' category workers have no claim whatsoever for promotion to 'A' category which should be left completely to the discretion of the Port authorities. All decasualisation schemes pro-

vide for promotion from temporary to permanent registers when the strength of the latter is raised. Temporary workers who form part of the registered labour force should have priority of employment in the Port as against any outsiders.

83. It may be stated in parenthesis that Labour is generally under the impression that the main stumbling block in the way of further decasualisation are the employers. On the other hand, it is to the credit of the ship-owners that they have, in the course of discussions, frankly recognised that it is not desirable to retain so many workers as casuals as at present and that the permanent register should, in any event, be larger than the temporary or casual register. It has been generally felt that the proportion of the figures of regular and temporary labour in Calcutta is more reasonable and fair than that in Bombay, where the number of casuals is excessive. In fact, concern had also been expressed earlier at the increase in the number of casual workers, even though a third shift had been introduced. The principle of decasualisation, it has been considered, should be applied to those who work in the third shift and the same emoluments should be paid to all workers.

Adjustments and Periodic Revision of Registers

84. As the basic feature of the decasualisation scheme, it has been suggested that the size of the labour force should be determined according to a ratio of 75% for the permanent strength and 25% for temporary workers. The vicissitudes to which the conditions of work at the docks are subject, owing to the changes in the volume of imports and exports and various other factors, however, require that there should be some control over the number of workers to be kept on the registers. While Labour representatives have emphasised, in their Memoranda and in the course of discussions, that they believe in total decasualisation and do not accept that peak requirements or rush periods justify the retention of any casuals, it is not possible to overlook the fact that there must be a sufficient reservoir of labour to meet unexpected demands. It is, however, important to ensure, in the interests of the workers, that the strength already determined should not be revised except for good reasons.

85. It will not be desirable to vary the size of the labour force at frequent intervals or on an *ad hoc* basis; such revisions should take place only after continuous study of the precise trends of trade and requirements of manpower, as an appreciable margin has already been left in determining the total strengths by providing for a quarter of the total labour force on a temporary basis. As for any short term peaks, it has been proposed that non-registered labour may be engaged on the recommendation of the Registration Committee, provided the period of their engagement does not exceed three months and the total number so engaged does not exceed 10 per cent. of the strength of the temporary register.

Adjustments

86. Apart from any variations in the extent of cargoes to be handled, the adjustment of registers may become necessary following natural wastage as by reason of retirement, death, discharge, etc. It has not been possible to assess the average loss through natural and other wastage, but it may safely be estimated as not less than 10%. With the development of industries in the Second Five Year Plan, migrations of dock labour to other possibly more remunerative employments also cannot be ruled out. Increase in the prices of agricultural produce linked with the availability of more land for the tiller is also a phenomenon which may re-attract from Satara, Khandesh and the neighbouring districts. Men of Eastern U.P. and Bihar figure prominently among the shore workers in Calcutta. In Madras and Visakhapatnam about two-thirds of casual dock workers are agricultural labourers.

Periodic Revision

87. In the original registration schemes in the U.K. introduced in the Ports of Liverpool and London, no specific provision was made for an overhaul of the registers at specified periods; such action was decided upon by the appropriate Committee as the occasion required. The experience of the last war and the fluctuations in the trade movements to which the Port transport industry is particularly sensitive, brought home the importance of periodic revisions of the size of the labour force. Under the 1947 scheme, the National Board determine, now at six-monthly intervals, the maximum number of men to be held on the registers; the revisions cover both the daily and weekly workers and are made with reference to labour requirements and to future trade prospects. Under this Scheme, interim adjustments to meet unexpected fluctuations in demand can also be made at a short notice. Considering the desirability of some continuity of action and avoiding budgetary and administrative difficulties which may arise from too frequent changes, it will not be advisable to provide for revisions at greater frequencies than once a year, though ordinary adjustments can be made as occasions arise. In any case, in a properly organised scheme, such revision must be based on a full and exhaustive study of manpower requirements.

88. There is another aspect of adjustments of registers. The difficulties in reducing the existing strength have been indicated earlier. Even after making allowance for the lower rate of output and the paucity of suitable mechanical aids and other considerations, the present figures of shore labour compare unfavourably, for instance, with those of some of the British Ports; the total number of men on the workers' registers of 86 ports covered by the Registration Schemes in the U.K. amounted to 79,893, of which 64,640 were dockers, on 6th March, 1956. The total registered strength of the Dock Labour force of the 86 British Ports, of about 80,000, has not materially increased since 1938, though the pre-war labour force was aug-

mented whenever required by non-registered workers who followed seasonal traffic. The total tonnages of cargo handled at the docks in 1955 were imports 109 million tons and exports 22.2 million tons. Allowance has to be made from the total figures of shipping tonnages for overside clearance into lighters, private wharves, etc. Shipping tonnages, however, do not give a true indication of the level of activity in the Ports.

89. This total figure has been reached after several revisions carried out at different Ports. Two noteworthy instances may be mentioned. In Liverpool, war conditions made it necessary to open the registers to every able-bodied man for dock work. At the end of 1919, the total strength was 35,000 men, but by revisions it was reduced to 21,500 by 1931. The Committee made further examinations of the registers and by March, 1956, reduced the strength to 17,129.

90. In London, the registration schemes were originally established in 1919 with a register of 61,000 men; this was reduced by subsequent examinations to 52,000 in 1925. An exhaustive revision, said to be the largest in the history of registrations, was then undertaken; it took nearly three years of concentrated effort to complete. The work was hampered by the wholesale entry of a large body of unregistered workers who had succeeded in establishing a serious claim to be regarded as Port workers; the revision, however, resulted in the reduction of 12,000 workers by 1928; this was further reduced to 36,000 in 1930 and the present figure is 31,401. It should be noted that this figure includes stevedores, lightermen and trimmers under the Port of London authority.

In carrying out revisions, care should be taken to see that there is no exclusion of *bona fide* shore workers. No worker who can prove that he has real ground for claiming shore work as his regular occupation should be denied the opportunity of working by cancelling registration. On the contrary, the aim should be to afford an improved opportunity of obtaining a reasonable livelihood by excluding from registration those who regard dock work as a stopgap or as a means of supplementing their livelihood in other occupations.

Classification of Workers

91. In India there has been no attempt to classify workers according to age or capacity to do heavy work. In England, these factors played an important part in the classification of workers in the original schemes. Workers were categorised as 'A', 'B' and 'C', though the distinctions between them were never clearly defined. The 'A' group was considered to be those general all round workers who were able to take a full week's work, besides being available for period transfers to other Ports; the 'B' category consisted of persons who undertook obligations of the same nature as 'A' men, but who could not, for *bona fide* reasons, be available for period

transfers; the 'C' category was composed of aged men and others who were fit only for light work. The Scheme as it exists today does not insist on compulsory transfers and makes a significant change in the matter of attendance money and the guaranteed rates which are made to depend on the group in which workers are placed. As it was recognised that transfers should be on a voluntary basis, the distinction between 'A' and 'B' categories lost its meaning; the total number of men in the 'B' category had already become reduced to about 800 by the end of 1948. Following these considerations, the grouping of workers as 'B' was discontinued in June 1949 and dockers were retained in either 'A' or 'C' groups according to their ability to undertake heavy and a full week's work or only light work.

Grouping on basis of age and ability

92. A grouping on the basis of age and ability has much to commend, it, but it can hardly be adopted without elaborate and detailed work studies and the establishment of a continuous body at each Port to carry out case studies of individual workers and categorise them as fit for heavy work or light work in accordance with the results of such studies. To suggest such a division of categories in the present conditions in our Major Ports would be unrealistic and can offer no practical solution to the existing problems. While this might be a working formula in England, where valuable data on the different aspects of cargo handling operations are already available and a system of case and work studies on a scientific basis has been in force for an appreciable length of time, its introduction in India at this stage is not feasible in the absence of adequate and reliable material. But, as such grouping has the merit of classifying labourers according to their suitability for work, the system deserves consideration. The Port administrations may examine whether action should not be initiated through the Registration Committees or special agencies for the collection of statistics for further investigation on these lines with a view to facilitate the proper allocation of heavy and light work among workers. The benefits of such studies are not likely to accrue either to the Ports or to the workers for some considerable time; nevertheless, from a long term point of view, such studies are likely to provide useful material for any organisational changes, particularly in the matter of classification, thus lead to more efficient functioning of the Ports and the greater contentment of the workers.

93. In considering the possibility of applying the principles to our shore workers, it must be borne in mind that while the U.K. scheme is a common scheme for both shore and stevedore labour, the departmentalisation with which this Report is concerned relates to shore workers only. Further, while stevedore labour in India is covered by schemes framed under a statute, the Terms of Reference envisage only departmental schemes for the decasualisation of shore workers. Nevertheless, certain features of the British scheme can be of assistance in drawing up our departmental schemes. An

important point which emerges from a study of the grouping scheme is that there is no need for a third category though additional men may be required in times of excessive congestion in the Ports or other emergencies. In India a third category variously known as the 'C' category or the R.E.E. gangs has figured prominently on the rolls of workers. Labour has strongly objected to such a large casual force. As has been explained earlier and also noted by the Industrial Tribunals, in India too the original idea was to have only two categories. The scheme framed by the Bombay Port Trust on 14th September, 1948 has a specific clause as follow:

"Labour will be classified in the two following categories:

Category 'A'—Non-scheduled permanent and Category 'B'—Casual. Peak requirements or shortages due to excessive absenteeism will be met by the employment of purely casual labourers whose names do not appear on either register. These labourers will be paid at the same rates as Category 'B' labourers for the actual period of their attendance. Spot payment of wages will be made to such labourers. The employment of this class of labour will be dictated solely by departmental exigencies and is not intended to reduce the number of registered labourers."

Ordinarily, two categories of workers should suffice. The further division of the regular workers into two classes does not appear to be necessary. As it is, the 'B' and 'Ticča' or Secondary categories are really casual workers who are given a preferential treatment over the rank casuals. Basically there is no difference between the two categories in the nature of their work. The existence of a large casual labour force and of contractor's labourers would ordinarily preclude the necessity of recruiting men afresh to dock work. Indeed, such recruitment is likely to aggravate the problems by increasing an already substantial casual force. Experience has shown that the progress of decasualisation leads, albeit slowly, to a reduction of the total strength of registered labour, and there is no reason why the result of decasualisation should be different in our own country.

Maintenance of Registers

94. It is needless to urge that the essence of a decasualisation scheme is the maintenance of the register. Where the fact of registration is the basis of the right of the worker to such benefits as may be available to the category in which he is placed, there is an obvious necessity for the maintenance of the register on scrupulously proper lines. Within each category, the names of the workers should be entered in the register in a strict order of seniority. The size of the register and the determination of the exact number constituting the category or its increase or decrease at any particular time would be the direct responsibility of the Registration Committee. The Committee will be responsible for the maintenance, adjustment and periodic revisions of the register. Similarly, the Committee will authorise any

entry or re-entry in the register, or removal from the register of the name of a worker. The register should contain information regarding the name of the worker, his father's name, his permanent and temporary address, his date of entry into the Port's service, the rate of wages applicable to him, the amounts paid to him by way of wages, minimum guarantees or attendance money, and, generally, all such information including data, if and when collected, of his aptitudes and the nature of the work for which he is suited, as may be necessary for considering the retention, promotion, or where called for, the removal of the name of the worker from the register.

Departmental Scheme for Decasualisation

Some specific aspects

95. A sufficiently wide scheme for registration, covering most of the shore workers and affording little scope to a Port to keep a substantial group of labourers on a casual basis, may raise the question of labour shortages and requirement. As the number of casual workers is reduced to the minimum, the Port administration will not be able to fall back on this source of supply in case of need. In fact in the course of discussions at the Ports it transpired that this in a way had been mainly responsible for the practice of retaining so many casual workers; the Port administrations feel that if any serious diminution occurs in the permanent labour force, as by large scale resignations, retirements or stoppages of work, they will no longer be in a position to draw on a useful source of supply, now readily available in the form of an experienced body of casuals, anxious to obtain work; similarly, it may also be difficult to find additional labour to meet sudden, heavy demands following the unexpected arrival of ships in a bunch.

96. The possibilities of such shortages and the need for immediate replacements must of course be recognised. There may also be some advantage in having a special field from which recruitment can be made of labourers with some experience of dock work. So far as the first contingency is concerned, my recommendation does not contemplate wholesale decasualisation, as has been demanded by some of the Labour representatives, but provides, on the other hand, a reasonable margin, consistent with the volume of cargo handled by the Port, in the Temporary register, which should cushion any sudden stresses created by any shortage of permanent workers. It has also been suggested that to meet the demands of any short term peaks non-registered labour may be engaged on the recommendation of the Registration Committee. There are, however, some specific aspects which require consideration. As regards the point about drawing on a useful source of supply, it can hardly be said that the present casual group is in any sense a selected body of experienced workers.

Registration Committee

97. The successful establishment of a decasualisation scheme will largely depend on the Registration Committee who will have to examine and advise

on the total strength of the Permanent and Temporary labour for shore work with due regard to the various factors, as explained in earlier parts of this chapter, and screen all entrants and classify them in the registers maintained for the purpose; their work will be of a continuous character in view of the recommendations made above for the adjustment and the periodic review of the registers. The Committee should also go into the question of employment of labour rendered surplus after the respective strength of the two categories of workers has been fixed and the necessary decasualisation has been carried out. The Committee may also have to face the problem of surplus labour if and when the periodic revision of the registers results in a further reduction of the sanctioned strength.

98. It is obvious that such a Committee can achieve results only if it is based on the co-operative effort of the representatives of the employers and the workers. It must also be a body which can take careful, practical and effective decisions on the manpower problem with due regard to the precise operational requirements of the Port. It would, therefore, be advisable to have a compact body of three members, one representative each of the shore labour and the shipowners, with the Chairman of the Port Trust or the administrator of the Port as the Chairman. The Regional Labour Commissioner or other local representative of the Central Government and the Traffic Manager (the Docks Manager in Bombay) of the Port may be co-opted for expert advice and assistance. The presence of the Head of the Port administration will ensure continuity and help to smooth over any difficulties which may arise so that decisions can be reached as far as possible by agreement.

Distribution of Night work

99. The Ports as a matter of routine have been employing casual labour on the third shifts. This practice has been the subject of criticism before Tribunals and in the various memoranda, submitted on behalf of Labour in the present enquiry. During visits to the Ports, workers on night shifts specifically drew attention to this fact. Night shifts have been dealt with in detail in Chapter VII; the representatives of Labour have referred to the deleterious effect of night work on the health of the worker, particularly if he continues to undertake such assignments for a long period of time. While I have not been able to agree to any prohibition of night work, it will be improper not to distribute work during these inconvenient hours among all the labour working in the Ports. While the permanent workers may have certain privileges in comparison with temporary workers in certain other matters, in cargo handling operations there can be no difference in the nature of the work done by the permanent and temporary labour. Night shifts is no longer a transient or casual occurrence; it has become a more or less regular feature of the working of our Ports. It will, therefore, tantamount to creating a privileged class among labourers, if permanent workers are called upon to work on day shifts only. The preferential treatment

accorded to the permanent workers should be restricted, in the matter of work, to the right of regular employment in preference to the temporary worker. But where there is sufficient work for both permanent and temporary labour, it is only proper that work on the third shift should be shared between them on a strict principle of rotation to ensure a fair distribution.

Attendance money

100. The next point that calls for consideration is the amount of Attendance money to be paid to temporary workers. It has been represented on behalf of Labour that temporary workers along with the permanent workers should form the registered labour force maintained by the Ports and that their duties and obligations are similar; both have to call at the stands every day including Sundays and holidays; both have the same type of work; any vacancies caused by the absence of workers falling in one category have to be filled up by employing workers in the other category; and that, therefore, there should be very little difference in the service conditions between these two categories. They strongly feel that the casual workers should not be denied the benefits of incremental scales, provident fund, gratuity, leave, holidays, weekly off, attendance money and guaranteed wage.

101. The Industrial Tribunal, Bombay, before whom similar submissions were made, pointed out in 1952 that temporary workers were really casuals. The Tribunal cited the practice in British, Belgian and French and other Ports where only permanent workers reporting for duty were paid Attendance money. In Bombay, however, the Port Trust had already granted an allowance of 6 annas to 'B' category (casual) workers following a negotiated settlement with the Labour Union in November 1948. In Madras also 'B' category workers get Attendance money of 12 annas. No payment is made in Calcutta to the Ticca or Secondary labour, who correspond to 'B' category in Bombay and Madras, except Re. 1 to the Sirdar, the leader of the gang. The Tribunal felt that there was no right to Attendance money as such for casual workers, but held that the workers should continue to get such amount as Attendance money the right to which they had obtained through a negotiated settlement.

102. Without questioning the correctness of this decision of the Tribunal, which must be read in the light of the circumstance under which the matter was raised in 1952 in respect of conditions in a particular Port, it is necessary to consider the general question whether temporary workers as such should be paid Attendance money at all. It has not been possible to verify the present practice in the foreign Ports cited by the Tribunal in the Award, but it must be realised that the principle of collective bargaining plays a dominant role in industrial relations, especially in the matter of settlement of wages and other payments to workers. The Bombay Port has

already set a precedent by paying Attendance money to temporary workers, albeit only 6 annas; the Madras Port also pays Attendance money of Re. 1 to Leading hands and 12 annas to Mazdoors in 'B' category when no work is found. As two of the three more important Major Ports are already paying Attendance money to persons employed as temporary workers, and in one Port this has been based on a negotiated settlement between the Port authority and the workers' Union, it is difficult to overlook the fact that the principle of payment of Attendance money to temporary workers has been duly accepted. On merits also it does not seem fair to expect temporary workers to report at Call Stand regularly, without receiving any monetary recognition, though the time spent in reporting, as it no doubt does on many occasions, may deprive them of any opportunities of securing alternative employment on particular days.

103. As regards the question as to what should be the amount of Attendance money for temporary workers, the present practice in the three Major Ports of Bombay, Calcutta and Madras has been noticed above. The following table shows the comparative position in regard to Attendance money as now paid to various categories of shore workers:

TABLE XLVIII

	A category/Primary labour	B category/Ticca or Secondary labour	C category/R.E.E. gangs
Bombay	12 annas per day	6 annas per day	Nil
Calcutta	12 annas per day	Re. 1 per day for sirdar only.	Nil
Madras	Retainer of Rs. 55 p. m. for Maistry and Rs. 50 p. m. for Mazdoor.	Re. 1 per day for Maistry and 12 annas per day for Mazdoor.	Nil

It will be clear from the above that the quantum of Attendance money paid to different categories of workers has been the result of *ad hoc* decisions and not based on any logical or scientific principle.

104. In the U.K. the registered worker is credited with 6s (the rate was raised from 5s) in respect of every half-day when he reports for work and obtains none. As there are 11 four-hour terms in the normal working week, the total Attendance money for no-work turns can mount up to a substantial amount and compare well with the weekly minimum guarantee of £5—4—6 (as in October 1955). In our Ports category 'A' workers who correspond to permanent labour in the U.K., are paid Attendance money at a higher rate than persons falling within category 'B'. It will be noticed that in the Madras Port no Attendance money is paid to category 'A' workers; they receive, however, a retainer which partakes of the nature of Attendance money as well as a minimum wage. In Calcutta category 'B' workers are not paid any Attendance money.

105. While it is true that the Industrial Tribunal held that service conditions of 'B' category workers could not be accepted as on par with 'A' category workers, the attendance money is being paid to the former in two of the Principal Major Ports and to the head of a gang in the third principal Major Port also; in Madras it would appear that Attendance money was given as a part of the scheme itself. Reference may also be made to the provisions under the Bombay Dock Workers (Regulation of Employment) Scheme 1956 for the payment of Attendance money to workers in the Reserve Pool meant for registered dock workers who are available for work and who are not for the time being in the employment of registered employers as monthly workers.

106. Although the proposals in this Report do not extend to complete decasualisation as in the case of the Dock Labour Board schemes, the position of Category 'B' labour is more or less the same as that of the Reserve Pool workers, though the former are in a way at a disadvantage as compared with stevedore workers who, in the Reserve Pool, also receive, besides attendance money, a minimum guarantee and ancillary benefits like provident fund, gratuity, etc.

107. One of the Terms of reference for this enquiry draws special attention to the disparities between the wages of permanent workmen on time rate and temporary and casual workers and also between those of shore labour and stevedore labour on time rate. The principle of equal pay for equal work could be invoked for the proposition that permanent and casual workers should receive the same "attendance wage", as the Dock Workers (Regulation of Employment) Enquiry Committee called 'Attendance money'. Apart from these considerations, when actually employed in cargo handling operations, there is no real distinction between workers of categories 'A' and 'B'. Category 'B' workers are also expected to come to the Call Stands twice a day which means that by the time a worker learns that there is no work he has little or no opportunity of obtaining alternative employment for that day. As the Attendance money is to compensate this inability to secure alternative employment, the impact of which is the same whether a person is a regular or casual worker, it seems reasonable and fair that there should be no distinction between the permanent and temporary workers in the quantum of attendance money paid to them even though all the service conditions are not identical and certain casual workers in Madras are receiving piece rates at a higher rate. Taking all the aspects into consideration it is desirable that there should be some uniformity in this respect; it is therefore suggested that the Attendance money for temporary workers at the Major Ports should be the same as that for permanent workers and preferably at 12 annas a day.

Composition of Gangs

108. The loading and unloading of ships and the handling of goods on shore and in transit sheds is essentially group work and the Gang is

a traditional and almost universal unit of dock labour. Although its size and structure varies in different places, according to types of work and practices of particular Ports, one interesting feature is that since space on board a ship is limited, the number of stevedore labour working simultaneously is restricted. The Gangs working in ships are smaller than those engaged on the quay and shed. In the U.K. the number varies from 4 to 25 according to the type of cargo handled.

109. In India, a similar tradition has grown up and work is done by Gangs consisting of a Head known variously as Morpia in Bombay, Sirdar in Calcutta, Maistry or Leading Head in Madras and Moopan in Cochin. In Calcutta, shore Gangs in the case of Ticca or secondary labour, consist of one Sirdar and 14 workers, in all 15 men, while the Coal dock gangs have 13 men including a Sirdar. It is understood that arrangements are in progress to bring the number of workers in all the Ticca Gangs up to a total of 15 inclusive of the Sirdar. In Bombay, there are 13 men, including the Morpia in each shore Gang. 15 men, including the Maistry from a Gang in Madras. At Cochin the composition varies from 15 to 20 men inclusive of the Moopan, but information regarding the position at Visakhapatnam and Kandla is not available; in the last three Ports shore labour is entirely supplied by contractors.

110. Variations sometimes occur in the strength of Gangs for the handling of special kinds of cargo. As the number of men constituting the Gang will necessarily depend on the local requirements of each Port and according to particular types of work and other factors, it will not be advisable to attempt uniformity in regard to the strength of Gangs.

111. Port transport work at the docks is different from that of other industries; local conditions vary considerably from Port to Port, between cargo and cargo, between ship and ship, and even between the holds of the same ship or different parts of the same shed, so that a standard can hardly be laid down.

Higher payment to head of Gang

112. There are, however, two points which deserve notice. The head of a Gang in all the Ports receives a slightly higher wage or attendance money than the ordinary members of the Gang. This differential has continued to be maintained in all the Ports. It has been suggested that the differentials have not been based on any rational ground and should be discarded. There is, however, the point to be considered that the leader of a Gang is its head and the post is necessary not only to co-ordinate the work of the members of the Gang but also to exercise an effective immediate control over them. It is, therefore, necessary that there should be a differential in the payment made to the head of a Gang who directs the work and labour who work under his directions.

Leadership of Gangs

113. There has been some dispute on the appointment of leaders of Gangs. Labour has demanded that the leadership should devolve on the seniormost member of the Gang. The Port administrations seem to be of the opinion that ability and fitness should be the guiding factors in such appointments. To regard either seniority on the one hand or ability and fitness on the other, as the sole criterion for promotion may not be a satisfactory solution of the problem; while there is an obvious disadvantage in relying on mere seniority, a selection on the ground of ability, it has been urged, may give a handle to those in the immediate charge of labour to distribute favours according to their whims and caprice. The impression which Labour representatives have tried to convey is that instances of nepotism are not rare in this respect. Within the Terms of Reference laid down for the present enquiry, it has not been considered necessary to enquire into the matter. There can, however, be no doubt that there is a strong feeling on the subject of leadership of Gangs. It seems to me that the best course would be to follow the principles recommended by Dock Workers (Regulation of Employment) Enquiry Committee, that is, seniority, merit and fitness, as well as the record of past service, should be taken into consideration for promotion to leadership. It will be necessary for this purpose to maintain regular records of the work of individual workers, as in the case of other employees, periodically attested by responsible officers.

Call Stands

114. A satisfactory procedure for the engagement of labour is an important element in the successful working of a scheme of decasualisation. Practical difficulties arise if the Call stands and Call places are not suitably located. Where the docks are spread over extensive areas, the centralisation of the Call stands may result in labour shortages in certain parts of the Port; this sometimes provides a loophole for the engagement of fresh men with no prior experience. On the other hand, where the Call stands are distributed over different parts of the Port, the formation of a number of small pools may lead to a shortage in some of them, while at the same time labour in other pools are felt without work.

115. This is a general disability which Ports covering vast areas have to face. The question as to whether there should be a central stand or two or more stands must depend to a large extent on the layout of each particular Port. In most cases, the local needs must decide the issue.

116. The Ports of Bombay, Calcutta and Cochin extend over large area, while Madras and Visakhapatnam are fairly compact. In the three former Ports, the system of more than one Call stand may perhaps be more advantageous, while at the other Ports a single Call stand system may suffice. The central Call stand should be so located as to enable the workers after engagement to reach the place of assignment before the time the

shift is due to begin. Where there are more than one Call stands there should be telephonic communication between the stands and transport arrangements to carry labour from one to the other.

117. Certain other features of Call stands in some of our Ports especially in regard to their location, adequacy of space and lack of amenities may also be considered. It was noticed that the provision of Call stands was hardly adequate. At one Port, the small building, which houses the Call stand lies in close proximity to the Railway track alongside which the workers queue up to report for duty. It can well be conceived what would happen if there is a large congestion of workers. The shelter for the queuing of workers can hardly accommodate a few dozen workers. At another Port, there is a regular stampede to secure priority at the stand. The Dock Workers (Regulation of Employment) Enquiry Committee, 1955 recommended the provision of waiting rooms and adequate protection against rain and sun; they also pointed out that the Call stand should be spacious, airy and well-lit and should have no obstruction in the circulating area and that besides, benches, drinking water and refreshment room, arrangements should be provided on the sides. These recommendations were, of course, made in regard to stevedore labour. The conditions of the Call stand for shore workers should also conform to these standards; their present conditions definitely require considerable improvement.

118. A further point brought to my notice during visits to some of the Ports related to the obligation on the part of workers to report at Call stands twice or even three times a day. It was explained that much time was lost in such attendance even by workers who could normally expect to obtain allocation of work. The question has been raised as to whether a system can be so devised as to enable workers already on the job of loading or unloading a particular ship to go direct to their work, instead having to trudge all the way to and back from Call stands. There may be practical difficulties and also a feeling that under weightage has been given to certain workers, which may provoke criticism of such a procedure. The possibility of reducing the number of attendances at Call stands, particularly of permanent workers after they have been assigned to the work of a particular ship should, however, be carefully examined by the Ports as it may obviate congestion and rush at Call stands and also save the workers much time and energy in fulfilling a formality, however necessary it may be in the ordinary course.

Age of retirement

119. The normal age of retirement of employees of the Central Government is 55 years except in the case of pre-1938 entrants. In the Ports, this practice has been followed in respect of office staff and all scheduled staff; in Calcutta, however, the retirement age is fixed at 60 for Class IV staff. It is also understood that workers in the employ of the Government of

India are permitted to be retained up to the age of sixty. In Madras, the age of compulsory retirement of workers as well as staff on the departmental register is 55; in Calcutta it is 60 years for de-casualised workers. In Bombay, however, under Rule 44 of the Digest the Board has powers to allow the retention, in exceptional circumstances of the services of an employee beyond the age of 55.

120. The age of superannuation for all categories of staff in the Railways is 55 years. But such of the operational staff whose inefficiency will endanger public safety as for instance, Drivers, Shunters, Guards, Brakemen etc., have to undergo a medical examination once in three years up to 45 years of age and annually thereafter. Staff whose inefficiency in duty is likely to endanger the persons concerned or their colleagues, such as workshop staff in charge of moving machines, are required to undergo a medical test on reaching 45 years of age.

121. Port work has certain peculiar characteristics which demand a high degree of physical fitness. Under our climatic conditions, while men reaching 60 years of age may retain sufficient capacity for mental work, the same cannot be said of their physical fitness. In some of the foreign Ports, it was found that there was a high percentage of registered men who were within the age group of 45 to 70 and the number of younger men was comparatively small. There the problem was one of recruiting younger men to replace the large number of older group who could undertake mainly light work. In Britain, largely due to labour shortage, approximately 10 per cent of the dock labour force was made up of men of 65 or over.

122. Considering the conditions in our Port cities and the strenuous nature of dock work, doubt has been expressed as to whether even a limit of 60 years as prescribed for Class IV employees in Calcutta is not too high an age to maintain efficiency. As an illustrative case, it may be pointed out from the figures received from the Madras Port that only 110 of the total number of 2,150 workers in that Port were over 50 years of age and 269 above the age of 40. Some representatives of Stevedores have submitted that a number of workers nearing 70 years of age are continuing in the Gangs. It has not been possible to secure reliable data about the age groups among shore labour except in the instance cited above. However, it seems reasonable and in the interest of efficient work that an age of retirement should be fixed, as at Madras, at 55 years, with an option to the Port authorities to retain physically fit workers beyond that age up to a maximum of 60 years.

Time rates and Piece rates

123. The departmental scheme in force at Bombay has laid down the datum line of work for different cargoes and the rate of payment. In the model Scheme, except for payment of Attendance money, no provisions of

the nature have been suggested. This seeming lacuna is in view of the fact that the introduction of piece rate schemes for shore workers is the general objective of all Ports. The scheme is already in force in Bombay, while piece rates for Calcutta is under the consideration of a Tripartite body. In the course of discussions, the representatives of shipping interests commended the introduction of piece rates, while some Labour representatives expressed the opposite view. In view of this difference of opinion and the fact that piece rates do not cover some of the dock workers even in Bombay, such as those employed in handling such important cargo as iron and steel, and labour employed by contractors for shore work, it may be of some assistance to consider the incidence and the relative value of the two systems of payment. The time rate system has the advantage of simplicity. Wage calculations are a simple matter of addition or multiplication; there is no complicated or difficult piece-work pricing and the worker himself has a fair idea from the start of what his wage is going to be for the month or even longer periods. He can thus plan his family budget and avoid the temptation of unnecessary expenditure, banking on larger remunerations. Time-rate also places a salutary emphasis upon the quality of workmanship, which payment by results tends to ignore. Indeed, in the handling of general cargo, composed of a variety of goods, in different kinds of packages including fragile and other delicate material, it is even more important to ensure quality than quantity. Quality control can be more easily exercised in a time-rate system, particularly when it is reinforced by some scheme of merit rating which can take cognizance of individual records of efficiency, if not immediately, at least as a basis for promotion and wage increases in due course. In piece-work, in their haste and anxiety to earn more, workers may overlook the importance of quality and so produce shoddy work. It is a common impression in dockland that "You can knock a screw in with a hammer quicker than put it in with a screwdriver"

124. Time rate, however, suffers from a complete lack of financial incentive. Under this system the same rate may be payable to workers who show wide variations in ability, energy, initiative and output. Such earnings bear no direct relation to a worker's individual output, although in originally fixing the rate average output of a large number of workers is invariably borne in mind. This minimum expectation of an average output is, however, rigidly fixed and time work becomes what has been described as "task-work". If the time-rate system is an incentive at all, it is "an incentive to mediocrity".¹

125. It is generally claimed that this defect of the time-rate system, the lack of direct financial incentive to improve production, is remedied by the application of piece-rates. There can be no doubt that the payment by results, increased pay for increased work, stimulates the desire to excel,

¹E. D. Smith, Handbook of Business Administration, McGraw Hill, New York.

creates an element of interest and competition and, by the fixation of standards for piece-rates, sets a target, thus providing the worker with something to aim at and an opportunity for him to assert himself and obtain a reward for his extra efforts. There are, however, disadvantages in this system also. Payment by results can by no means be regarded as a panacea : it is suitable for a certain set of circumstances and even when these are entirely favourable, wage incentives may lead to a lowering of quality, as has been indicated above, by directly encouraging rivalry, set employees against one another and split the team spirit, and also, in the absence of proper safeguards, cause in the long run overfatigue and injury to health.

126. Payment by the ton rather than by the hour is now generally accepted as a practical method of improving output. The Dock Workers (Regulation of Employment) Enquiry Committee had recommended that a system of payment by results should replace the existing system of time-rate in order "to ensure a reasonable output from workers and minimise the possibilities of the turn-round of ships in Indian Ports not being maintained at an acceptable level of efficiency in future"¹ and to link the loading and unloading of cargo with productivity; the Committee, however, do not appear to have considered this as sufficient as they also recommended the provision of an incentive bonus in the system. From the data till now made available, it is not possible to assert definitely whether the system, as partially introduced so far, has brought about any lasting improvement, but the experience of Bombay seems to have been favourable; it was reported that in December 1956 the output had increased by 105 per cent above datum line and the individual incomes of some of the piece-rate workers by 50 per cent. I shall revert to the subject again when I deal with turn-round of shipping in Chapter V. Only the general aspects of the different system of wages are discussed here. The Inland Transport Committee of the I.L.O. found it difficult to collect data on the results of the piece-rate systems in the U.K. but noted that increase of 20 per cent had often been reported and that 33 per cent to 53 per cent increases were not uncommon; in a few special cases the output was even doubled. I find there are also instances where little or no improvement had resulted.²

127. In the majority of British industries payment by results is practised in one form or another and to a greater or lesser degree. Though transport is largely a time-rate industry, in the immediate post-war period piece-rates were said to govern the pay of 90 per cent of the dock workers.³ A few British Ports had adopted the system as early as 1919 and it was hastily introduced, during the last war, in a number of Ports. The piece-rates do

¹Report of the Dock Workers (Regulation of Employment) Enquiry Committee, 1955 page 214.

²Report of Inland Transport Committee, Methods of Improving Organisation of work and Output in Ports, page 130.

³"The Economist" of 20th September 1947.

not seem to have borne sufficient relation to the work content of the job: some rates are said to be excessively 'loose' and some unreliably 'tight'. The general impression is that there has been some improvement of late, but it does not, in many instances, rest on accurate assessment of work value. It is noteworthy that in Continental Ports, time-rates are still the general rule; in Antwerp some of the piece-rate arrangements which were tried were abandoned partly because the workers seemed to have paid inadequate attention to safety in order to increase their earnings.

128. For the purposes of this enquiry, it is not necessary to examine the suitability or otherwise and the extent of application, of piece-rates to shore Labour as the matter is already under the consideration of a Tribunal. While the view points on the subject of time rates and piece rates have been explained in these paragraphs, the evolution of piece rates scheme for cargo handling workers on the shore side must await the recommendations of the Tripartite Committee.

Model Departmental Scheme

129. In view of the considerations explained above certain basic provisions commend themselves for inclusion in departmental schemes for shore labour. It is clear that there should not be more than two registered categories; the first of permanent workers, and the second, of registered casuals, who will be called Temporary workers in view of a preferential right given to them for employment over all but permanent workers. The Permanent register should contain the names of all regular workers while the workers in the Temporary register should serve as a reservoir to fill up vacancies in the permanent category. The right to payment of Attendance money the benefits under the Workmen's Compensation Act, medical attendance, housing facilities and a weekly day of rest should be given to both categories of workers. The workers on the Permanent register will be entitled to various benefits such as Provident Fund, Special Contribution, leave and holidays, under the rules and regulations applicable to the permanent staff of the Ports. It will be necessary to make provisions also for the maintenance, adjustments and periodic revisions of the registers. The scheme should lay emphasis on the liability of the worker to undertake any kind of work normally included in the expression 'shore work'. The authorities should be invested with disciplinary powers to deal with workers habitually irregular or slack in their work. These are some of the main considerations which have been kept in mind in drawing up the model departmental scheme of decasualisation of shore workers.

Model Scheme

1. **Scope.**—The Scheme shall apply to all workers in the employment of the Port Authority carrying out duties normally included within the meaning of the expression 'shore work'.

2. **Maintenance of Registers.**—Two Registers, one each for the Permanent and the Temporary workers shall be maintained and the names of the workers entered therein in the strict order of seniority of service.

The Register shall contain—

- (a) the names of workers,
- (b) their fathers' names,
- (c) their permanent and temporary addresses,
- (d) date of entry into the Port service,
- (e) wages applicable to them,
- (f) amounts paid by way of wages, minimum guarantees or attendance money,
- (g) information including data, if and when collected, of their aptitudes and nature of work for which they are suited and
- (h) all such other information as may be necessary for considering the retention, promotion, or, where called for, the removal of the names of workers from the register.

3. **Recruitment.**—The qualifications for the first registration shall be as follows:—

- (a) the worker shall be physically fit and shall undergo a medical examination,
- (b) he shall not ordinarily be over 40 years of age,
- (c) he shall be an Indian national.

4. **Classification of Workers.**—For the purpose of registration workers shall be classified into two categories which shall be called Permanent and Temporary.

Permanent workers will be those whose names are entered in the Permanent Register maintained under the Scheme.

Temporary workers will be those whose names are entered in the Temporary Register maintained under the Scheme.

5. **Strength of registers.**—The minimum Labour Strength shall be taking the average daily attendance figures of permanent as well as a casual workers in the last five years; the average daily figures shall be increased by 20 per cent to provide for absenteeism and leave reserves; 75 per cent of the gross total thus obtained shall be the number of workers to be included in the Permanent register; the remaining 25 per cent shall be the number of workers to be included in the Temporary Register.

Peak requirements will be met by the employment of non-registered labour on the recommendation of the Registration Committee provided that the period of their engagement, however, shall not exceed three months and that the total number so engaged shall not exceed 10 per cent of the strength of the Temporary Register .

6. Registration Committee.—For the purposes of the scheme there shall be constituted a Registration Committee which will consist of three members, namely, the Chairman of the Port Trust or the Administrator of the Port who shall be the Chairman of the Committee and one representative each of Shore Labour and Shipowners.

The Committee shall have powers to co-opt as members the Regional Labour Commissioner or other local representative of the Central Government and the Traffic Manager of the Port for expert advice and assistance.

7. Duties and functions of Registration Committee.—The Committee shall function as a continuous body and shall be responsible for—

- (a) maintenance, adjustment and periodic revisions of the Register;
- (b) authorisation of any entry, re-entry or removal from the Register of the name of a worker;
- (c) examination and advice in the fixation of the total strength of the Registers in accordance with the procedure laid down in the Scheme, taking into consideration, as far as practicable, the following factors :
 - (i) volume of trade and its variations,
 - (ii) types of cargo to be handled,
 - (iii) availability of mechanical aids,
 - (iv) rate of output of labour, and
 - (v) general working conditions;
- (d) consideration of ways and means for the employment of labour rendered surplus;
- (e) screening all entrants and classifying them as either permanent or temporary; and
- (f) doing all other acts or things which may be necessary for the successful carrying out of their duties.

8. Wages.—Wages of permanent and temporary workers and the guaranteed minimum monthly wage of permanent workers shall be such as may be prescribed from time to time by the Port Authority.

9. Attendance money.—Attendance money at the uniform rate of annas twelve per day shall be paid to workers in either Register when no work is offered to them.

Workers shall muster at the Call stands and those entitled to and claiming attendance money shall register their attendance at the stands and remain present there for half an hour after the commencement of the shift.

10. Other service conditions.—(a) Workers whose names are entered in either of the Registers will be entitled to benefits under the Workmen's

Compensation Act, 1923, and medical assistance, housing facilities and weekly days of rest in accordance with existing rules and regulations applicable to permanent and temporary staff in the Port.

(b) Workers whose names are entered in the Permanent Register shall be entitled to benefits of contribution to the Provident Fund and Special Contribution, leave and holidays and all other privileges available to permanent staff under the Rules and Regulations of the Port.

(c) Workers shall attend on holidays and weekly days of rest if so required by the Port authorities.

(d) Workers whose names are entered in either Register shall be entitled to the payment of overtime wages for work beyond normal duty hours or on a weekly day of rest and in the case of a permanent worker, a holiday, at the rates prescribed by the Port authorities.

(e) Workers whose names are entered in the Temporary Register shall be entitled to promotion to the Permanent Register when vacancies occur or when the strength of the Permanent Register is raised.

(f) Promotion to the post of a leader of a gang shall be decided by seniority, merit and fitness as well as record of past services.

(g) The normal age of retirement of workers registered under the scheme shall be 55 years; the Port Authority, however, shall have the option to retain such workers considered physically fit up to a maximum of 60 years.

(h) Workers will ordinarily be required to do any job of work such as handling of import and export cargoes, loading and unloading of wagons, carts and lorries, piling and stacking in transit sheds, removing packages to uncleared warehouses, stacking cargoes in duty paid and bonded warehouses and all other work which is normally included within the meaning of the expression 'shore work'.

(i) Workers who have specialised in particular jobs will as far as possible, be allocated work in which they have specialised, but if such work is not available on any day, they shall accept any type of work offered.

(j) Disciplinary action shall be taken against workers who are habitually irregular in their attendance or slack in their work.

11. Employment in shifts.—A permanent worker shall have a prior right of engagement provided he shall not be engaged for a second shift on the same day to the exclusion of a temporary worker; when, however, there is sufficient work for both categories, the work in the third shift shall be shared between them on a strict principle of rotation. A temporary worker shall have a prior right of engagement over a non-registered worker.

12. **Gangs.**—Workers in either register may be divided into groups or gangs in accordance with the practice obtaining in the Port.

Surplus Labour

130. A problem of some importance may arise if and when the size of the labour force is reduced. The effect of further decasualisation of shore workers, as suggested, after reducing the number of casual workers to a minimum and adjusting the existing strength of workers on the registers, may raise the question as to what steps should be taken to absorb any labour rendered surplus. One solution of the problem would be to arrange for the transfer of workers who are surplus in one Port to other Ports where there is shortage of labour. It has been considered desirable that a provision for such transfers should find a place in the decasualisation scheme. Similarly, there may also be some reluctance on the part of labour in other Ports to offer employment to persons they may regard as outsiders. It should, however, be recognised that the workers may not be agreeable to such transfers even though the terms may be attractive. Once the mutual benefits of such an arrangement are realised, it is possible that labour rendered surplus may be prepared to take advantage of opportunities offered.

131. In the U.K. the Dock Workers (Regulation of Employment) Scheme of 1947 contained provisions for Transfer Agreements under which surplus labour could be transferred from one Port to meet demand elsewhere. In fact Clause 8(9)(c) of the Scheme placed an obligation on registered dock workers to accept daily transfers. Of the two National Agreements which are in force in the U.K. the Daily Transfer agreement provided for compulsory direction to work at Ports within the daily travelling distance of the 'home' Port, the Port being liable for the payment of—

- (a) cost of transport;
- (b) travel time allowance at 3/5d. per hour;
- (c) payment at time rates for "dead time" *i.e.* for normal working period spent in travel or until available to the employer.

The other National Agreement is the Period Transfer Agreement which provides for transfers on a voluntary basis to Ports beyond the daily travelling distances of the 'home' Port, the Port paying—

- (a) cost of transport;
- (b) allowance of 5s. for each of the outward and homeward journeys;
- (c) travel time allowance;
- (d) subsistence allowance at 9/6d. per night to meet board and lodge cost.

Wherever practicable the Board tries to select labour within the working day preceding the first day of the transfer. The men so transferred, under both the Agreements, are required to observe the rules and practices of the Ports to which they are transferred.

132. In a Review¹ in March, 1950, the National Dock Labour Board, while reporting to the National Joint Council for the Port Transport Industry, was "glad to note that, as provided in the Scheme, there is an increasing use of daily transfers by Local Boards and that, in addition, voluntary period transfers appear to have been extremely useful". The Board hoped that "this mobility of labour will be used even more fully in the future". The daily transfers effected in the U.K. in 1955 averaged 2,056 men a day. Usually buses hired by the Port are ready at the Call stand to carry the workers to the places of work outside their own areas. In Australia such transfers are to some extent encouraged by variations in the seasonal trade in different areas. Some workers follow the seasonal trends and turn up again year after year in the same Ports. These men not only get employment, but also a large percentage of remunerative week-end and overtime work. It has been estimated that such workers, follow the seasonal movement around the coast and earn double the income of the average waterside worker remaining in one of the main ports.

133. An arrangement in our country closely on the lines of the U.K. Agreements for the utilisation of surplus labour in neighbouring Ports may not be easily workable. The distances in India are appreciable; in the United Kingdom the average one-way journey of each daily transfer in 1954 was only 23 miles. There are, however, quite a number of Minor Ports which handle an appreciable amount of cargo in Bombay, Mysore, Madras, and Kerala States; there are also two such Ports in Andhra. There is no Minor Port in West Bengal and the nearest to Calcutta Port is Chandbali, a small roadstead in Orissa State. The tonnages handled by some of the Minor Ports in 1954-55 were :—

TABLE XLIX

State	Ports	Total tonnage Imports & Exports
Andhra	Kakinada	2,80,280
	Masulipatnam	66,316
Madras	Tuticorin	5,19,670
	Cuddalore	2,16,089
Kerala	Kozhikode	2,68,768
Mysore	Mangalore	2,70,217
Bombay	Bhavnagar	3,10,669
	Bodi	2,93,332
	Verval	1,75,415
	Porbandar	1,60,789
	Sika	1,28,501
	Navlakhi	94,453
	Broach	55,221
Jafraabad	44,607	
Ratnagiri	41,719	

¹Review of the work of the National Dock Labour Board, March 1950, Page 54.

134. Considering the longer distances, lack of regular and quick means of communication by rail or road in all areas, and the possible lack of accommodation and other facilities, the transfer arrangements, in the initial stages, will have to be on a selective basis. For instance, Visakhapatnam may enter into Transfer Agreements for the supply of labour to Kakinada, Madras for Cuddalore, and Cochin for Mangalore and Kozhikode.

135. It is recommended that the Major Ports should consider the possibility of working out suitable schemes of transfer agreements with the Minor Ports. For Bombay and Calcutta, owing to the absence of Minor Ports within easy reach, daily transfers will not be practicable; there may, however, be the possibility of periodic transfers, as a fair proportion of the Bombay Port Labour comes from the Konkan and of the Calcutta Port Workers from Bihar and Orissa.

136. Another important way of ameliorating any hardship of casual labour rendered surplus would be to give them preference over fresh labour for enrolment in temporary register. The possibility of the utilisation of such labour outside the docks should also be examined so that all avenues of alternative employment for surplus men are duly explored.

Disparity in Wages

137. The question of disparity between the wages of permanent workmen employed by the Port authorities on time rate on the one hand and the payment of casual workers on the other and between shore labour on time rate and the stevedore labour on time rate is one of the items for consideration in this Report.

Wages of Permanent, Temporary and Casual Workers

138. In Bombay the casual workers are engaged only in the Docks Department. No distinction is made between permanent employees and temporary employees in the matter of wages as such. The latter are also engaged on time scales of pay even though their employment may be for a limited period. The rank casual Mazdoors and the 'B' category Mazdoors engaged as shore labourers are the only casual employees in the Dock Department. Wherever the rank casual Mazdoor and the 'B' category Mazdoor do the same work as the registered Mazdoors in 'A' category, they are paid the same wages as are paid to the latter on the lowest rung of the incremental ladder. The daily wages of all the three categories are paid according to the rates prescribed in the Award of the Labour Appellate Tribunal except that 'A' category is paid, in addition, the differential in the Port Trust incremental scale. When doing work not directly connected with the loading and unloading of cargo, the Mazdoors are paid Rs. 3-11 plus 3 annas accruing to them by virtue of the merger of

'dearness pay' with pay. There is no difference between one category of worker and another except for the differential in the case of 'A' category as mentioned above.

139. In Calcutta Port, the scales of pay and allowances of temporary men are the same as those received by the permanent workmen; the present scales are 30— $\frac{1}{2}$ —35; Rs. 34—1—38; Rs. 34— $\frac{1}{2}$ —39; Rs. 39—1—44; Rs. 45—1—50—1—60 and Rs. 45—1—50—EB—2—60—2 $\frac{1}{2}$ —85. Casual labour on time rate is engaged mostly in the Traffic, Chief Mechanical Engineer's and Store's Departments. Labour in the Chief Mechanical Engineer's Department are on contract rates, and in the Stores Department at the rate of Rs. 2/- per head per day. The rates of payment of all Ticca labour in the Traffic Department is Rs. 2 and Rs. 2-4-0 for the Porters and Rs. 3 and 3-4-0 for the Sirdars according to the shifts. R.E.E. gangs are also paid at the same rate. In addition, an allowance of 6 pies is paid when a Coal dock worker handles baskets of coal and of 4 annas per ton if he handles 3 tons and above. It should be noted that the time rated workers get a minimum of Rs. 87-8-0 whereas Casuals get Rs. 2/- per day plus a bonus of 4 annas if they handle more than 3 tons of cargo.

140. In Madras, the Mazdoors and Maistries on time rates are paid Retainers of Rs. 50/- and Rs. 55/- respectively plus $\frac{1}{2}$ per day or night. 'B' category workers receive Rs. 2/- per day and Rs. $\frac{2}{4}$ per night. The time rate for casuals are the same as for 'B' category, but they are not entitled to any attendance money. As regards workers on piece rate, 'B' category men receive higher wages per ton than 'A' category men. For instance, for imports, 'A' category men are paid 6 annas per ton while 'B' category men receive 9 annas 6 pies per ton. Similarly, for lorry loading, 'A' category men are paid 4 annas per ton and 'B' category men 8 annas per ton.

141. In Visakhapatnam, casual shore labour is paid at market rates of pay in accordance with Railway practice. Wages of casual workers on daily rates are much lower than the corresponding time rates of pay admissible to permanent workers. As regard the labour employed for cargo handling they do not work directly under the Port; the time rates of this labour vary from Rs. $\frac{1}{8}$ to Rs. 2.

142. At Cochin, labour is divided into skilled and unskilled categories. Skilled labour is further divided into three classes, on monthly grades of Rs. 40—1—50, Rs. 50—2—60 and Rs. 60—5/2—75; translated into daily wages these would be equivalent to amounts ranging from Rs. $\frac{3}{6}$ to Rs. $\frac{3}{12}$, Rs. $\frac{3}{12}$ to Rs. $\frac{4}{8}$ and Rs. $\frac{4}{8}$ to Rs. $\frac{5}{1}$, as against which a casual worker gets lower amounts of Rs. 2-13-6, Rs. 3-4-0 and Rs. 4-0-6. The differentials in regard to unskilled categories between regular and casual labour bear the same proportion.

143. At Kandla, the scales of pay for the permanent, temporary and workcharged posts are the same and there is therefore no disparity between the wages of temporary, permanent and workcharged staff employed by the Port.

Time rates and Stevedore Labour

144. As regards stevedore labour, the position in regard to the time rates of wages are shown in the following tables :

TABLE L

	Rs.
Bombay :	
Tindal	5/13
Senior worker	4/10
Junior worker	4/3
Hatch-Foreman	4/10
Winchman	4/12

TABLE LI

	Rs.
Calcutta :	
Deck Foreman	11/4
Hatch Foreman	8/4 to 10/4
Sirdar	8/4
Mate	6/4
Winchman	5/12
Khamali 1 & 2	5/12
Khamali 3 & 4	5/5
Rolia 1 & 2	4/13
Rolia 3	4/12

TABLE LII

Madras :	
Tindal	3/10
Winchman	3/10
Stevedore worker (Mazdoor)	3/6

So far as stevedore labour at the other Ports are concerned, at Cochin the time rated stevedore labour is paid between Rs. 4/8 per day and Rs. 5/8 per night as against the shore labour time rate of Rs. 2/8. At Visakhapatnam, the rates vary from Rs. 3/12 for Mazdoors to Rs. 6/4 for Maistry, compared to Rs. 2/- for shore workers. At Kandla there is no difference between the rate paid to shore and stevedore labour which is Rs. 2/8 per day.

145. In Calcutta the time rated shore labour is on pay scale of Rs. 30— $\frac{1}{2}$ —35. Their daily rate after taking into account the allowances paid to them comes to Rs. 3/6. In Madras, the consolidated pay of Rs. 50 p.m. is paid to a time rated shore Mazdoor in addition to Rs. 1/2 per day. In terms of daily rate their wage comes to Rs. 3/1 per day. An idea of the extent of disparity in the time rates paid to stevedore labour and shore labour can be had from the comparative statement below :

TABLE LIII

							Stevedore Mazdoor	Shore Mazdoor
							Rs.	Rs.
Bombay	..	..	..	..	..	..	4/3	3/14
Calcutta	..	..	..	..	..	..	4/12	3/6
Madras	..	..	..	..	..	..	3/6	3/1

In interpreting the disparities, it should be borne in mind that both in Calcutta and Madras the system in force until recently for most of the workers is the basic time rate plus a piece rate. In Calcutta a piece rate is offered over a Minimum Guarantee of Rs. 87/8 while in Madras a piece rate is paid over a Retainer.

146. The system of piece rates has been in force in Bombay since March 1956, and the introduction of piece rate schemes for stevedore and shore workers in Calcutta Port, on the model of and in the light of the principles contained in the decision of the Labour Appellate Tribunal on 1st February, 1956 in the Bombay Dock Labour Appeals, is now separately under the consideration of a Tripartite Committee.

147. The removal of this disparity has been demanded in representations received from Labour. It has been criticised as an instance of the breach of the principle of equal pay for equal work; the Labour representatives are not prepared to concede that work on the stevedoring side is more arduous or responsible than on the shore side.

148. A view consistently taken by Industrial Tribunals and other competent authorities is that the requirements of stevedoring work are of a higher order than those of shore work. One Tribunal has stated : "it has to be considered that the work of the Stevedore labourer is more strenuous. He has to work in hatches, sometimes in stuffy and cooped up surroundings, while the Port Trust worker has mechanical devices to assist him such as forklifts, electric cars which can take directly tray slings landed by the sling and haul them to the shed etc."¹

¹Award of the Industrial Tribunal, Bombay, Reference (IT-GG) No. 4 of 1954, para 79.

149. There is, however, another side to the picture. If stevedore labour have to work in hatches, the shore workers are also exposed to other types of risks such as the collapse of slings, the breaking down of gear etc. The relatively narrow area makes discharge easier from a ship than receiving the cargo, moving it from the quay and stacking it in the transit shed. In tidal Ports like Calcutta, the shore labour also have often to work against time. Though the handling of some export cargo takes more time, the process of stowage is largely facilitated by prior sorting that takes place in the sheds before loading. It may even be argued that the answer to the disparity in *per capita* wages caused by the smaller number constituting the stevedore gang may be to reduce the strength of shore gang to achieve equality in output per man per hook, or if both stevedore and shore labour are under the same organisation, to interchange workers between the gangs. This, however, is a problem for which a solution cannot be found in an enquiry of this nature without detailed work studies. Nor is it within the scope of this enquiry to suggest organisational and institutional changes in regard to the control which now exists separately for shore and stevedore workers. In the present conditions, a higher wage rate for stevedore work seems inevitable, speaking purely from the point of view of *per capita* output alone; in any case in any productive enterprise, it would be unwise to upset the correlation between productivity and wages. The picture may become clearer when further experience has been gained of the working of piece work schemes over a number of years.

150. In the course of discussions, the stevedore representatives mentioned the appreciable benefits derived by stevedore workers in the form of increases in wages and other indirect benefits like Provident Fund etc. The rate of increase since pre-war has been pronounced in all the Ports. In this connection an excerpt from the material furnished by one of the Stevedore Associations in Calcutta will be of interest :

TABLE LIV

	1935	1947	1956
Sirdar	2 12 0	7 0 0	8 4 0
Rolia 3	0 15 0	3 8 0	4 12 0

151. In Bombay Port, the daily wages for stevedore workers were increased from Rs. 2/- in 1948 to Rs. 4/3 in 1956. Similar information in respect of Madras Port is not available. It will be interesting to compare this with increases in the wages of shore labour over the same period. In Bombay, the minimum that a Port worker received daily was annas 15 in 1942, Rs. 1/4 in 1943, Rs. 1/12 in 1946 and Rs. 3/11 before the introduction of piece rates. Since the introduction of piece rates the wages have been fixed at Rs. 3/14 per day on the datum line with Rs. 3/1 as the minimum daily wage. In Calcutta, the shore labour was under private

contractors until 1948. In Madras, the daily wages have increased from 12 annas per day to Rs. 2 per day for casual labour and a retainer plus Rs. 1/2 per day for decasualised workers. It will thus be seen that the increases have broadly been comparable.

152. The differentials between stevedore and shore side appear larger in the Ports of Calcutta and Madras, where the question of introducing schemes of piece rates are under examination. The disparity is small in Bombay; in that Port the earnings of an ordinary gang worker have jumped up in some cases to more than Rs. 250 per month. Thus without seeking to anticipate the conclusions the Tripartite Committee may reach, it can reasonably be assumed that with the introduction of piece work rates, which will necessitate co-ordinated action on both sides, the differentials will be further narrowed down.

153. As regards the disparities between the wages of decasualised and casual shore workers, there has been no disparity since the inception of the decasualisation scheme in Bombay. In Calcutta and Madras, however, the disparities exist, the extent of which is indicated in the statement below :

TABLE LV

								Decasualised Shore worker	Casual labourer
<i>Calcutta :</i>									
Sirdar	..	..	..	..	..	..	..	4/2	3/-
Porter	..	..	..	..	..	..	..	3/6	2/-
<i>Madras :</i>									
Maistry	..	..	..	..	..	..	..	3/4	2/-
Mazdoor	..	..	..	..	..	..	..	3/1	2/-

In discussing whether on the principle of equal pay for equal work there should be the same daily rate of wages, for a decasualised worker as well as a casual shore worker, it may be of interest to note how this aspect has been dealt with in countries like Australia and the U.K. In Australia, the principle observed is that the casual workers should be paid more in order to compensate for loss of payment for holidays for ill health and for irregular nature of work. In the U.K. the problem has sought to be solved by guaranteeing a weekly wage.

154. In addition to demanding the removal of these disparities, some Labour Unions have specifically referred to certain local disparities. In Bombay, the 'B' category workers do not earn increments, like decasualised labour. Stackers in Bombay get higher wages, while their counterparts

in Calcutta and Madras do not. The case for equality in wages between decasualised and casual workers has been put by one of the Labour Unions in the following terms :

“There is no justification whatsoever for such discrimination. They have found it as a means of effecting economy in their expenditure and have gone on increasing the number of this type of labour. This is nothing but a clear case of exploiting labour taking advantage of the acute unemployment problem in the country.”

An equalisation of the minimum does not necessarily mean the removal of non-eligibility for Provident Fund, Gratuity, leave etc. These are contingent on regular and continuous service and other conditions, and as such their extension to casual workers will not in any case arise. In Ports like Madras, the equalisation of wages may destroy the attraction of the retainer. In any case, the introduction of new piece rate schemes in the two Ports of Calcutta and Madras, with the attendant guarantees, and the replacement of such special features as retainer, is likely to give rise to different considerations and render any discussion of this question at this stage merely academic.

155. There seems, therefore, to be adequate justification for equalising the minimum wages of decasualised and casual shore workers in Ports, where decasualisation schemes are in force. As regards the prescription of incremental scale for casual shore workers, the better course of action will be to keep the proportions continuously under review and to bring casual workers on to the permanent register to the extent possible.

156. A further point in respect of disparities may be noticed. The employment of casual labour is found necessary not only at the docks, where, although the operations are practically continuous there are variations in the day to day numbers of workers, but also in works of construction and ancillary organisations like workshops. Casual work which is expected to last only for a specified duration should be distinguished from casual work in an essentially continuous occupation. It is the latter that constitutes the most striking peculiarity of dock work and it is not therefore, surprising that the term ‘casual work’ in the Port transport industry has generally come to be applied to casual dock workers.

157. All the Ports have construction works in hand, but no daily rated casual worker, it is stated, is being employed in Bombay. In Calcutta, apparently, all workcharged establishment are on a regular basis; information furnished indicates that a few casual labourers are being employed on contract basis in the Chief Mechanical Engineer’s Department and at a rate of Rs. 2/- per day in the Stores Department. In

Madras, Cochin and Vizagapatam, artisan staff are employed on casual basis in the Engineering Departments. The rates paid for a few representative categories are shown in the statement below :

TABLE LVI

	Madras	Cochin	Vizagapatam
Carpenter	3-00	2-84	2-50
Painter	2-50	2-69	2-25
Cooly Mazdoor	2-00	2-50	1-50

158. The wages earned by a casual worker, if he happens to secure employment for a month, are compared with the emoluments of a regular monthly paid worker in the statement below :

TABLE LVII

	Casual Worker (Daily rates multiplied by 26)	Monthly paid staff (Monthly emoluments)
	Rs.	Rs.
<i>Madras :</i>		
Carpenter	78	83
Painter	65	83
Mazdoor	52	78

TABLE LVIII

	Casual Worker (Daily rates multiplied by 26)	Monthly paid staff (Monthly emoluments)
	Rs.	Rs.
<i>Cochin :</i>		
Carpenter	73-84	87-00
Painter	72-94	82-00
Mazdoor	65-00	75-00

TABLE LIX

	Casual Worker (Daily rates multiplied by 26)	Monthly paid staff (Monthly emoluments)
	Rs.	Rs.
<i>Vizagapatam :</i>		
Carpenter	65-00	117-00
Painter	58-56	82-00
Mazdoor	39-00	75-00

It will be seen from the above statement that the disparity between the casual and regular staff increases for unskilled labourers, of whom there is an abundance in most of the port areas.

159. In the Ports of Cochin and Visakhapatnam, the terms of employment of casual labour are regulated by the orders issued by Government, according to which the labour should be recruited at current local market rates and no dearness, compensatory and other allowances should be paid to them. As far as construction works are concerned the Minimum Wages Act, 1948 applies to labour employed there. The relevant notification, however, has issued only in respect of Cochin, which explains the disparity between Visakhapatnam and other Ports. This, however, is a question that pertains more to the working of the Minimum Wages Act and is not confined to Ports alone.

Financial Aspect

160. Among the three Ports where Departmental Schemes for Shore Workers are now in force, only Calcutta Port has given an actual estimate, even though approximate, of the extra expenditure that will result on account of the additions to the decasualised labour force. In another connection, however, it was estimated by Bombay Port Trust that an increase in the cadre of cart and wagon unloaders from 150 to 200 men and an increase in the cadre of Baroots from 124 to 218 men with a corresponding increase in the strength of the 'A' category workers from 2,557 to 2,701 men would involve a financial expenditure of Rs. 2.6 lakhs. This, however, appears to be an over estimate in view of the Calcutta estimate that an increase in the permanent strength of 2,300 men will only involve an expenditure of Rs. 8.5 lakhs which sum will be reduced to Rs. 4.25 lakhs on the introduction of the datum scheme. The Model Scheme does not envisage complete decasualisation but the division of the total strength calculated by ascertaining the average attendance figure for the past five years, with an addition of 20 per cent thereto on account of leave reserves and absenteeism and placing of the 75 per cent of the gross total thus obtained in the Permanent Register. Detailed information regarding attendance over such a long period is, however, not readily available. The figures of attendance as have been furnished by the Ports of Bombay and Madras emphasise the inherent variations, from time to time, of the number of workers engaged in shore work in the Ports.

161. It is, therefore, difficult to make any rational assumption regarding the exact proportion of the average employment of casual labour to the average employment of permanent labour. For a rough and ready estimate, it has been assumed that the proportion will vary between one-fourth the number of shifts to one-third the number of shifts, and might conceivably rise up to half, with the increasing tempo of activities in Ports during the period of the Second Five Year Plan. It has been stated that

in Calcutta the addition of 2,300 casual workers to the Permanent Register will entail an additional expenditure of Rs. 8.5 lakhs. Taking this proportion as the standard, the additional financial implications in all the Ports have been estimated, very broadly, to lie between Rs. 7 lakhs and Rs. 9 lakhs with a possible ceiling of Rs. 14 lakhs if employment for half the number of shifts for all casual workers can be achieved. Apportioned between the individual ports, the figures will be ;

TABLE LX

					(Rs. in lakhs)		
					1/4th Em- ployment	1/3rd Em- ployment	1/2nd Employment
Calcutta	..	..	..	..	2.5	3.4	5.0
Bombay	..	..	..	..	3.5	4.7	7.0
Madras	..	..	..	..	1.0	1.3	2.0

162. As far as the other two Major Ports of Cochin and Visakhapatnam are concerned, in view of the labour being contractual labour and the information regarding labour employed on shore work being very meagre, it has not been found possible to work out the financial implications of the introduction of Departmental Decasualisation in accordance with the terms of the Model Scheme in those Ports.

163. It will also be interesting to compare these additional financial commitments with the present scale of expenditure on shore labour establishment in the three Major Ports of Bombay, Calcutta and Madras. The statement below gives the expenditure on shore labour in those Ports in 1955-56.

TABLE LXI

							Rs.
Calcutta	..	..	..	..	..	..	1.03 crores
Bombay	..	..	..	..	..	..	80.66 lakhs
Madras	..	..	..	..	..	..	11.43 lakhs

Summary of Recommendations

164. The conclusions and recommendations are summed up as follows :

(i) The Ports should make every endeavour to keep contract labour below 25 per cent of the total strength of shore labour.

(ii) Steps should be taken to approximate the wages paid to contractors' labour on the same basis and at the same rates as those paid to Port labour.

(iii) In assessing the required strength of Shore labour the following should be regarded as relevant factors :

- (a) volume of trade and its variations;
- (b) types of cargo to be handled;

- (c) availability of mechanical aids;
- (d) the rate of output of labour; and
- (e) general working conditions.

(iv) The minimum Labour strength shall be calculated by taking the average daily attendance figures of permanent as well as of casual workers in the last five years; the average daily figures shall be increased by 20 per cent to provide for absenteeism and leave reserves; 75 per cent of the gross total thus obtained shall be the number of workers to be included in the Permanent Register; the remaining 25 per cent shall be the number of workers to be included in the Temporary Register.

(v) Peak requirements will be met by the employment of non-registered labour on the recommendations of Registration Committee provided that the period of their engagement shall not exceed three months and that the total number so engaged shall not exceed 10 per cent of the strength of the Temporary Register.

(vi) Port administrations may examine whether action should not be initiated through the Registration Committee or special agencies of the collection of statistics for further investigation with a view to facilitate the proper allocation of heavy and light work among the workers.

(vii) The registered labour shall consist only of two categories, Permanent and Temporary.

(viii) Two registers shall be maintained one each for the permanent and Temporary categories; within each category the names of the workers shall be entered in the strict order of seniority. The register should contain information regarding the name of the worker, his address, date of entry into service, the scale of pay and all such information which may be necessary for the retention, promotion or when called for removal of the name of the worker from the register.

(ix) Workers in the Temporary Register should serve as a reservoir to fill up vacancies in the Permanent Register.

(x) Both categories of workers shall be entitled to the payment of attendance money, the benefits of Workmen's Compensation Act, medical assistance, housing facilities, weekly days of rest, etc.

(xi) Workers on the Permanent Register will be entitled to the benefit of Provident Fund, Special Contribution, leave, holidays etc. under the rules and regulations applicable to the permanent staff of the Ports.

(xii) The worker will be liable to undertake any kind of work included in the expression 'shore work'.

(xiii) A Registration Committee should be formed of three members, one representative each of shore labour and of shipowners with the Chairman of the Port Trust or the Administrator of the Port as Chairman, the

Committee shall have power to co-opt the Regional Labour Commissioner or the Traffic Manager for expert advice and assistance.

(xiv) The Registration Committee shall screen all entrants and classify them according to the registers, go into the question of labour rendered surplus after decasualisation and be responsible for periodic revisions and adjustments of the register.

(xv) Where there is sufficient work for both categories the work on the third shift should be shared between them on a strict principle of rotation.

(xvi) Attendance money for temporary workers should be the same as that for permanent workers and preferably at annas 12 a day.

(xvii) The constitution of a gang shall be in accordance with the existing practice in the Port; there should be a differential in the payment made to the head of the gang who directs the work and the labour who works under his direction.

(xviii) Seniority, merit and fitness as well as past services should be the basis for promotion as leader of the gang.

(xix) The central call stand should be so located as to enable workers to reach the place of work before the shift is due to begin.

(xx) Where there are more than one call stand there should be telephonic communication between stands and transport arrangements to carry labour from one stand to other.

(xxi) The conditions of the call stands for Shore workers require considerable improvement and should conform to the standard laid down for stevedore workers by the Dock Workers (Regulation of Employment) Enquiry Committee Report, 1955.

(xxii) The normal age of retirement should be 55 years with the option to the Ports to retain workers who are physically fit upto the age of 60 years.

(xxiii) The Ports shall examine the possibility of reducing the number of attendances at call stands particularly by permanent workers.

(xxiv) The minimum wages of decasualised and casual shore workers in Ports should be equalised.

(xxv) No incremental scale for casual shore workers appear necessary, the better course of action will be to keep the proportion continuously under review to bring the casual workers on to the Permanent Register to the extent possible.

(xxvi) In the present conditions a higher rate for stevedore work seems to be inevitable; but without seeking to anticipate the conclusions of the Tripartite Committee, which is going into the question of introduction of piece work rates, it can be reasonably assumed that the differentials between the wages of stevedore and shore labour will be further narrowed down.

(xxvii) A Model Scheme for direct employment of shore labour has been framed for adoption by the Ports.

(xxviii) The Major Ports should consider the possibility of working out suitable schemes of transfer agreements with the Minor Ports on a selective basis.

(xxix) Casual labour rendered surplus must be given preference over fresh labour for enrolment in the Temporary Register.

CHAPTER V

TURN-ROUND OF SHIPPING AND OTHER CONNECTED MATTERS

Following the assurance given at the time the Terms of Reference were finalised that other connected matters could be included in the enquiry if, during the course of the investigation, it was felt that such a step would be of advantage, a number of points have been raised by the representatives of Labour, shipowners, stevedores and others interested in the efficient working of the Major Ports. Attention has been drawn, in the Memoranda and material received from different sources and in the course of discussions as well as during visits to the Ports, to numerous matters some of which, relating as they do to Port and Dock work as affecting the speedy and efficient turn-round of shipping, the basic justification for the maintenance and operation of a Port, are relevant to the present enquiry. Prominent among these are such questions as the detention of ships, output of labour, congestion in the docks, sheds and wharves, mechanisation and Labour's attitude, use of all possible means of transport, movement of goods, improvement of Port services and installations, clearance through customs, work studies, the training of workers and similar matters.

2. There has been considerable difference of opinion in regard to the various matters raised in connection with the turn-round of shipping. The view expressed on behalf of shipowners and other employers is briefly that the detention of ships is mainly due to low output of labour, while the representatives of labour attribute the delay in clearance of ships to poor working conditions and various other difficulties. Among these, as also agreed by representatives of shipowners, are the congestion in docks, sheds and wharves, insufficient supply of suitable wagons, lack of rail, road and other transport facilities, etc. References have also been made to improvement of lighterage, diversion of ships to less congested Major or Minor Ports, forward planning for bulk cargoes and mechanisation; on the last item, while shipping representatives have favoured large scale use of mechanical aids, labour are opposed to installation of appliances and equipment likely to displace workers, but have no objection to such appliances as will reduce fatigue and make handling easier.

Detention of Ships

3. The turn-round of shipping in Major Ports has been a matter of concern for some time. Trade fluctuations, international developments and a variety of other factors influence the arrival and departure of ships. If a Port is to function properly and continuously, it must have a margin of capacity to enable it to meet sudden or seasonal increase in traffic without congestion.

Overall Capacity of Major Ports

4. The volume and nature of trade and the variations in the total tonnages of the Ports and in those actually handled at the docks, have been explained in detail in Chapter IV. From the figures noted earlier, it can hardly be said that our Major Ports do not have a cushion or reserve capacity. Taking all the six Ports, the total capacity is 24.31 million tons. On the completion of the works in progress by February 1958, an additional total capacity of 6.7 million tons will have been added. The total capacity early next year will, therefore, be 31.06 million tons. As it is, excluding mineral oil discharged or shipped at special terminals and cargo unloaded or loaded at Bunders and inland wharves, overside and in stream, the total dockside cargo of all the Major Ports handled in 1955-56 did not amount to more than 14 million tons, about 10 million tons below the present overall capacity. That the total incoming and outgoing cargo has been within the capacity of individual Ports is illustrated by the following for 1955-56:

TABLE LXII

					Overall capacity	Port tonnage	Dockside tonnage
Bombay	..	..	..	..	10,880,000	10,306,000	4,497,678
Calcutta	..	..	..	..	7,580,000	8,030,735	4,482,568
Madras	..	..	..	..	2,580,000	2,461,611	(2,346,030)
Visakhapatnam	..	..	..	..	1,580,000	1,323,054	(1,323,054)
Cochin	..	..	..	..	1,290,000	1,608,687	(954,902)
Kandla	..	..	..	..	300,000	307,902	(307,902)
					24,310,000	24,037,989	13,912,134

It will be recalled that, as in Calcutta and Bombay, some cargo is cleared at the other Ports also outside the docks and overside; the figures in brackets against Madras and Cochin indicate the extent of dockside cargo after deducting only the overside clearances from the Port tonnages and may, in actual fact, be still lower. As regards Visakhapatnam and Kandla, in the absence of data about the extent of overside clearance, the figures shown in brackets are the same as the Ports' tonnages. The overall capacity of each Port has been based on a study of the peak figures of tonnages handled by the

Ports as explained in Chapter I, paragraph 64; the overall figure noted for Kandla in the above table is the same and has been roughly put at 300,000.

Reports from Ports

5. During the six months ending 31st July, 1957 the number of ships that had to wait for berths at the principal Major Ports, were, compared with the arrivals, as follows :

TABLE LXIII

	Total arrivals	Total waited for berths
Bombay	970	290
Calcutta	530	388
Madras	430	290

As many as 191 food vessels had arrived at the three Ports during this period; while some demurrage was incurred on a few ships, an appreciable number had a speedy turn-round with the result that they even earned a bonus in the form of 'despatch money' exceeding a total sum of Rs. 7½ lakhs. While a combination of unusual circumstances, particularly the closing and the re-opening of the Suez Canal, had led to the congestion in the first half of the current year, improvement was noticed by July-August 1957. According to reports received from the Ports, the number of ships waiting for berth on 3rd August 1957, were 29 in Bombay, 18 in Madras and 54 in Calcutta.

6. As regards the average number of days of detention of ships, as in the third week of July 1957, these were as follows :

TABLE LXIV

Bombay	5.2
Calcutta	5.2 (import vessels) 1.2 (Colliers)
Visakhapatnam	7.1
Madras	7.0
Cochin	0.8

The total number of vessels which entered the Ports during the week amounted to 117, out of which 46 were reported to have berthed without detention.

7. While the reports from the Ports refer to the average days of detention, which take into account all vessels entering the Ports, material received from shipping interests on Port conditions relate to the detention of individual ships. The information supplied for some weeks in March, April, and May, 1957, are summarised below :

TABLE LXV

March 25—31

BOMBAY : The extent of detention was 3 to 5 days; 7 ships for 3 days, 4 for 4 days and 1 for 5 days.

CALCUTTA : 3 ships were detained from 4 to 6 days, 4 from 10 to 13 days and 1 for 14 days. All these ships had general cargo, except one which was carrying wheat.

MADRAS : While 6 ships had to wait for less than a week, 1 each was detained for 8, 12, 14 and 18 days; the ship detained longest was carrying steel and the next was waiting to load ores.

April 15—21

BOMBAY : The detention in Bombay did not exceed 2 to 4 days, involving 8 ships.

CALCUTTA : The longest delays were of 10 and 11 days for 2 ships with general cargo and 5 to 7 days for 8 ships, 4 of which had brought foodgrains.

MADRAS : 2 ships were detained for 2 days and 1 for 5 days; the ships' cargo were phosphates and ores.

May 6—12

BOMBAY : While 1 ship was detained for 2 days, 10 ships had to wait from 5 to 7 days.

CALCUTTA : There were a number of detentions : 6 ships from 2 to 3 days, 2 for 9 days and 1 each for 11, 13, 14, 15, 18 and 20 days, all of which had general imports, only 1 ship carrying wheat.

MADRAS : 2 ships waited for 2 days and 5 from 3 to 7 days; 1 ship was detained for 10 days and another for 14 days.

8. Various other figures have also been furnished, but it is not necessary to refer to them as these also relate to periods of peak congestion. It may, however, be mentioned that in Calcutta ships have had to wait comparatively long periods at Sandheads before going up the river Hooghly; at one time, in July 1957, as many as 24 ships were waiting at Sandheads. The detention particularly affected ships carrying general cargo and steel imports and others waiting to load full cargoes of ores. At Visakhapatnam also, a number of ships have had to wait at the roads. According to one report, steel carrying ships and vessels loading ores at Visakhapatnam had to wait for over 30 days.

Output of Labour

9. As has been indicated in the preceding Chapter, the rate of output of labour has been a matter of much controversy. The views expressed have been noted in paragraphs 67 and 68 of Chapter IV and some idea has also been given of the tonnage per man per day shift on time rates and piece rates. So far as the turn-round of ships is concerned, figures have been received in regard to some instances of gang output per shift and the total number of days taken to load or unload. As it has been submitted on behalf of shipowners that the rate of output at the Ports has fallen considerably below the pre-War level, and this has seriously affected the turn-round of ships, the following comparative statement received from a shipping source will be of interest :

TABLE LXVI

				Tonnage discharged	Days taken for discharge	No. of gangs employed	Output per gang/per shift
1937-38							
<i>Import</i>							
March 1937 ..	..	..	..	2070	5	48	43.0/260.0
" " ..	..	..	..	4961	8	144	34.4/354.3
January 1938..	..	..	..	2370	5	50	47.4/338.5
<i>Export</i>							
November 1937	..	..	..	9685	7	210	39.2/647.6
June 1938 ..	..	..	..	5460	11	148	36.9/321.2
1956							
<i>Import</i>							
March 1956 ..	..	..	..	2472	10	206	12.0/91.5
April 1956 ..	..	..	..	2148	11	101	21.2/107.4
May 1956 ..	..	..	..	3002	10	212	14.1/120.0
<i>Export</i>							
April 1956 ..	..	..	..	3548	14	303	17.4/142.0
July 1956 ..	..	..	..	7890	21	419	19.0/168.0

10. The above figures are illuminating and though much leeway has to be made up in the matter of improving output, it would not be reasonable to attribute the frequent congestion in the Ports solely to the low output of labour. Piece rate schemes in Bombay have resulted in some increase in output and similar improvement may be expected at the other Ports when these are introduced there for shore work. While the Ports consider that long term remedies lie in the expansion of berthing capacity, it is generally recognised that short term measures such as the increase of overside discharge by more lighters, the procurement of additional mechanical appliances, the reduction of free days allowed to importers for the clearance of cargoes, higher demurrage charges for uncleared cargo, the greater utilisation of Minor Ports, the staggering of Government imports and the gearing up of administrative and technical set up are among the steps required to improve the position.

11. Various suggestions have been made to reduce the detention of ships and special stress has been laid on the encouragement of alternative means of transport so that there is no congestion in the docks, sheds and warehouses. These will be discussed in detail in due course, with particular reference to rail, road inland, waterways and coastal traffic. What is specially important is to regulate the flow of cargo in and out of the docks. This cannot, however, be achieved by unilateral action by the Port administrations and calls for the co-operation of all interests concerned. This may also require a certain conformity to discipline which may be regarded as irksome, though difficulties of individual consignees should special considerations.

12. It would not be proper to minimise in any way the extra cost and wastefulness of congestion in a Port. It is probable that some of the congestion is unavoidable in certain circumstances; this is particularly true of the aftermath of strikes or 'go-slow' practices which inevitably lead to a subsequent rush of traffic to clear. Congestion may also result from other circumstances as when foreign shippers, anticipating import restrictions, send out in a hurry as many consignments as possible in the hope that the goods might be cleared at the receiving end, on the plea that these had been ordered long before the restrictions were announced.

Bulk Cargoes

13. The discussions with shipping interests have specially focussed attention on the problem of bulk cargoes. These are mainly Government imports. The total imports of foodgrains in 1956, amounted to 1.42 million tons; 1.70 million tons were imported in the first half of 1957 and about 2.04 million tons are expected in the second half of the year, making a total of 3,748,000 tons. The bulk of the foodgrains are discharged at the Major Ports; a number of Minor Ports such as Navlakhi, Bhavnagar and Okha on the Saurashtra coast, Alleppey, Kozhikode, Quilon and Trivandrum on the Malabar coast and Tuticorin, Nagapattinam, Cuddalore and Kakinada on the Coromandal coast are already being utilised whenever possible, though most of these Ports are not conveniently situated from the point of view of onward transport to the consuming areas.

14. The distribution of wheat is likely to be more or less equally divided between the East and the West coast Ports, though in the first half of the current year, 100 out of 176 ships carried wheat to the East coast Ports and the remaining 76 to the West coast. The main Port of discharge on the West coast will continue to be Bombay, while one or two ships per month may be routed to Kandla or nearby Ports. In the East coast, while the primary consumer area is Calcutta and its vicinity, the Port itself cannot take in ships of more than 8,000 tons; the result is that ships have to be lightened at Madras and Visakhapatnam. There is a proposal that Kakinada may also be utilised for such purposes. As Northern India is the consumer area for wheat, imports at the Southern Ports will have to be carried all the way upcountry. Rice is principally consigned to Calcutta, Madras and Cochin, the main consuming areas; in any event, rice is not received in bulk but is already bagged.

15. Foodgrains are discharged in bulk at the docks in Bombay. All handling ashore is done by Food Ministry's clearance contractors in Bombay; the documentation is also undertaken by them or the Regional Directors. Labour for loading into lorries or Railway wagons and weighment are contractor's labour; in Calcutta and Madras the loading into wagons is done by Departmental labour. Direct delivery from the docks has become an exception after decontrol; flour mills occasionally take delivery *ex-docks* at Bombay

and Calcutta. The number of workers engaged per shift is roughly 50 to 80. The contractors' labour consists mainly of stitchers and sweepers, while stevedore labour bag the cargo in the holds at Calcutta, Madras and Visakhapatnam.

16. In view of the congestion which inevitably follows the arrival of a large number of food ships, which naturally received priority in clearance, it has been urged that there should be routing of such traffic and that there should also be forward planning to avoid unnecessary bunching at individual Ports. The diversion of bulk cargo to Minor Ports has presented some difficulties. The Saurashtra Ports are served only by metre gauge Railways; the areas around are self-sufficient in food and unless the discharged cargo is moved out immediately, storage becomes difficult, the total storage capacity of these Ports being only 45,000 tons. Further, at Okha there are no covered sheds and the discharge of large quantities will be at the risk of damage by rain. Further, steamers carrying over 8,000 tons will have to be lightened in stream. The Minor Ports of the Malabar Coast are not all-weather Ports; here also the total storage capacity is only 26,000 tons, though as much as 49,923 tons were discharged at these Ports in the pre-monsoon months of 1957. So far as the East coast Ports are concerned, only Tuticorin has been utilised for the discharge of foodgrains; the other Ports, however, receive cargoes of fertilizers. It is thus apparent that steps have already been taken to make use of Minor Ports and if the various transport facilities for the onward movements of such cargo are improved, as suggested later in this Chapter, the position is sure to ease considerably.

Mineral Ores

17. The clearance of iron and steel and the loading of mineral ores, which are important items of imports and exports in the Second Five Year Plan period, have also raised certain problems. The State Trading Corporation has planned to export about 2.5 million tons of iron ore in 1957. The contracts for export have been made after ascertaining the extent to which Railway wagons would be available for the movement of ores, through different sections, to the various Ports. The obligations, however, cannot be met if the Railways and the Ports are unable to handle the traffic. As regards the shipments planned from the various Ports, 1.1 million tons are to be exported from Calcutta; it was hoped that some quantities could be shipped through Kakinada and Masulipatam but this has not been possible. The waiting period in Calcutta of 10 to 12 days has made the position somewhat serious as delays involve the payment of demurrage. Calcutta is ideally situated, but the present facilities offered by the Port for the export of iron ore are, according to the Corporation, only sufficient for the shipment of about 600,000 tons a year. Some relief has been available by the reservation of special berths.

18. The position at Visakhapatnam is worse, the waiting periods for ships being over one month in certain cases. Two berths have been reserved

for the handling of manganese ore, but the loading of iron ore has to take its turn with general cargo. It is doubtful whether the target of 150,000 tons of iron ore export through this Port will be reached. According to the Corporation, the reservation of another berth for iron on an adjoining plot for dumping together with a sufficient number of lighters and barges, might meet the requirements. A particular handicap at this Port is that no night navigation is possible. In Madras, through which the Corporation has earmarked the export of 345,000 tons of iron ore and 135,000 tons of manganese, no separate berth is reserved for mineral ores and no priority is given to the vessels. The waiting period is sometimes even 28 days. Of the new berths under construction one may be reserved for mineral ores, but these are not now expected to be ready till the end of 1958. The handling capacity of Cochin Port has not, however, been fully utilised; if there are more Railway and weighing facilities, the Port can receive more ships as the requisite draught, berths, barges and stacking places are already available and can deal with 200,000 tons of iron and manganese ores.

19. Bombay which is expected to handle the export of 850,000 tons of ore needs more locomotives and wagons, regular services from the hinterland to carry ores to the Port and facilities for goods trucks to come from the manganese dumps to the quay. The chronic congestion in the Port makes matters more difficult. The alternative is to utilise the Minor Ports of Karwar, Tadri, Honavar, Bhatkal and Malpe, which the Corporation have in view, but these cannot be of much use until rail or road communications are available. The Port of Kandla is still a development Project and does not have weighing facilities, but it is close to Rajasthan, a source of iron ore and can render more economical service.

20. The above gives a full picture of the difficulties experienced in the shipment of bulk cargoes of important Government imports and exports of foodgrains and mineral ores.

Forward Planning

21. It will be apparent from the details noted above that unless proper arrangements on a coordinated basis are made in advance difficulties will continue. It has been estimated by a representative of shipping interests that in the next few years 80 per cent, of the inward cargo will be Government imports; it has, therefore, been suggested that steps should be taken at the highest level to arrange for the routing of such shipments not only as between the Major Ports but also to Minor Ports where they can be cleared overside into lighters. For this, however, it has been stressed, there must be forward planning at all levels and continuous supervision of its implementation.

22. The need for detailed planning over a definite period in an under-developed country has been stressed in the First Five Year Plan.

It has been emphasised that "while there is need for concentrating effort on the more immediate problems, planning implies the readiness on the part of the community to view the social process as one whole and to take action designed to shape this process along desired lines for a definite period." ¹ Planning as an approach to a rational solution of problems has been accepted. Difficulties may of course arise when policies change or targets are not reached in time. In the matter of foodgrains, the Ports, following the announcement in June, 1949 of complete self-sufficiency by 1951, could hardly envisage and be prepared to deal with foodgrain imports of the present dimensions. With regard to exports, planning can bear excellent results and eliminate congestion at Ports if there is full coordination between all concerned. The routing of traffic should be possible provided there is forward planning based on precise data.

Routing of Traffic

23. An important method of avoiding bunching of ships at the Ports, leading to inevitable delays in loading and unloading, would be the diversion of traffic. A common reason for congestion is the tendency for traffic to concentrate in a few Ports. This is by no means peculiar to India. The Report of the Working Party on the Turn-Round of Shipping in the United Kingdom is of particular significance in this connection :—

"The tendency of traffic to concentrate on some ports, while facilities in others are not fully used, merits attention. The factors which determine the ports through which particular traffic moves are too complex to permit of any simple judgement on this trend. We consider, however, in view of the fact some ports are working under handicaps and that there is an urgent necessity for reducing the time spent by ships in ports, pressure could be relieved if the burden of traffic through the ports was more widely spread. It is impracticable for us to make any specific recommendation on the method of achieving this result, for the conditions affecting different traffics will vary widely according to source or destination, inland transport facilities, experience and equipment in particular ports, shipping services available and the incidence of cost. Nevertheless we commend to the consideration of shipowners, and of the major importers and exporters, the possibility of saving time by the greater use of ports not at present working to full capacity".²

24. As a substantial portion of the imports particularly of bulk cargo are on Government account, and orders are invariably placed in advance, it should not be difficult to arrange for the routing of ships to different Ports

¹First Five year Plan, Chapter 1, page 7.

²Report of the Working Party on Turn Round of Shipping in the United Kingdom Ports, Ministry of Transport, London, H.W.S.O. 1948.

according to a phased programme. The State Trading Corporation have already given much thought to the routing of their exports of mineral ores and other commodities through all available Ports nearest to the sources of supply. A similar approach in regard to the imports of large quantities of foodgrains, iron and steel, machinery, etc. by landing such goods at Ports nearest to the destinations will be an important method of solving the problem of congestion. For this however it is essential to have adequate information about end-use and destination, as also about the facilities available at the Ports for the handling, storage and onward despatch of such cargo. It was the practice, in the earlier days of Import control, to mark import licences with the name of Port of destination; this was done with a view to conserve shipping space and make the best possible use of rail or road transport services. If a similar procedure is now followed, it should not only relieve the burden of some of our Ports and the Railways, but also ensure quicker distribution to the end-use area. It will be noticed that even in the U.K., the possibility of saving time by the greater use of Ports not working to full capacity has been specially commended to shipowners and Major exporters and importers. In any case, it seems desirable to make a beginning with forward planning and routing of traffic in respect of Government imports.

25. It is essential for the success of any routing of traffic to Ports that there should be complete coordination of sea transport with all other forms of transport. The present tendency is to depend almost entirely on Rail transport and this has led to frequent bottlenecks at the docks and held up the turn-round of shipping and the progress of cargo handling operations. The representatives of both Shipowners and Labour have emphasised the importance of a closely integrated transport system for the movement of all goods to and from the Major Ports. They have laid special stress on the adequate provision of lighterage, and rail, road and waterway services. These are discussed below, in some detail, to the extent they have a bearing on Port and Dock work. Further points raised in regard to congestion in sheds and warehouses, the provision of mechanical aids, and other matters will be dealt with later.

Lighterage

26. There can be no doubt that the more extensive use of lighters will be an effective solution of the problem of congestion in the Ports. At present one of the main reasons for the delays in the turn-round of ships is their inability to secure berths for loading or unloading their cargo. Lighters or barges were of course an important feature of older Ports, but large and well-equipped modern Ports have found their employment of considerable advantage. Even when a ship is actually berthed and cargo handling operations start according to the usual practice, lighters brought alongside a ship on the side away from the dock, can accelerate the process of turn-round by carrying on

loading or unloading, with the help of the ships' gear or floating cranes, in addition to that going on at the berth. Further, an appreciable number of ships can be cleared, by means of lighters, in midstream, thus saving not only berthing space but also considerable time and labour.

Extent of Use in Foreign Ports

27. Lighter traffic is an important feature of a number of foreign Ports. At New York, the geographical layout is such that the ships are mainly dealt with at the Port on Manhattan Island, whereas the Railway termini and consuming centres are largely across the water, especially on the New Jersey side. Lighters, therefore, are widely employed to transfer goods overside from the ship or to the ship. Before the last war, it was estimated that 65% goods were handled in this way.¹

28. At London the widespread use of lighters is characteristic. This is generally ascribed to the existence of a Free Water Clause in the Charter of the Port of London Authority, representing a concession to long-established water-side interest, going back to the days before the construction of enclosed Wet docks. According to this Clause, barges may enter and leave the Wet docks without payment of dues as long as they are going to a vessel to deliver goods or receive goods overside without touching the quay.

29. At Rotterdam, another great Port which has probably the best record in the matter of speedy turn-round of shipping, there is an enormous lighter traffic. The Port, which is an outstanding example of a transshipment Port, has, of course, direct connections with destinations up the Rhine and a great deal of the bulk cargo can thus be handled more effectively by lighterage. The Port is also connected with a network of canals and the importance of lighter traffic for this Port can thus be readily understood. Ships moor at buoys in extensive basins and discharge their goods, a substantial portion of which are ores and grain, into these river barges, which then proceed to their destinations. Coal is loaded directly from barges. At Rotterdam 90% of inward traffic is transferred to lighters and river craft for destinations deep in the heart of Europe. Waterway traffic is dealt with in a similar way, though on a similar scale at Antwerp, Amsterdam and Hamburg.²

30. The conveyance of cargo by barges continues to be the most important method of distribution within the Port of London. The number of barges registered for the purpose exceed 7,000; it was estimated in 1951 that 70 per cent. of the overseas imports dealt with in the docks were conveyed from the ship by barges to wharves, Railway depots and factories, while 50 per cent. of the overseas exports were conveyed by barges.³

31. Among Asian Ports, Colombo offers a number of attractions. Besides docks and jetties, the Port provides 36 to 40 mooring berths, varying

✓ 1 Port Studies by B. Cunningham, page 33.

2 Ports and Harbours by F. W. Morgan, London, 1952, page 69

3 Review of Trade Harbours, Report by Docks and Inland Waterways Executive, British Transport Commission, page 42.

with the south-west and north-west monsoons, for vessels upto 34 ft. draught; when there is congestion, intervening berths are provided between the mooring berths, increasing the berthing capacity of the harbour by 10 more berths. There are also several berths for smaller vessels along the eastern and western side of the harbour. There is extensive use of lighterage, about 80 per cent. of the total handling of cargo taking place in stream.

32. There is another excellent example of the effective use of lighters at an Asian Port with which India has had close connections. More recent information about the Port of Rangoon is not available, but in the pre-War period it carried the largest share of the country's foreign trade. Situated at an important junction of rail, road, inland water and ocean routes, it has been one of the most important Ports of South-East Asia. Being 21 miles up the Rangoon river and requiring considerable dredging and river training to keep it navigable for medium and large sized vessels, Rangoon has a number of similarities with Calcutta. Here also particularly skilful navigation is required at Hastings Sands, as at Sandheads for the approach to Calcutta, and ships have generally to wait for favourable tides to enter or leave the harbour. At the beginning of the last War, the Port had a number of docks, with well equipped wharves, steam, hydraulic and electric cranes and other appliances, and rail connections leading right up to the sheds and docks; ships up to 29 ft. draught could berth without difficulty. In 1930—40, when the freight handled amounted to more than 5 million tons, two-thirds of Rangoon's sea-borne trade did not pass over the wharves; it was handled by 860 lighters, and loaded on to vessels which saved Port fees by anchoring in stream.¹

Present position in Major Ports

33. Remarkable enough, there is comparatively little overside clearance in Bombay even though there have been periods of acute congestion at the docks. The total import and export tonnage shown as overside in 1955-56 was only 96,800 out of a total tonnage of 10,306,000. There is not much overside clearance at Madras either; as against the total tonnage of 2,461,611 in 1955-56, the overside cargo amounted to 115,581 tons.

34. It is, of course, too early to expect any appreciable amount of overside loading or discharge at Kandla, but it may be mentioned that in the construction of this Port a special provision has been made for a lighter basin equipped with sheds, cranes, rail tracks etc. for clearance of cargo by lighters and other small craft.

35. The Port authorities were requested to intimate separately the number of workers employed solely on lighters and on dock *cum* lighterage work for loading and unloading and to give an estimate of the number of workers engaged by private agencies in lighterage work. An enquiry was also made at Cochin Port to collect information about the tonnage of cargo

¹Burmese Economic Life by J.R. Andrus, Stanford University Press, 1953, page 298.

lightered during the last three years, the average distances carried by lighter craft of a ton of cargo, Port dues collected from such craft and particulars of payments made to workers employed in lighterage.

36. The replies show that the number of workers employed by the Port administration in Madras solely on lighters for the loading and unloading of cargo is 300, besides 16 workers are engaged by private agencies in lighterage work. The Port maintains a lighter fleet of about a thousand tons, and a local firm has a small number of lighters of a total of about 200 tons. The lighters are hired out on requisition. The actual number of lighters at Madras, are according to the statement of shipping representatives only 25. At Visakhapatnam there are said to be 24 or 26 lighters, with capacities varying from 20 to 80 tons.

37. Cochin Port does not own any lighters nor does it undertake any lighterage work. There are, however, 300 serviceable lighters in use at the Port, owned by private parties and about 1,500 workers are required to handle them.

38. The Bombay Port also does not own lighters, but there are two organisations, the Bombay Lighterage Contractors' Association with about 80 lighters and the Padav Bazar Association who are said to have 150 lighters. The normal complement of crew for each lighter includes a Serang or Tindal and several Lascars; 1,380 workers, according to information supplied, man these lighters, but the actual number is believed to be much less. The lighters handle cargo to and from ships in stream as well as at the docks.

39. In Calcutta, lighterage is on a substantial scale. As has been pointed out earlier, over 2 million tons of cargo are handled overside. The Port Commissioners have 5 lighters which are utilised for unloading heavy lifts from incoming vessels. Each craft is in charge of a Serang with about 9 Lascars. The largest lighter also has a Tindal and a total of 15 Lascars. A very large number of workers, however, are employed by private agencies on lighters used for handling imports and exports of salt, gunnies, jute, coal, etc. Information collected by the Port Commissioners from the Bengal Chamber of Commerce and Industry shows that 7,500 to 8,000 workers are employed by contractors who are members of the Calcutta River Transport Association and 2,500 to 3,000 by non-member contractors. The total number of workers engaged in lighterage thus comes to 10,000 to 11,000. It has been made clear that this figure relates entirely to such lighterage crews as are only concerned with the loading or unloading of cargo on and from lighters. In addition to these, there are also workers employed by the jute mills for the loading of jute goods on to lighters. The total number of licensed cargo boats listed under the heading "Number of lighters" is 6,968, of which 2,106 are steel lighters with a total carrying capacity of 130,825 tons. The engines of a number of these lighters are in a poor condition and require replacement.

40. Considering the successful way in which lighters have been used in the Port of Calcutta for overside handling of cargo and the importance attached to lighterage in other important Ports, there is no adequate reason why this means of expediting the turn-round of ships in the harbour should not be utilised to a greater extent in other Major Ports, particularly in Bombay and Madras. There are indications that lighters can be particularly effective in the case of specialised cargo; for instance coal, sulphur and similar commodities, which in Port parlance are 'nuisance' cargo, are eminently suitable for such transport. In this connection it is important to ensure the speedy movement of lighters if congestion is to be avoided in stream; it has been stated that sometimes meter gauge locomotives are loaded into lighters and these are then kept waiting in stream with all the risk of sinking with such heavy loads. During a visit to Bombay Port, it was surprising to find that large quantities of sulphur had been landed on the dock itself and after these had been bagged and removed to one side for loading into wagons, bulk shipments of foodgrains were being discharged on the same dock, though there were still obvious traces of sulphur all over the place.

41. A visit to Cochin Port revealed that consignments of cashew-nuts and sulphur were loaded into ships from lighters. Cashew-nuts were an important item of export from Cochin. During the last three years, the overside clearance at Cochin has kept at a fairly steady level of about 40 to 45 per cent of the total tonnage. In 1955-56 overside cargo amounted to 753,785 tons, as compared with 854,912 tons on shore, out of a total Port tonnage of 1,608,687.

Effect on Ports Finances

42. A point which may have to be considered is the effect of clearance by lighters on the Ports' finances. In Madras Port, no separate charge is made for the use of lighters, which are freely lent on requisition for export work; any extra cost involved is already covered by the Port dues. It is possible that the increased use of lighters may lead to some reduction in Port dues, but in the paramount interest of a quick turn-round of shipping, this should not stand in the way of more lighterage facilities. In London, as has been stated earlier, there is in fact a Free Water Clause in the Charter of the Port Authority. A similar provision may well be made at our Ports.

Provision of Lighters by Port Administrations

43. A further point of importance is the provision of a sufficient number of lighters by the Port administrations. The recent congestion in Calcutta Port has revealed the danger of leaving such facilities mainly in the hands of boating contractors who may take advantage of the situation and levy undue charges in emergencies. If an adequate and well-equipped fleet of lighters is maintained by the Port authority and is made available on a reasonable charge, it will encourage the best possible use of this mode of transport. The State Trading Corporation has felt the need for the maintenance of such a fleet by the Port administration at Visakhapatnam where there are at

present about 24 to 26 lighters whose capacity varies from 20 to 80 tons. While it is not necessary to discourage private agencies who have so far utilised this means, the possibility of issuing special licences for lighters to bulk importers or exporters, as for instance the State Trading Corporation, should also be explored.

Availability of Basins and Transit sheds

44. At Madras loading and unloading are undertaken by means of lighters at different points in the harbour, depending upon the location of the transit shed to which the cargo is to be moved. Coal for bunkering purposes is carried by lighters and loaded at a concrete wharf in the boat basin. Timber imported is normally floated or carried by lighters to a timber pond from where it is lifted and stored in the timber yard served by both road and rail. In improving lighterage facilities at the other Ports, the importance of suitable basins, landing places, transit sheds and road and rail connections should also be borne in mind.

Port working of Lighter Traffic

45. The dictionary definition of the word 'lighter' is 'a large open boat used in loading and unloading ships'. Such craft may be self-propelled or may be dependent upon tugs. A considerable lighterage industry is frequently to be found at most modern Ports situated in industrial regions. Recent experience in Calcutta has shown that where there is congestion in the Port due to the arrival of an unusually large number of ships, the congestion is made worse by the attempt of a large number of lighters to load or unload many ships at the same time. It results in fact, to use a highway expression, in a 'traffic jam'. It will be recalled that the total number of lighters in Calcutta is more than eight thousand of which a substantial number are owned by the Port Commissioners. If lighters are to work alongside ships effectively, especially when such craft arrive in considerable numbers, the first pre-requisite is adequate width at the docks or river. There must be room for ocean-going vessels to lie comfortably at the berths on either side of the water area. There must be plenty of room between them for other ships to pass up and down; and there must also be enough water-room for the lighters themselves to moor and work in safety alongside the ships. If the turn-round of shipping is to be speeded up by the greater use of lighterage, as has been recommended above, it may be as well to bear in mind that in any future planning the dockside is designed in such a manner that a large vessel is held off from the dock wall by a neck of land, leaving sufficient water space on the inside for a number of lighters to berth. In practice, at foreign Ports, it is often found convenient for lighters to load from the quay at berths arranged opposite the spaces necessarily left between the transit sheds; the possibility of such an advantageous arrangement may also be considered in future plans. So far as craning is concerned, powerful quay cranes of great height are not normally necessary for lighter work, but as lighters are sometimes able to render excellent

service in the transportation of heavy, awkward, indivisible lifts, it is desirable that one or more lighter berths at each Port should be served or readily approached by a heavy lifting crane. Finally, in the Port working of lighter traffic, it is essential to ensure continuous co-operation between all concerned so that the right craft come alongside the ship at the right time, having due regard to the stowage of the ship and the availability of particular cargo; if this is lacking, congestion and delays will remain unsolved.

46. The organisational aspect of lighter traffic must also be stressed. As I can say from my own experience as Indian Supply Commissioner in London in 1945-46, it was largely the well organised lighterage services in the Port of London which enabled the Commission, faced with the problem of assisting shipments, to arrange for the prompt loading of urgent post-war requirements. The docks, sheds and warehouses in the Port had been badly damaged during the war and the movement of goods to the docks, owing to the lack of storage accommodation, was necessarily restricted. The lighterage services had such an excellent liaison system and so arranged by the Dock authorities that it greatly facilitated the export of a variety of goods by placing them directly on to the ships with the least possible delay.

Rail Transport

47. Under the Second Five Year Plan, the provision made for Railways cover rolling stock, locomotives, wagons, track renewals and line capacity works including the expansion of goods sheds. The provision of Rs. 380 crores for rolling stock included Rs. 183 crores for development and Rs. 197 crores for rehabilitation. In all the aim was to secure 2,258 locomotives and 107,247 wagons. The Plan provided for the renewal of 1,600 miles of track each year or a total of 8,000 miles over the entire Plan period; the line capacity was to be increased by the doubling of 1,607 miles of track and the conversion of 265 miles from metre gauge to broad gauge. Owing to the limitations of funds, the Plan did not provide for the construction of new lines to open up parts of the country at present unserved by the Railways; new lines could be constructed only when required for operational purposes and for new industrial projects.

48. The Plan had taken due cognisance of the need for more rail transport to meet increased production from various sectors with specific targets for agriculture, coal, mineral ores, iron and steel, cement, fertilizers, heavy and light machinery. While the Plan had kept these targets in view, it was recognised that there would be need for constant review and adjustments. In the light of the production targets, the additional goods traffic had been assessed at 60.8 million tons. It was felt that with the present allocation the Railways might not be able to carry all this traffic and fall short by 10 per cent in respect of rolling stock and 5 per cent in respect of line capacity.

49. On a conservative assessment of the anticipated volume of traffic during the Second Plan period, the estimated requirements of the Plan

amounted to Rs. 1,480 crores. As the allotment for the Railways eventually amounted Rs. 1,125 crores, the transport target for goods had also to be reduced to a total of 42 million tons as against the original figure 60.8 million tons. As it was important to maintain the movement of steel products and raw materials, the targets for other commodities had to be scaled down. An overall increase in efficiency to the extent of 10 per cent has, however, been planned in the utilisation of rolling stock to enable the maintenance of the movement target at as high a level as possible in spite of the reduced allotment.

50. The First Plan had provided for the handling of 10 per cent of additional traffic, but the increase in industrial production at the end of the third year, when the production index rose from 103.6 in 1952 to 134 in March, 1956, led to congestion of goods traffic. In the last two years, *i.e.* 1954—56, the Railways could carry a total of 115 million tons of goods, leaving a balance of about 10 million tons. Due to the reduced allotment, the carrying capacity has had to be modified to 47 million tons, 35 million tons for the public sector, 5 million tons for clearing the carry over from the First Plan Period, and 7 million tons for the private sector. It is now proposed to lay 850 miles of new lines for the movement of coal and steel traffic and electrify 800 miles instead of 1,600 as originally planned, reducing conversion schemes from 3,500 to 1,750 miles. The Railways, however, expect 10 percent improvement through better operation.

51. In the matter of meeting the requirements of foodgrains, iron and steel, machinery and similar imports, the Railways, contrary to what has been submitted in the course of discussions, cannot be said to have been complacent. Both before and since the present emergency, there has been readiness on their part to meet increasingly heavier demands on their resources not only by Government Departments but also by the private sector. It is probably true that the improvements hitherto made would have been fairly more extensive had not the foreign exchange position deteriorated to the extent it has. Now that the World Bank has accepted the proposals for the grant of a loan equivalent to \$90 million to finance the import of locomotives, rolling stock, spare parts and other equipments for the Railways it can be assumed, with some measure of confidence, that once consignments have been cleared from the ship and brought to the transit shed or warehouse, there will now be a greater chance of their being lifted and carried out of the Port by rail transport.

52. In view of the specialised nature of some of the bulk cargoes, however, it is desirable that the Railways should review the whole position in regard to wagonage in close consultation with the Port authorities and the Shipping and Trade interests. In the Second Plan period, we cannot afford to incur the risk of delay by continuing to use out of date and overaged wagons, which might have been good enough for ordinary slow-moving merchandise of the pre-Independence era, but hardly suitable for the

specialised types of our present import and export cargoes. In 1955-56 the percentage of overaged rolling stock to the total on the line was 18, 15 and 51.6 in respect of board gauge, metre gauge, and narrow gauge respectively. Available figures of Railway rolling-stock indicate that the supply of wagons had not kept pace with requirements but steps are being taken to improve the position as far as possible. During the year 1955-56, 10,518 broad gauge and 9,632 metre gauge wagons were placed on the line. Of these 1,129 broad gauge and 3,576 metre gauge wagons were imported from abroad. The actual number ordered were 20,722 broad gauge wagons and 14,846 metre gauge wagons.

Need for Special Types of Wagons

53. Much stress has been laid on the need for special types of wagons. Special wagons required for Port transport have to be mostly obtained from abroad. The number of special type wagons programmed for purchase during 1956—59 is of the order of 8,300; over 12,000 wagons will be on additional account in the programme for the Second Plan period and will include tank wagons, B.R.S. for balance of steel requirements and Bogie Opens for coal. Wagons specially constructed for carrying loads of exceptional dimensions or weights such as Bogie Hopper wagons and various other types of wagons for the carriage of bulk cargo are very necessary from the point of view of Port transport. The bulk imports of mineral oil including crude oil require a large number of tank wagons and they have necessarily figured prominently in the types of wagons programmed for 1956—59. The total number of petrol tank wagons exceeds, 2,500, that is, more than a fourth of the total additional programme. Another special type of wagon which takes up a large share of the programme are Bogie Opens for block movements of coal which account for about a seventh of the total. If the clearance of bulk cargo including heavy equipment, iron and steel and similar consignments from the docks is to be expedited, more attention will have to be paid to this aspect of the rolling stock programme.

54. Whereas on our Railways the general types of merchandise wagons form a large proportion of the total rolling stock, on the British Railways special types of wagons (mineral wagons, steel carrying wagons and other special wagons) constitute about 60 per cent as against 40 per cent of ordinary open and covered merchandise wagons. Out of a total of a little over a million wagons in 1954, more than half (594,652) were wagons for minerals, 45,584 steel carrying wagons and 2,360 other special wagons.¹ If the movement of our inward and outward shipments is to be accelerated, there seems to be a *prima facie* case for a drastic weeding out of old freight vehicles and for replacing them by wagons specially constructed for the conveyance of bulk cargo or loads of exceptional dimensions or weights as well as for smaller wagons for a wide variety of other specialised goods.

¹British Productivity Review, Freight Handling, 1956, page 15.

55. The representatives of Labour as well as the Port authorities have emphasised the importance of special types of wagons for the conveyance of different kinds of cargo. For instance, one Port is experiencing difficulties owing to the inadequacy of E.F. (End Folding) trucks for the removal of uncleared iron and steel cargo from the transit sheds to the storage dumps, and also due to the shortage of B.F.R. wagons for handling heavy imports of steel. E.F. wagons can also be used for the movement of ore.

56. The ability of the State Trading Corporation to meet the obligations will largely depend on the capacity of the Railways to handle the traffic in iron ore. In Calcutta the Corporation have requested the Port to release one of the coal berths for iron ore loading. Berth No. 21 which they have suggested is mechanised and can handle complete rakes. The Corporation intend to feed this berth with one complete rake everyday augmented by one complete rake every third day. This may be well within the capacity of the Railways, if they agree to assemble complete rakes of open wagons. In regard to Cochin Port, if more Railway transport is available, it should be possible for the State Trading Corporation to ship about 2 hundred thousand tons of iron and manganese ore from Mysore State.

57. As already indicated, the Railways in their programme have realised the need for more wagons. Besides the laying of new lines and of double tracks, provision has been made for additional wagons. But the actual provision for 1957 for types of wagons, other than those for general services, which may be required by the Ports is only 835 for the broad gauge and 380 for the metre gauge. This is not likely to be adequate. As the programme of the Railways is subject to review periodically, this aspect of the question will no doubt be considered in due course.

More Line Capacity

58. The Railway Plan for the laying of 850 miles of new lines has already been mentioned. In 1955-56, 132.18 miles of new lines were opened, while 581.73 new lines were under construction and new surveys were being made of about 1900 miles. The plan to lay more double tracks are also well under way. It is important to point out that for fast traffic to and from the Ports there is greater need for double and triple tracks. At present multiple tracks round the Major Ports are as follows :

TABLE LXVII

						Double track (in miles)	Triple and over track (in miles)
<i>Calcutta :</i>							
South Eastern Rly.	..	..	..	..	..	349.41	Nil
Eastern Rly.	..	..	..	..	..	805.88	124.28
<i>Bombay :</i>							
Western Rly.	..	..	..	..	..	269.44	19.43
Central Rly.	..	..	..	..	..	825.85	32.74
<i>Madras :</i>							
Southern Rly.	..	..	..	..	..	54.16*	19.26*

*Includes both Broad and Metre gauges.

In the year 1955-56, as a result of special measures taken for the intensive utilisation of available rolling stock there has been a substantial increase in goods traffic. In fact there has been a progressively upward trend in this respect as the following table will show :

TABLE LXVIII

Year								Tonnage carried (million)
1947-48	..	..	..	..	..	..	..	69·8
1950-51	..	..	..	..	..	..	..	91·4
1951-52	..	..	..	..	..	..	..	96·7
1952-53	..	..	..	..	..	..	..	97·1
1953-54	..	..	..	..	..	..	..	98·1
1954-55	..	..	..	..	..	..	..	105·8
1955-56	..	..	..	..	..	..	..	114·1
1956-57	..	..	..	..	..	..	..	126·0

In the last three years there has been a 40 per cent increase in goods traffic.

Removal of Difficulties of Booking

59. The Preferential Traffic Schedule which makes provision for the movement of raw materials and finished products for some basic industries is still in force. Special attention appears to have been paid to the movement of coal and general improvement in loading. The Railways have continued to operate block trains, that is, trains with full loads of commodities, originating from specific areas or stations.

60. Delays in booking have, however continued to occur. This is a matter which has come up before the Port Working Committee frequently and was also mentioned during the discussions as a cause of congestion in the sheds and warehouses. The Railways are fully aware of such difficulties. In order to facilitate easier booking for goods movement, over difficult routes and junctions, transshipment points have been increased. Movement over such routes are planned in advance and targets fixed for loading and other operations. As a result of these measures it has been possible to permit free booking on such routes. A significant fact is that large scale registrations were made for iron and manganese ore on the metre gauge of the Southern and Western Railways.

61. While the Railways are taking steps to solve difficulties in the transport of goods, a major need is the provision of double or triple tracks to Cochin Harbour terminus, as, in the absence of such traffic facilities, the Port is not being utilised to its full capacity. The laying of new lines or broad gauge lines to intermediate Ports which are not connected by rail

or do not have a broad gauge is also necessary if these Ports are to take over the excess cargo to relieve congestion in the Major Ports. The supply of special types of wagons for carrying cargo between the Major Ports and their hinterlands requires expeditious action.

Road Haulage

Competitive Nature of Road Transport

62. Progress in the development of transport facilities has always produced some rivalry between the established and the newer forms and the existing state of competition between rail and road is but a repetition of history. With the development of the Railways, the greatest proportion of the fast goods transport naturally gravitated to that channel except, of course, the short distance slow-moving carriage of goods by bullock carts which has continued to be the mainstay of our rural economy. There can, however, be no doubt that during the fifty years, from 1870's to the 1920's which may well be called the 'Railway era', the Railways reached a high standard of efficiency and contributed more than any other single agency to the building up of our State. Unfortunately, largely due to the fact that motor transport is highly competitive with rail transport, the progress of road haulage has been greatly retarded. Before the nationalisation of Railways, vested interests could successfully plead that, if unchecked, road competition would adversely affect the financial stability of the Railway Companies, but in the present stage of our development the desirability of securing the use of all available means of transport to the greatest advantage of the nation and of harmonizing conflicting interests, cannot be sufficiently emphasised. The Railways, having gone from strength to strength, have now become indispensable and represent the backbone of inland transport. Tracks are being doubled and tripled, branch lines and sidings have been constructed and rolling stock and locomotives are increasing in number and quality. The Railway system as a whole occupies a position of splendid and, apparently, unassailable security.

63. From the point of view of quicker turn-round of shipping, new forms of transport, particularly road haulage and river and canal navigation, are also required to be encouraged. Road Transport, if properly regulated, need not adversely compete with the Railways, but rather act as a feeder to them and take off them some of the burden which they are at present unable to carry. Shipping and Ports—the links between the sea and inland transport—must grow in importance if India is to attain economic prosperity.

Advantages of Motor Transport

64. In some ways, particularly over moderate distances, road haulage has an advantage over carriage of goods by rail. Though the Railways have made considerable progress, it cannot be said that there has really

been substantial improvement in the locomotive speed of goods trains, except on the more expensive Parcel Expresses, during the last forty years. Cross-country journeys by rail are often slow and usually involve changes, with long waits at Junctions; a direct route taken by a motor bus can be much quicker and even cheaper. If this be true of Passenger traffic, such advantages can also apply to the carriage of goods by motor trucks where direct routes are available.

65. The enjoyment of monopoly by a particular transport service invariably breathes an attitude of 'take it or leave it' and an insufficient appreciation of the reasonable requirement of the traders. There has been some criticism of the goods services of the Railways at the Ports by the shipping interests and the exporters and importers particularly in regard to bookings. Some element of road competition may in fact have some salutary effect and the Railways will then have to meet the requirements of the traders with promptitude if they are to retain their traffic.

Position in foreign countries

66. Road haulage in England has become specially popular in the case of general export cargoes, particularly, though not exclusively, those consigned to deep sea ships bound for distant destinations. The increase in the total tonnage of export traffic and of the proportion handled by road vehicles in the Port of London is illustrated by the following figures.

TABLE LXIX

Total Export Traffic:

1937	..	..	728,813 tons	Railborne	301,824	(41%)
				Roadborne	426,989	(59%)
1955	..	..	1,975,603 tons	Railborne	378,962	(19%)
				Roadborne	1,596,641	(81%)

Although the volume of goods coming to the Port by rail has increased by some 25%, road traffic has gone up by nearly 275%.

67. In another great Port of Liverpool, including Birkenhead, there has been an equally remarkable increase in the road vehicles for export cargoes. In 1947, the percentage of road traffic was 80.1 as against 19.9 by rail; by 1944, the road percentage had risen to 85.0 and the rail percentage had fallen to 15.0. It is interesting to note in this connection that British domestic freight transport is largely carried by road as compared to rail: figures available for 1952 show that 900 million tons were carried by road as against 300 million tons, including free-hauled traffic, by rail.

Increase in foreign Ports

68. It is also interesting to refer to the position in the Port of Genoa. Whereas the movement of goods by rail wagons in 1955 accounted

for 4,453,389 tons of cargo, including 3/4 million tons of coal and 1/4 million tons of mineral oil, movement by motor transport covered 2,474,620 tons, including 3/4 million tons of coal and about 1/3 million tons of mineral oil; the percentage by railway wagons works out to 38.2 and by motor transport to 21.3. The total mineral oil conveyed in 1955 was 4,267,483 tons of which 240,692 tons were by railway wagons, 705,740 by motor transport, and the rest by pipe lines. A comparative study of the movement by railway and motor transport over the last fifty years of this Port shows that there was no carriage of goods by motor trucks up to 1932. By 1940 it had dwindled down to half a million tons and was entirely stopped during the war years. Motor transport re-started in 1945; the total tonnage, as noted above, rose to 2,474,620 tons by 1955, the movement by rail transport has, since 1948, been more or less steady with about 4½ million tons.

69. It is said that three quarters of Inland transport in all advanced countries is done by roads.¹ So far as Ports are concerned an ever increasing proportion of cargo in foreign countries is brought or removed by road vehicles. The Port of New York Authority has estimated that 50 per cent of the ocean-borne cargo moved to and from New York Piers is carried by truck either for long-haul or short-haul transportation. At San Francisco, the figure is estimated at 70 per cent.²

Availability of highways and goods vehicles

70. One of the principal difficulties is the lack of an adequate network of roads capable of carrying inter-State goods traffic. Compared to other countries, our road mileage is inadequate. With a total length of about 247,000 miles, our average road mileage per square mile of area is 0.2 as compared with U.K.'s 2.0 and the U.S.A.'s 1.1. Of this again, the extent of metalled road is 121,000 miles which is expected to rise, after the Second Plan period, to 143,000 miles. According to a plan formulated in 1943, in a Conference of Chief Engineers convened by the Government of India and known as the 'Nagpur Plan', the target to be reached in 20 years was 400,000 miles of which National Highways would be 22,000 miles. On the Partition of the country, the target was reduced to 330,000 miles, including 6,000 miles of National Highways. There has been a progressive growth in the mileage of National Highways, which at the end of 1955-56 came to 12,946 miles. It is noteworthy that the National Highways were, *inter alia*, defined at the Nagpur Conference as "Highways" 'connecting Ports'. The total length of roads, included in the existing National Highway system is about 13,800 miles, including 900 miles expected to be constructed by the end of the Second Five Year Plan. Though, comparatively speaking, the total mileage is small, all the Major Ports, except Kandla and, to some extent, Cochin, are connected

¹Indian Roads Congress, 21st Session, Presidential Address, 12th May, 1957.

²The Impact of Motor Transport on Port Development in World Ports, 1955.

with their hinterlands by means of National Highways. Bombay, Calcutta and Madras are particularly well served by several National Highways. In any case, National Highway No. 7, running from Banaras to Cape Comorin through the middle of the country from north to south, provides a central route with which the other Highways traversing the breadth of the country are linked up at such convenient places as Nagpur, Hyderabad, Bangalore, and Salem. The composite Map* at the end of this Report will illustrate the convenience of this network for traffic to and from the Major Ports.

71. It should be pointed out that the Docks at most of the Ports, particularly the Major Ports, were originally built mainly for Railway feeder services and road connections as such were not thought of except for purposes of local transit. If advantage is to be taken of road haulage, steps will have to be taken to construct proper roadways to give access to the quays. There will also have to be careful coordination between rail and road traffic so that one means of transport does not get into the way of the other; an example of the present difficulties is a roadway in one of the Ports, which traverses three sets of Railway lines in less than two hundred yards.

72. While road communications to and from the Major Ports can be regarded as fairly satisfactory, the real handicap in the movement of shipments by road is the lack of a sufficient number of goods vehicles. Of the total of 94,000 trucks in March 1954, the number of trucks in the principal maritime States were as follows :

TABLE LXX

Bombay	..	..	..	..	..	..	..	15,060
West Bengal	..	..	..	..	..	..	..	19,295
Madras	..	..	..	..	..	..	..	8,356
Travancore-Cochin	..	..	..	..	..	..	..	2,131

As regards Kerala and Andhra, the numbers tabulated are 2,131 for Travancore-Cochin and 3,453 for Hyderabad; 1,622 trucks were also shown against Saurashtra and Kutch.¹ The estimated number of trucks in the U.S.S.R. in January 1955 was 2½ million and in the U.S.A. and Great Britain about 10 millions and 1 million respectively.²

73. If the removal of cargo from the transit sheds and ware-houses of the Major Ports is to be expedited by road haulage, it is obvious that there will have to be a substantial improvement in the supply of trucks. Apart from this, considerable improvement will have to be undertaken in the Ports themselves by the provision of road terminals, better road approaches, spaces for parking and turn-round, proper loading and unloading bays, suitable handling equipment etc. It has been observed that "Ports which have not modernised their truck facilities are finding

*Not printed.

¹Report of the Study Group (Transport Planning), 1953—55, Appendix XVIII, page 201.

²Economic Almanac, National Industrial Conference Board, New York, 1956.

the problem of traffic congestion and turn-round delay an increasingly costly one". It is recommended that early steps be taken to make a thorough assessment of the immediate and long term possibilities of road haulage; this is all the more important for our Major Ports in view of continuing inability of the Railways or for that matter of other means of transport such as inland waterways to meet all the requirements of the Ports. In examining the problem with reference to our Ports, it should be considered what steps can be taken to remove any complication arising out of the traditional use of bullock carts. The I.L.O. Committee on Methods of Improving Organisation of Work and Output in Ports has suggested that where the use of bullock carts seriously slows down ships' turn-round, "drastic steps may be taken of prohibiting their entry into the Port area, in favour of motor vehicles".

Charges for Long Distance Hauls

74. In many cases it may be necessary for cargo in trucks to move through two or three States. At present there is no proper regulation of inter-State operation of transport vehicles. Section 63 of the Motor Vehicles Act, 1939, provides that a permit for a transport vehicle granted in one State shall not be valid in another State unless countersigned. Under Section 43 of the Motor Vehicles Act, 1939, State Governments have fixed maximum freights for public carriers to be applicable throughout the State, or within any area or any route within the State. No separate freight rates have been fixed for long distance haulage. The owners of motor vehicles operating on inter-State routes have to charge freights in respect of the portion of the route lying in a particular State, subject to the maximum freight rate fixed by the State Government in respect of that State or that route or area.

Inter-State Arrangements

75. Though some of the State Governments have entered into mutual agreements permitting the operation of a specified number of vehicles on inter-State routes, there are several routes relating to which no agreements exist. The negotiations for inter-State agreements, in this respect, have been of a prolonged character and, in many cases, inconclusive. Instances are not uncommon of motor vehicles having to stop at the border of one State and passengers and goods transferred to the vehicles plying in the other State. In the interests of developing inter-State traffic, it was considered desirable that an agency controlled by the Central Government should be set up to regulate the operation of transport vehicles on inter-State routes. Provisions for the constitution of an Inter-State Transport Commission for the purpose of developing, co-ordinating and regulating the operation of transport vehicles in respect of inter-State routes have accordingly been included in Section 57 of

I. L. O. Committee's Report on Methods of Improving Organisation of Work and Output in ports, page 165.

the Motor Vehicles (Amendment) Bill, 1956. This Section was brought into force from 16th February, 1957. The constitution of the Commission and other connected details, it is understood, are under consideration.

Requirements of Commercial Vehicles

76. In their report on the Automobile Industry submitted in 1956, the Tariff Commission estimated that, after allowing for replacement needs, the annual demand for commercial vehicles is likely to increase progressively during the Second Five Year Plan period and that the demand would rise to 40,000 units per year during 1960-61. The Commission also expected that about 70 to 80 per cent of the demand for commercial vehicles would be for the diesel-driven type. They further observed that the demand would be much higher than that assessed by them if effective actions were taken to eliminate the various factors which are hampering such demand. At present there is capacity to meet the current requirements of commercial vehicles and the Government have recently approved of the programmes of some automobile manufacturers to increase their capacity further. As a result of these measures, it is expected that the automobile industry will be in a position to meet the demands for transport vehicles during the coming years.

New Trends in Transport

77. With the new trends in transport, the Ports will be intimately concerned. It may be mentioned in passing that a recent innovation, described as 'the most exciting traffic development of modern times', is the 'piggy-back' system, which has found increasing favour in America and has now been enthusiastically adopted in the U. K. The 'piggy-back' is a loaded trailer which can be carried by a goods truck and driven on to a flat Railway wagon and transported to the destination or to the nearest place whence it can be moved again by a truck to complete the journey. In the U. K., it has assumed the form of a daily rail-road service between London and Scotland. Of the larger ships which are now being built, apparently to reduce the extent of cargo handling operations in future, are those which will take cargo packed in trailers; experiments have shown that such a ship of 3,500 tons, can be loaded or unloaded in 4 to 6 hours. There are other striking features which may require close study if the Ports are to keep abreast of such developments in transport.

Inland navigation

Introduction

78. From the earliest times, navigable rivers have exercised considerable influence upon the economy of a country. It is not always realised how well various regions of our country are served by natural waterways a cursory glance at the Map* appended to this Report will show the extent to which such rivers as the Ganga and the Brahmaputra, the Mahanadi

*Not printed.

and the Brahmani, the Godavari and the Krishna, the Pennar and the Kaveri, and the Narmada and the Tapti, and a score of smaller rivers, connect the coast-line with the interior. Indeed, many of our Minor Ports and the Major Port of Calcutta, 126 miles up the Hooghly, are river ports. The river has many advantages. It is a natural highway affording access at almost any inland point and to the sea. It allows the carriage of goods in bulk; when the river is not dependent on rainfall, as those of glacial origin, there need be no seasonal cessation of navigation if ordinary precautions are taken to prevent silting and to maintain sufficient draught.

Earlier Traffic Northern India

79. Barely a hundred years ago, double-decked steamers were plying regularly between Calcutta and Allahabad. The voyage up the Ganges, of course, bore no resemblance to the modern rush by Railways at express speed. On 11th of October, 1848, Lord Dalhousie, on receiving news of developments in the Punjab which led to the second Sikh War, embarked at Calcutta for Allahabad; his fleet consisted of three steamers accommodating his own entourage and several Secretaries to the Government of India and their families. Entering the main stream of the Ganges, the fleet anchored at Rampur, the headquarters of the Rajshahi district, then proceeded *via* Monghyr, Patna, Dinapur, Ghazipur and Banaras, where the Governor-General held levees, and after halting at Ram Nagar, Chunar, and Mirzapur, the party reached Allahabad on the 10th of November. The journey was then resumed by 'Horse Dak' through Kanpur and Agra to Delhi. The Jamuna was, however, open for smaller vessels right up to Delhi, for a few years later, as recorded in his autobiography, Maharshi Devendranath Tagore travelled up to Allahabad from Calcutta by the Ganges and reached Delhi by the Jamuna from Agra in a large house-boat. At present, the Ganges is navigable only up to Patna and the possibility of re-opening the river for transport purposes up to Kanpur, the seventh most important of industrial cities of the country, would be worth investigation.

River and Canal System

80. Inland water transport is not confined to the maritime States of West Bengal, Orissa, Andhra, Madras and Kerala; regional links are provided by the movement of traffic over rivers and canals in Assam, Bihar and Uttar Pradesh in the interior. Large scale operations of mechanically propelled vessels, are, however, mainly concentrated in North-East India on the Ganga, Brahmaputra system of rivers though these amount to a comparatively small part of the total movement, the bulk of which is undertaken by country boats. Important among irrigation canals which provide a means of transport are the Upper and Lower Ganga canals, the Orissa Delta canals and the Godavari and the Krishna Delta canals. Some canals constructed solely for navigation purposes are the Buckingham canal, the Vedaraniyam canal and the West Coast canals in South

India, the Orissa Coast canal connecting West Bengal and Orissa and the canals round Calcutta, a portion of the Orissa Coast canal has been closed to navigation since 1928. The traffic in the backwaters of Kerala is considerable.

81. The total mileage of navigable inland waterways is of the order of 5,760 miles, consisting of 1,537 miles of rivers navigable by steamers, 1,475 miles of rivers navigable by large country boats, and 2,748 miles of canals and backwaters. These do not include tidal creeks on the coast not connected with inland transport system.

Development plans of inland navigation

82. Only the Ganga and the Brahmaputra rivers are used for navigation at present. The Godavari and the Krishna in the South are also navigable; so are the West flowing rivers, the Narbada and the Tapti, though their beds are rocky and their flow is meagre in the dry season. These rivers can be made navigable on a multi-purpose basis, utilising them for navigation, flood control, irrigation and power generation. The canals and backwaters navigable by country boats have suffered from long neglect and require improvement and expansion, if mechanically propelled vessels are to be introduced on these waterways.

83. The potential for the extension of navigation is indeed vast. The development of multi-purpose works on the Narbada, Sone, Chambal and Ken, connecting the Narbada with the Ganga river system and the Wainganga and Godavari connecting the Narbada with the Godavari system can open up a network of river communications. Another way is to replace the present detour of nearly 450 miles through East Pakistan by a link between Assam and its neighbouring States of Bihar and West Bengal. The improvement of the Bhagirathi can provide a continuous waterway from Calcutta to the hinterlands of Bihar and Uttar Pradesh, if the Ganga river system is made fully navigable.

84. So far as the navigable canals are concerned, out of the total mileage, 1,648 miles are used both for navigation and irrigation and 1,100 miles for navigation only. In Kerala, 720 miles of navigable waterways, including canals and backwaters, have motor boats and country crafts, carrying about 4 million tons of cargoes annually. 560 out of the 720 miles of waterways are tidal canals.

85. Through movement can be ensured if there is a link between Cuttack and Madras by a new canal from the Mahanadi to Chilka Lake and from Chilka Lake to the Godavari. There is even now a fair amount of trade on the 400 miles of the Godavari canals along the East coast; if these can be linked with the West Coast canals and the backwaters of Kerala through the Vedaraniyam canal, there will be a network of inland waterways from Calcutta to Cochin, *via* Cuttack and Madras, linking up

a number of rivers flowing in the States of Orissa, Andhra and Madras. Plans for the development of waterways on such a scale will require detailed surveys.

Coordination of River services

86. The plans for the improvement of inland navigation have necessarily kept in view the importance of linking the canals and backwaters with the rivers leading to the coasts. Unless this is done, it will not be possible to have, as in the case of National Highways, an inland waterways system which will permeate every region of the country and at the same time provide access to the Ports which open to the sea.

87. In the course of discussions, pointed references were made to the need for keeping the docks, sheds and wharves clear by speeding up the onward movement of goods, by all available means of transport and in the case of Ports already connected to river and canal systems, by the greater use of barges and tugs for the despatch of goods. In Calcutta the view was expressed that even the progress of the third steel plant and of the new works at Durgapur and other places in the Damodar Valley and the coal fields might be retarded if such cargo as iron and steel, machinery and other capital goods imported for these projects were, because of difficulties of obtaining wagons or trucks, left dumped in the Port area instead of being moved upcountry. From the point of view of turn round of shipping, this is a serious matter; in Bombay, penal charges had to be imposed recently to persuade iron and steel importers to remove cargo, already cleared from the ships, out of the dock area.

88. Indeed, the functions of a Port do not end with the mere establishment of a physical relationship between ships, as agencies of sea transport, and the land, for the unloading or loading of goods. A Port cannot avoid congestion if there is no onward flow of goods landed at the docks to the hinterlands. The Damodar canal system and other canals of this region have been planned for a total of 1,550 miles of canals and distributories. A 85 mile long canal, from Durgapur barrage, connecting coal mining areas around Raniganj with the Hooghly river, about 35 miles above Calcutta, is expected to carry an annual cargo of 2,000,000 tons.¹ Though, as the Second Five Year Plan has pointed out, water transport has declined on account of various factors including the development of Railways, it still plays a significant role in the north-eastern part of West Bengal and Assam. Practically, all the new multi-purpose projects in the Eastern Zone are, however, to the west of Calcutta; much of the congestion which occurs at this Port, situated as it is now on the wrong side of the river, can be avoided if the imports intended for these projects as well as for the coal field areas are moved by all available waterways immediately after clearance at the docks

¹ Major Water & Power Projects of India, Central Water & Power Commission, June 1957, page 28.

89. There are equally strong reasons for making the inland waterways available for the movement of goods from the Port of Madras where the dockside facilities are limited and can hardly bear the additional strain of uncleared goods. Several references have been made in this connection to the Buckingham Canal. This waterway was constructed during the 19th century; it runs parallel to the Coromandel coast, at a distance of only about three-quarters of a mile from the sea, and joins up a series of natural backwaters, fed by tidal waters through rivers and creeks. The canal is 196 miles long north of Madras, of which 36 miles are in Madras State and 160 miles in Andhra State, and 64 miles south of Madras. In Andhra, it joins the Commamur canal at the Krishna delta, which in turn is connected with the canals of the Godavari delta. The complete interconnected system is 400 miles long, leading at the northern end up to the Port of Kakinada and at the southern end to the Port of Madras. The part of the canal running to the south of Madras city is more or less a dead waterway. The Canal to the north of Madras City appears to hold prospects of revival as an important waterway for the transport of goods.

90. The canal bed is excavated to 4 feet below mean sea level. During the later years of the last War, the canal was extensively used for the transport of goods, the figures of traffic being 4,32,000 tons in 1944-45 and 574,000 tons in 1945-46; there was a decline to 292,000 tons in 1947-48. The maximum capacity of boats accommodated in the canal is 30 tons. Mechanically propelled craft are permitted on the canal, but it was found in 1954 that only two small motor boats were plying on the canal carrying fish from Pulicat Lake to Madras over a distance of 25 miles.

91. It has been stated that the canal cannot be utilised to any greater extent unless some of its present defects are removed. The section of the canal is said to be too small for modern standards and requires to be enlarged to cater for larger craft up to 80-ton capacity; the bed width will also have to be extended from 20 ft. to 33 ft. Further, while the waterway passes through Madras, Port, it does not connect with the Harbour. In their schemes for the development of inland water transport, the Governments of Madras and Andhra States had pressed for the widening and deepening of the canal and for connecting it with the Madras Harbour. A provision of Rs. 115 lakhs has been included in the Second Five Year Plan for the development of the canal, including the link with the Madras Harbour. It is understood that, as the project is of an inter-State nature, there would be no objection to the capital cost being borne by the Central Government, provided no capital expenditure is actually incurred until the economics of the project have been worked out after careful surveys and investigations and the advantages to be derived have been assessed against the entire expenditure to be incurred.

92. There has been a tendency to assert that canals are an obsolete form of transport, that they do not deserve an important place in the national system, and that large amounts spent on their development may turn out to be wasteful. With sweeping statements of this character, I am unable to agree. We cannot, of course, overlook the fact that the existing canals have their limitations. Even the Buckingham Canal can accommodate only the smaller boats and the cost of widening and deepening it will, no doubt, be substantial. Nevertheless, certain canals, including the Buckingham, possess considerable value as a means of transport and properly developed they can be made to render much useful service for the movement of cargo to and from the Ports and of other traffic in the interior.

93. Even small waterways need not be ignored. Of the 2,172 miles of inland waterways for which the British Transport Commission is responsible, about 1,040 miles are narrow waterways which can generally be used by boats only up to 7 feet in width with loads varying from 25 to 30 tons;¹ these waterways form an essential part of the system. In recent years the traffic carried on the waterways of the Transport Commission annually has amounted to 11 to 12 million tons, the figures for 1951 being 12,236,000 tons. These figures do not include the tonnage carried on the waterways not taken over by the Commission which in 1951 exceeded 10 million tons.

94. Although it is likely to take some time for the development of the canals, action has already been initiated for the long-term improvement of this means of transport. A high level Inland Waterways Committee is at the moment investigating the possibilities of developing the Buckingham and other canals. From the point of view of Port economics, the following views of the British Transport Commission, in their fourth Annual Report, may be regarded as a clear and valuable statement on the part inland water transport can play in the years to come :

“this mode of carriage is especially suitable for traffic of the following kinds :—

- (a) Goods which can be handled overside at ports which connect with the water route;
- (b) Traffic in complete barge loads;
- (c) Goods wanted or arising at waterside premises;
- (d) Bulk liquids; and
- (e) Goods which can be conveniently trunk-hauled to waterhead depots with subsequent delivery by road.”²

¹Britain, Official Handbook, Central Office of Information, 1956, page 231.

²Port Economics, A. H. J. Bown, The Dock and Harbour Authority, London, 1953, page 137.

95. The following observations of another authoritative body, the U.K. Royal Commission on Transport, are also of interest.

“For the carriage of certain commodities, such as coal that are unsuitable for conveyance by road, canals are the only practical alternative to the Railways; whilst for the conveyance of brittle goods such as pottery, they offer much less risk of damage than either road or rail. Where there is physical connection with Ports, goods for export can be conveyed direct alongside the steamer and, similarly, imported goods can be discharged overside instead of on to the quay. Factories can be erected on any convenient point on the canal banks, and the goods can be transferred direct from factory to barge without the need, as in the case of Railways, for the construction of the private sidings.”¹

96. There can thus be no doubt about the potential usefulness of some of the waterways as effective links between the hinterlands and the Ports. In view of the congestion in the Major Ports of the East coast, a higher priority is necessary for the opening up of this important alternative means of transport.

Coastal Traffic and Minor Ports

Significance of India's Coastline

97. It has been indicated earlier in this Chapter that the utilisation of Minor Ports will relieve congestion in the Major Ports and facilitate the prompt clearance and movement of bulk cargoes. The Minor Ports and Coastal Shipping are closely linked together. The central position of India at the head of the Indian ocean invests its long coast line with significant potentialities for trade. The maritime possibilities of both the Major and the Minor Ports offer a vast scope for coastwise trading.

Extent of Coastal Trade

98. The quantities of cargo carried on the coastal and adjacent trades of India during 1953—1955 are shown below :

TABLE LXXI

	(in D. W. tons)		
	1953	1954	1955
On the coast of India	2,884,341	2,882,633	2,555,180
Adjacent trade	504,210	475,152	368,903
TOTAL	3,388,551	3,357,785	2,924,083

¹Report of the U. K. Royal Commission on Transport, The Co-ordination and Development of Transport, Cmd. 3751, 1931.

The decline in 1955 has been attributed to a drop in coal traffic to the extent of 300,000 tons, a reduction in average effective tonnage employed on the coast and delays incurred by coastal ships at Ports. There was also a fall in the freight earnings during the year which is said to have been due to a reduction effected in coastal freight on salt, cement and certain items of general cargo and delays to ships owing to labour difficulties resulting in fewer round voyages.

99. A peculiar feature of our coastal trade today is that it is more or less confined to Major Ports. The reasons given are that Minor and Sub-Ports have no facilities and that the Intermediate Ports do not have adequate berthing capacity for ships of 8,000 to 9,000 tons. Half of the cargoes in the coastal trade are bulk commodities. The absence of rail, road and navigational links has been largely responsible for the low traffic potential of the Minor Ports. Progress will continue to be slow until plans for the development of coastal trade are co-ordinated with rail and road traffic.

100. Though coastal trade was to be reserved entirely for Indian shipping, owing to the paucity of second hand tonnage and other reasons, relaxations were made in favour of certain concerns for through vessels and for the carriage of timber. Incidentally, while the Indian tonnage has declined in coastal trade, there has been a noteworthy improvement of Indian tonnage in overseas trade; in 1951, 173,505 GRT were employed in lifting 796,462 DW tons of overseas cargo, while in 1955, 239,953 GRT carried 1,195,603 DW tons, showing a 38 per cent increase in overseas tonnage and 50 per cent increase in the cargo lifted. So far as the adjacent trade is concerned, it reached its peak in 1951 with 764,816 DW tons, but gradually fell to 368,906 DW tons in 1955. The total number of ships plying on the coastal trade are 82, including a tanker of about 8,200 GRT, with a total tonnage of 239,613.

101. The Estimates Committee of Parliament on Intermediate and Minor Ports have pointed out that "with the normal tendency of the British Government towards over centralisation, the export and import traffic of the country were mainly concentrated on the Major Ports, and other Ports along the coast line suffered from agelong neglect."¹ In a survey of the Minor Ports it has been pointed out that there is great scope for the improvement and utilisation of these Ports at a comparatively small additional capital outlay. The fuller utilisation of Minor Ports will be quite within the bounds of practicability; if adequate rail, truck or other transport facilities connecting the Ports with the hinterlands are provided, they can continue to serve the purpose as roadsteads until such time as wharves and other facilities to berth ships alongside are made. Indeed,

¹Estimates Committee 1956-57, Fifty First Report Ministry of Transport. Intermediate and Minor Ports, March 1957, page 18, para 45.

the following figures of tonnages handled at the more important Minor Ports, even in the present state of their development, in 1954-55 amply demonstrate their potentialities :

TABLE LXXII

State	Port	Imports	Exports	Total Traffic
		Tons	Tons	Tons
Andhra	Kakinada	4,469	275,811	280,280
Madras	Tuticorin	227,082	292,588	519,670
	Cuddalore	179,167	36,922	216,089
Mysore	Mangalore	91,225	178,992	270,217
Bombay	Bhavnagar	204,260	106,409	310,669
	Bedi	60,240	233,092	293,332
	Veraval	88,326	87,089	175,415
	Porbandar	55,957	104,832	160,789
	Sika	3,204	125,297	128,501

102. The existence of an efficient and adequate coasting service is of manifest importance, and more so in a time of emergency like the present. The carriage of bulk and general cargoes, and the distribution of food discharged at the larger Ports from ocean-going ships to smaller Ports, can be greatly facilitated by coast-wise shipping. It has been strongly urged in the U.K. that "the freest, most flexible and the most economical distribution of the means of maintaining life and materials of industry is impossible without the full use of sea transport around the coast." If this be true of a small country like the U.K., as the Board of Trade had stressed before the Royal Commission on Transport in 1931, how much more relevant is it to our country with its long coast line and the need for economical and alternative means of transport. Instead of using up line and wagon capacity by block movements of coal, for instance, from Raniganj to Ahmedabad, how much more advantageous it may be to transport coal coast-wise to Cambay, once a famous Port and now a small roadstead, barely 70 miles away from Ahmedabad. In the U.K., of the 29.48 million tons coasting trade in 1948, coal accounted for 24.7 million tons, minerals 2.00 million tons and foodgrains and feeding stuffs 1.02 million tons.¹

103. The use of coastal shipping to any appreciable degree to relieve the congestion in the Major Ports will depend on the availability of a sufficient fleet of sailing vessels. As the Sailing Vessels Committee had

¹Coastwise Shipping and the Small Ports, by P. Ford, 1951, page 16.

pointed out, the lack of organisation among owners of sailing vessels is a serious impediment and will have to be removed as an initial measure before the industry can be developed. This has been possible because of the dual capacity of sailing vessels in this area which are lighters of harbour craft and as such come within the purview of Harbour. There seems also to be an impression that there is need for ships of higher tonnages. Out of the 82 vessels, with a total tonnage of 238,136 shown against the Coastal trade, as many as 28 are of 4,000 G.R.T. and above; of these 22 exceed 5,000 G.R.T.; the average tonnage of the 82 ships comes to nearly 3,000 tons each.

Coastal Traffic in Europe

104. This is in sharp contrast to the proportions in the U.K. coastal trade where about 70 per cent of the craft, in 1948, were under 500 G.R.T., out of a total gross registered tonnage of 673,000 including the vessels engaged in short sea voyages, of the 856 vessels, 687 were tramps. Of the total tramp traffic in 1948 the coal trade between the Tyneside and the Thames, the dominant route of the east coast, and the wool traffic from Bradford in the Midlands to London amounted to nearly 12 million tons. The tramps carried 691,000 tons of cement, 229,000 tons of fertilisers and 190,000 tons of scrap iron.

105. The position is similar in Holland which has a most efficient system of coast-wise shipping. In January, 1956, there were 804 coasters in service, making up more than half the 1956 Dutch merchant fleet of 1,399 ships. They are to be seen in every Port of Europe and from the Azores to the Red Sea and across the Indian Ocean in New Guinea. They are, however, by nature vessels that carry their cargoes from 'door to door' and have been described as the delivery vans of the North Sea. They are usually up to about 400 tons deadweight, although there are some coasters of 500 to 600 tons.

Haulage by Tramps

106. Apart from the functional and economic advantage of the small-sized craft, enabling them to move in and out of the smallest Ports, irrespective of the depth of the channel, their manoeuvrability can be relatively high: it has been estimated that the average haul in the U.K., in 1948, by tramps of over 100 GRT was 359 miles as compared with 72 miles on the Railways. While such shipping can serve as a useful alternative to inland routes for the distribution of bulk shipments routed from the Major to the Minor Ports in a competitive economic system, it will be necessary to take some steps to mitigate the economic difficulties of a purely 'one-way' traffic. It has been suggested that in order to enable the coastal vessels to obtain cargo for their return journeys, encouragement should be given to industries to develop in the regions of the Minor Ports also.

Absorption of Surplus Labour

107. The importance of coastal trade as a nursery of seamen and as a stimulant to shipbuilding is well recognised. The Committee on the Mercantile Marine in the U.K. had also stressed the role it plays as a source of naval reserve. Coastal traffic has a special significance from the point of view of decasualisation of shore workers and the progressive elimination of contract Labour in the Major Ports. It is in the Minor Ports that labour rendered surplus should be able to look for suitable opportunities. With a thriving coastal trade, linked with the sea-borne traffic of the Major Ports, the cargo handling operations of the Minor Ports will be of sufficient dimensions to absorb some of the surplus workers of the Major Ports whether on a permanent basis or on period or temporary transfers.

Rail-cum-Sea Coordination

108. A number of Minor Ports may not be able to function effectively to take over excess cargo from the Major Ports; this will be mainly due to the lack of rail facilities. Co-ordination between rail and sea transport is thus necessary in the interests of the working of the Ports in general and the progress of our coast-wise trade. It is not unusual for development of one form of transport to affect other forms of transport. A greater volume of road transport, for instance, may affect rail transport itself, as it has in some Western countries. It was this intimate relation between different forms of transport that led to common ownership and management as, for instance, of the Port of Visakhapatnam by the Railways until recently. The need for rail-cum-sea routes leading to Major and Minor Ports is obvious as the turnover at the Ports does not necessarily mean delivery to the importer unless inland transport facilities work efficiently and in full co-ordination with sea transport. Government have accepted as a matter of policy that there should be an adequate coastal fleet and in pursuance of this policy appointed a Rail-Sea Co-ordination Committee to examine among other things the need for avoiding overlapping between the two forms of transport, the need for developing adequate coastal shipping and the possibility of extending through booking arrangements between the Railways and Shipping for movement by combined rail-cum-sea routes wherever possible.

109. It is in the interest of the Railways themselves to encourage coastal traffic. The commodities which can be more successfully carried by small coastal vessels are usually heavy and bulky and heavy goods rated low in Railway classification: to the extent such low grade cargo is diverted to the coast, there will be a corresponding increase in the capacity of the Railways to carry high-class traffic. It will have an important bearing on the clearance of goods from the Ports. As it is, the Railways themselves will be importing half a million tons of iron and steel in the next two years and as these essential imports are required mainly for track renewals the highest priority will have to be accorded to their distribution. Considerable difficulties have already been felt at the Major Ports in the

absence of adequate rail facilities for the lifting of iron and steel imports in general and these have been cluttering up the Port area to the detriment of other shipments. This instance alone will demonstrate the importance of giving relief to the Railways by diverting cargo to Coastal traffic.

Congestion in Sheds and Warehouses

Present Conditions

110. Besides the provision of sufficient transport services and the routing of traffic, it is essential that the facilities for the reception and storage of cargoes should be adequate. The increasing volume and variety of trade, with a considerable proportion of high priority goods, requires plans to be made well in advance to ensure that the best and most efficient use is made of the limited number of berths and other existing facilities. The docks at Madras for instance were found littered with all kinds of cargo; the available shed space had already been taken up and unloaded goods were in the open at the mercy of the weather. In Bombay, it was difficult to pick one's way over the extraordinary assortment of goods, landed at the docks from bulk shipments of sulphur and foodgrains, imports of metal containers, scrap and general cargo. The Ports are not always responsible for such situations; for there are limits to the extent to which the movement of ships can be anticipated. When a bunching of ships has occurred, the movement of cargo through the quayside transit sheds becomes more difficult, and this itself delays not only the reception of goods but also the unloading of rail or road vehicles bringing cargo for ships.

Suggestions for Improvement of Sheds

111. It must be remembered that the transit sheds are designed on the assumption that there will be a reasonably steady flow of goods, through them, from wagons, trucks or carts, to the ship or from the ship, through them again, to wagons, trucks or carts. If circumstances prevent cargo from being moved continuously, the sheds inevitably become congested thereby adversely affecting the unloading of export cargo from wagons etc. and retarding the onward movement of imported goods. The problem could be eased if the sheds were larger, but apart from the additional overhead cost, the location of the transit sheds may be such that it may be physically impossible to enlarge the sheds. This may well be illustrated by the position in Madras, where it is difficult to find any space for expansion within the harbour. Nevertheless, in the general interest of removing congestion and making it easier for the Port and Dock workers to carry out their duties unhampered—an aspect which has been stressed by the representatives of Labour—it is desirable that, within the limitations indicated above, steps should be taken to improve shed accommodation at all the principal Major Ports of Bombay, Calcutta and Madras. There should be the maximum freedom of movement about the shed, unimpeded

by physical obstructions and aided by an ordered sequence of operations. The sheds should also be well equipped with suitable devices so that there is a minimum risk of bottlenecks. It may be mentioned that since the War, in foreign Ports, improvement has been effected by joining existing sheds on the quays to provide sufficiently large unloading bays to enable more vehicles, in one case a maximum of 17 vehicles, to unload simultaneously under the covered section of the main dock.

Expansion of Warehouse Facilities

112. Attention will also have to be paid to warehouse facilities at the above three Ports. The present storage capacity is not adequate; as already mentioned in Chapter I, the total floor area in Bombay is still less than that before the Dock Explosions of April, 1944. At all the Ports, however, there are programmes for building new warehouses or replacing existing ones to meet the increased demand for accommodation and some of them are under execution. For immediate needs, wherever there are relatively poor storage facilities, it shall not be difficult to erect temporary godowns pending long-term arrangements.

113. Goods are not merely stored in warehouses but have to be dealt with in numerous different ways. A common aspect of this branch of Port activity is in the case of bulk importation, storage at the Port over a period, and gradual sub-division and forwarding in hundreds of small consignments. This is an important commercial function performed at Major Ports which are situated in large distributing centres. Here is an opportunity to introduce a number of modern techniques. Some of the new methods of cargo handling, such as the unit load operation, can lead to a doubling or even trebling of the capacity of a warehouse.

Mechanisation and Cargo Handling

The Nature of Problem

114. The problem of mechanisation has been repeatedly raised in the course of discussions. Considerable emphasis has been placed on this aspect of Port facilities by the representatives of Shipowners and Stevedores. The Port administrations are also alive to the needs for more mechanical equipment and appliances and hope that Labour will also co-operate. Some improvement has already taken place in this respect and the extent of further requirements is being studied in the light of the experience gained in handling special kinds of cargo such as iron and steel imports.

Shipowners' Views

115. According to Shipowners, the state of mechanisation at the Major Ports is very poor : there is a serious shortage of properly equipped berths. One ship, it was remarked, grew moss around it waiting for a berth for more than a month. Referring to Port charges, Shipowners were emphatic that it must be related to more and better turn-round of

ships : the Port charges could not be increased without at the same time improving the efficiency of the Ports. Without mechanised loading and unloading, delays will continue to occur.

Views of Labour

116. The point of view of Labour as expressed by their representatives appears to be that normally the workers do their best to load and unload cargo as expeditiously as possible but they are handicapped by the congestion in the docks, sheds and warehouses. Labour has criticised any insistence on mechanisation as an aim merely to lessen cost per ton and earn more profit. According to one representative, the Bombay Port is as advanced as the Port of London except in the case of bulk cargo. Another representative was definitely of the opinion that there was no need for mechanisation; all that was necessary was to make some innovations. He stated that though the hand trucks in Calcutta Port were primitive and he had suggested the provision of ball bearing tyres and the improvement of flooring, no effective action had resulted. The Labour representatives have declared unequivocally that the workers will be opposed to mechanisation which will displace labour, without finding alternative employment for them, but would be prepared to accept the aid of mechanical appliances which will lessen the fatigue of the worker and not throw him out of employment. Their attitude to mechanisation in general is shown by an observation made during the discussions that mechanisation by itself will not result in quicker turn-round because every ship that brings cargo takes back some and export cargo never awaits the arrival of a ship; even if it did, there is not enough shed space for export cargo or sufficient wagons to remove import cargo quickly. In such circumstances, a labour representative asked, "What difference would it make if more labour is employed and the ship discharged in two days instead of one?" In their view, improvement in turn-round of shipping would be better achieved by removing primitive hand trucks and by small innovations and improvements in dock machinery which will aid and not displace workers.

117. Generally speaking, the quays, transit sheds and warehouses at the older Ports, which were constructed decades ago, do not lend themselves easily to the full use of modern handling machinery. While the overall need for the replacement of out of date machinery and appliances cannot be denied, the condition in the Ports, especially in the transit sheds, cannot be conveniently altered to suit the installation of the latest types of equipment.

Replacement of Existing Machinery

118. Similar difficulties have been experienced in other Ports where the introduction of new mechanical equipment has had to be confined mainly to new quays and sheds planned specifically for the purpose. In the existing circumstances the replacement of old types of cargo handling

machinery, especially in the case of cranes, by faster working units, has to be of similar types in principle. Further, while mechanisation is being introduced the full benefit of modern handling machinery may not accrue and resort may have to be made to temporary improvisations. Apart from such innovations, the floors of quays and of sheds, as has also been pointed out by Labour representatives, and the surfaces of roadways utilised for piling cargo require to be improved to allow free movement and avoid rapid wear and tear of the appliances without hindering workers handling them. In some Ports, it has been noticed that there are many obstructions on the quays and in the sheds. In some of the transit sheds the doors are not sufficiently wide or high enough to permit the entrance of certain types of modern equipments. In some Ports, the lighting arrangements appear to be insufficient. Attention also has to be paid to Railway tracks within the Port area : some of them are not flush with the surface and cause unnecessary bumps.

Handling of General Cargo

119. The handling of general cargo, raises many problems on account of the varying sizes and shapes of packages. The more important mechanical appliances that have been developed recently in the handling of general cargo are electrical mobile trucks, mobile Diesel cranes and, by far the most important and useful, the fork lifts. While fork lifts are used in Bombay and certain mobile cranes are available in all the Major Ports, there is a similar need for the introduction and greater use of fork lifts in all the Ports. The fork lift is useful for the quick handling of any type of general cargo not only on the quay but in the sheds and should obviously be utilised in larger numbers.

120. There is scope for the elimination of wasted time and effort both by improvement in the organisation of the work and by the introduction of mechanical aids. Disproportionate efforts now incurred by moving cargo solely by manual labour could be effectively reduced, and labour employed more productively, by moving traffic from point to point at the dock and in transit shed and warehouse by mechanical means. It should be borne in mind that most of the ships calling at our Ports are foreign-owned and many of them are equipped with the latest machinery for the handling of cargoes; to enable our shore labour to keep pace with the work on the hatches of such ships, it is necessary to provide our workers with correspondingly efficient mechanical aids. Cargo handling in our Major Ports can be greatly improved by the more frequent use of fork lifts mobile cranes and similar appliances.

121. The secret of successful working of our Major Ports must eventually depend on the provision, at each Port, of berths which have sufficient mechanical aids. In most modern Ports there has been increasing use of fork lifts, as also of tracking trailers, towing tractors and other

equipment. In Singapore Port to which reference has been made earlier, there were as many as 26,000 fork lift pallets in use at the end of 1954. The policy of palletisation, extensively followed in American practice, is now being generally recognised in most transport fields. Ports in Britain, which have been using fork lift trucks for some time, have increasingly realised their potentialities. Though the use of mechanical devices sometimes raise problems of Port economics, it should not be difficult, in consultation with trade and labour interests, and with due regard to the volume and pattern of traffic, local conditions and other circumstances, to introduce or extend the use of specialised equipment to facilitate handling operations.

Equipment for Clearance of Bulk Cargoes

122. The present trend of traffic in the form of bulk cargoes makes it increasingly important that there should be adequate mechanical means of handling such shipments. Reference must be made in this connection to the Buhler plant which was brought to Bombay to expedite the discharge of foodgrains; the capacity of the plant is 2,880 tons per day. Having regard to the importance of obviating any delays in clearing food ships, it is depressing to find that it has not been possible to utilise this useful equipment, because Labour had objected to its installation on the ground that its use would displace workers engaged in manual handling.

123. The handling of bulk cargo by means of grabs, elevators and suction equipment has been in vogue in practically all important Ports of the world and the method itself has not changed to any great extent except in some technical details over the last thirty-five years. Hardly any clearance of foodgrain shipments is made at the Ports without the use of such equipment. From the practical angle, the best course of action in the case of a ship originally loaded by a certain mechanical method as by the use of silos, is to effect its discharge as far as possible in the same manner at the delivery end. In this view of the matter and the recommendation made in the Report for the further decasualisation of shore workers, it would be but proper for Labour to reconsider their attitude. There is no question of any financial advantages accruing to any employers as such. To the extent the use of such equipment will cause redundancy among the workers, the Port authority will no doubt explore every possibility of finding alternative employment. It is hoped that in this manner the unfortunate impasse which has arisen over this equipment will be resolved in the larger interests of meeting the food requirements of the country.

124. Various other improvements also seem to be necessary before the full benefits of mechanical aids can be realised. The moving of wagons by tractors or other portable petrol or diesel truck movers; the improvement of weighing facilities and the reduction to the minimum of weight

in sheds and the palletisation of specific cargo to facilitate its handling of fork lifts are some of the measures which should accelerate shore work.

125. The problem of capital expenditure and working cost will also have to be faced. So far as Labour is concerned there seems to be a tendency to adhere to traditional methods evolved by custom, however, antiquated these might be in the context of modern developments. Workers are, however, beginning to appreciate the great potentiality of mechanical aids which can improve their output and reduce physical strain. It is, however, desirable that the ship-owners and labour representatives should have prior intimation and also be consulted in planning and introducing new mechanical appliances in the Port. Some aids have already been tried and welcomed by the workers as was apparent in the case of fork lifts in Bombay. This appliance definitely increases efficiency and output and also has the advantage of reducing fatigue. The introduction of the fork lifts, already in use in Bombay, in the other Major Ports would be a step in the right direction. There are also obvious advantages in mechanising berths. It has been estimated that at a well equipped berth approximately 100,000 tons of import cargo or 70,000 tons of export cargo can be handled in a year.¹

Port Emergency Committees

Urgency of Effective Action

126. The suggestions above are necessarily in the nature of a long-term programme co-ordinating the various means of transport, by rail, road, rivers, canals and coastal waters. Considering the chronic congestion, noticed from the time of the West Coast Major Port Development Committee² when some of the "food ships arriving in Bombay had to wait for berths for days, in extreme cases up to even a month", and the importance of quicker turn-round of shipping in the critical years of the Second Five Year Plan, the vital importance of urgent measures cannot be too strongly emphasised.

Formation of Emergency Committees

127. Various working Committees and other consultative bodies have been set up in the Major Ports; these are giving valuable advice from time to time, but if work during the next three years of the Plan period is to be put on a 'war' footing, it seems essential to have at each Port an Emergency Committee, with sufficiently wide powers and including experts on sea, rail, road and waterways traffic, to propose to the administration immediate remedies by way of improvisations for any expected or actual hold up in the clearance and movement of incoming and outgoing cargo and in the turn-round of ships. In view of the greater responsibility of

¹ Report of Ports Efficiency Committee, 1952, page 14.

² Report of the West Coast Major Port Development Committee April, 1948, page 1.

Labour under the proposals made in this Report it will be necessary to secure their closest participation.

128. Though some improvement in the position at the docks has already been noticed, it would be inadvisable to be complacent lest similar congestions should recur after the present drive. What is important to emphasise is the executive aspect of the Committee's work as distinct from any consultative or advisory functions of ordinary Committees. The Emergency Committees should be in continuous session and work directly in touch with a properly organised and technically equipped Control Room which will have a live panel to show at a glance all movements of ships and progress of turn-round and other vital information. The formation of such an Emergency Committee need not in any way interfere with the administration of the Port or detract from its authority. In this connection may be recalled the example of the Emergency Committee, which functioned with such remarkable efficiency during the critical months of 1947-48 in Delhi.

Work Studies and Training of Workers

Need for Work Studies

129. The question of output has figured prominently in the discussions with representatives of Labour, Shipping and other interests concerned with the working of the Major Ports. In view of the paucity of material for any proper assessment of the rates of output, it seems necessary that there should be some scientific work study, not merely time study and other work measurement techniques, but also a study of methods. It has been contended that it is impracticable to measure output in the dock industry with any precision. The objection is mainly on the ground that it is difficult, if not impossible, to standardise each job or to ensure that the conditions of operating remain the same from hour to hour. It is of course true to some extent that the initial and final stages of loading and unloading are usually more arduous than the intermediate stage and that for the purposes of a scientific work study it is not possible to draw definite lines between the various stages.

130. There can, however, be no doubt that work study in selected departments, as in the Engineering department and those relating to cargo handling, will be helpful in finding out the anomalies and defects of the existing system and in suggesting ways of improvement so that equal effort can be equally rewarded. Such studies cannot, however, be successfully conducted without the co-operation of the workers themselves; it is therefore desirable that the arrangements for the studies should be made after due consultation with the representatives of Port and Dock workers. As it is, one of the complaints of Labour is that the existing rates of payment were on the basis of past records, some of which were not sufficiently detailed to be reliable, rather than on any kind of work

measurement. In such circumstances, it would be all the more necessary to introduce the use of work study.

Uniform Statistics and Administration Reports

131. In the course of the present enquiry, it became increasingly evident that there was no uniformity in the collection of basic data and this rendered a comparative study of the precise duties and functions of various categories of employees at the different Ports difficult. As the objective of uniformity and the principle of equal pay for equal work have been emphasised, as in the Terms of Reference for this enquiry, it would be advisable to initiate a uniform system of collection and maintenance of statistical material by the Ports. The details of some of the requirements of statistical data were suggested by the Port and Shipping Statistics Committee in their Report in July, 1954. For purposes of ready reference and comparison, it would be helpful if the Administration Reports of all the Major Ports are prepared in accordance with definite and uniform *proformas*: in this matter, the Bombay Administration Report with certain additions, would be a suitable model.

Facilities for Training

132. The representatives of Engineering workers in particular have pressed for adequate facilities for training. It has been urged by other spokesmen of Labour that opportunities should also be available for Port and Dock workers to obtain executive appointments after training. In employment like those in the Major Ports it is clearly to the advantage of both the administration and the employees to have proper schemes of training. Such training becomes all the more necessary if tests of fairly high standards are prescribed to regulate promotions and confirmations after completing a period of probation.

133. In the Railways, there are as many as 24 Training Schools for the Railway staff, some of which are technical schools attached to the Railway Workshops to train apprentices for eventual appointment as skilled artisans or as supervisors or skilled workers. Refresher and promotion courses have also been arranged. Training on similar lines can be fruitfully undertaken by the Port administrations also. It might be useful to arrange for the training facilities on a joint basis with the Dock Labour Boards if maximum results are to be achieved with the minimum of outlay.

134. Apart from technical training, a properly planned programme of adult education, encouraging and understanding of the problems of the transport industry and of the means to solve them, is sure to make a vital contribution to the efficient working of the Port. There is also a need for a literacy drive among the Class IV staff.

PART III

CHAPTER VI

RETIREMENT BENEFITS

Provident Fund

Introduction

Retirement benefits are regarded, and rightly so, as being next only in importance to the wages earned by a worker. In our country we have not yet reached the ideal of a comprehensive scheme of social insurance and old age benefits. There are, however, some provisions for retirement benefits for employees of Government establishments and certain industrial and commercial organisations.

2. In 1948 the Coal Mines Provident Funds and Bonus Schemes Act conferred authority for the framing of a Provident Fund Scheme for persons employed in coal-mines. This was followed by the Employees' Provident Funds Act, 1952, which was an important piece of legislation; consolidated and prescribed a comprehensive Contributory Provident Fund scheme for industrial workers. The statute initially applied only to factories, employing fifty or more persons and engaged in the manufacture of cement, cigarettes, textiles, paper, iron and steel and general engineering products. A year later the statute was sought to be amended to extend the scope of its application to a number of other light and heavy industries, but the motion was negatived. During the year 1955-56, however, the scheme was extended to 18 more industries, important among which are matches, sugar, rubber and rubber products, electricity, tea and heavy and fine chemicals.¹ An amendment to the Act was made in December 1956 permitting the extension of the scope of the Act to other than Factory establishments.²

3. The Employees' Provident Funds Act and Scheme were initially applicable only to industrial employees in receipt of basic wages of Rs. 300 per month or less. The Act does not contemplate payment of a gratuity in addition to the Employers' contributions. The limit for eligibility has been raised to Rs. 500 per month recently and it is understood that the question of prescribing a gratuity scheme is also under examination.³

Social Security Systems

4. The systems of social security in other countries have, particularly since the War, covered a much larger ground. In Great Britain, the five main Social Security schemes are :

¹Report on the working of the Employees' Provident Fund Scheme, 1955-56, para 47.

²*Ibid*, para 50.

³*Ibid*, para 53.

- (i) National Insurance, providing benefits covered by social insurance.
- (ii) Industrial Injuries Insurance.
- (iii) Family Allowances.
- (iv) National Assistance, providing cash in case of need, and
- (v) National Health Service, providing treatment in every condition requiring medical care.¹

Provisions of a specialised nature, *e.g.*, arrangements for the care of old persons, are made under various laws outside the scope of the above Social Security schemes. In the U.S.A., unlike similar schemes in Canada and Great Britain, the Federal Old Age and Survivor's Insurance plan is not based on the Principle of universal coverage, the objective of the programme being only to cover all gainfully employed persons including the self employed. As to the technique of coverage the plan covers all gainfully employed persons except those specifically excluded. The original legislation excluded some important groups, the most significant being self-employed persons, domestic servants, agricultural workers, railroad workers and employees of educational and religious and charitable organisations. The exclusion of such a formidable proportion of employees introduced serious inequities into the programme and, what was even more important, tended to frustrate the basic objectives of the Programme. The scope of the programme, was, therefore, broadened by stages in 1950 and 1954 with the result that today nine out of every ten gainfully employed persons are covered by the programme.² Information, which it has been possible to collect about retirement benefits in a few of the smaller, and equally, if not more advanced, countries indicates that in New Zealand a national provision for old age has been made on a 'pay as you go' basis and a National Provident Fund open to local authorities, statutory corporations and members of the public on a voluntary basis has also been instituted. In Sweden the National Pension Scheme provides a pension from the age of 67 for people of both sexes of two-thirds of a basic amount of serve as subsistence, and a cost of living supplement, determined quarterly by reference to the prevailing cost of living conditions in June 1946, an improved standard of living supplement introduced in 1953 to enable pensioners to share in the improved standard of life, and a housing supplement which varies according to locality. Pensions are financed by a compulsory pension fee of 1.8 per cent. on all incomes above a certain minimum payable by all persons between the ages of 18 and 66. These fees, however, cover only 16 per cent. of the cost of the pensions and the balance is met by the State.³

¹Social Security Schemes in the United Kingdom, I. L. O. 1955.

²Dan M. McGill, Fundamentals of Private Pensions (Pension Research Council—University of Pennsylvania) page 6.

³Report of the Committee on the Economic and Social Problems of the Provision for Old Age, Cmd. 9,333, 1954 (Phillips' Report) Appendix VI.

Increasing importance of provision for old age

5. There are several considerations which increase the importance of adequate provision for old age, the most important among them being (i) the progressive aging of population owing to increase in life expectancy and a decline in infant mortality, (ii) reduction in capacity to save with the rising cost of living and the effect of a vastly increasing quantity of consumer goods, of infinite variety, exercising relentless pressure on all classes of individuals to spend all or greater portion of their current income and (iii) the break up of the old joint family system and the changed concept of filial responsibility. Ideally the aim of retirement benefits should be to ensure the continuation, as far as possible, of the worker's wages or salary at the time of his retirement. It must be recognised that as a practical measure, however, it may not be found possible, or perhaps even desirable, to provide retirement benefits on such a scale and the objective should be to prescribe benefits that bear a reasonable relationship to the wages earned by the employee during his working years. It may not always be possible to consider the concept of reasonableness from any angle other than subjective, but these benefits have generally been regarded as adequate if they range between one-third to one-half of the employee's earnings averaged over a period of time before retirement.

Central Government Rules

6. So far as pensions of Government servants are concerned, the majority view of the Central Pay Commission was that there is no legal right to a superannuation benefit which is sanctioned, though subject to the conditions set out in rules and regulations, at the discretion of a specified competent authority. The benefits are earned on the basis of satisfactory and approved service and future good conduct is an implied condition of every grant.¹ One of the Members of the Commission, Shri Joshi, expressed, however, the view that pension or Provident Fund bonus is a deferred payment of a liability for the retirement benefits the right of which he acquires while he is serving and cannot be made dependent upon a man's conduct after he becomes eligible for these benefits. Provident Funds, whether contributory or not, set up by Government are governed by rules framed under the authority given by Act XIX of 1925. Section 8(1) envisages the extension of provisions of this Act to Provident Funds established for the benefit of local authorities. The Provident Funds of the Ports of Bombay, Calcutta and Madras have been established under Section 22 of the Bombay Port Trust Act of 1879, Section 30A of the Calcutta Port Act of 1890 and Sections 28 and 28A of the Madras Port Trust Act of 1905. Detailed rules have been framed by the administrations in exercise of the powers so conferred. The rules tend to follow, mainly the State Railway provident Fund Rules. These funds, having been set up by local authorities, come within the purview of the Provident Fund Act of 1925.

¹Report of the Central Pay Commission, para 162.

Present position in Ports eligibility

7. Apart from the exclusion of Casual Labour, the Provident Fund Rules place certain restrictions on eligibility to subscribe to the Funds. The restrictions are mainly on the payment of the Ports' contributions based on age of retirement and length of service. The rules of the Bombay Port Trust provide that subscriptions will begin from the date of substantive appointment in certain cases, on the conclusion of one year's service in certain others. They also provide for the Scheduled temporary and non-scheduled permanent employees, an optional gratuity scheme as an alternative to membership of the Port's Provident Fund. The alternative scheme contemplates payment of a gratuity at the rate of 1 month's pay for each completed year of service not exceeding 30 months in all. Eligibility for the gratuity arises only in respect of such employees as have put in not less than 15 years' service, an exception to this proviso being made only in cases of death, retirement on medical grounds or on retrenchment. This provision is on the lines of the State Railway Gratuity Rules. The Railway rules, however, permit payment of this gratuity only in cases where a permanent Railway servant is not eligible for membership of the State Railway Provident Fund, that is, he is not a compulsory subscriber under Rule 1304R.¹

Compulsory and Voluntary subscriptions

8. Subscription at the rate of $8\frac{1}{3}$ per cent is compulsory for all those who are eligible in the Ports of Bombay, Madras, Cochin and Kandla; in the Calcutta Port too it is compulsory except in certain cases such as Class IV employees opting to subscribe eight annas a month, employees with less than two years' service who are paid according to the number of days worked, temporary employees engaged on construction or other schemes, and employees on short-term contracts, for whom subscription is optional. In addition to the compulsory subscription, the employees can also voluntarily subscribe to the Contributory Provident Fund without being entitled to any contribution from the Port; at Calcutta this is limited to $8\frac{1}{3}$ per cent. while at Madras it can be at any higher rate. According to the Bombay Port Trust Rules, an employee can subscribe up to $91\frac{2}{3}$ per cent. which, with his compulsory subscription of $8\frac{1}{3}$ per cent. to the Contributory Provident Fund, amounts in fact to the whole of his pay. At Cochin and Kandla the maximum rate of subscription to the Contributory Provident Fund (inclusive of the compulsory rate of $8\frac{1}{3}$ per cent.) is $15\frac{5}{8}$ per cent.; any additional subscription above this rate by the employees of these ports can only be made to the General Provident Fund. At Visakhapatnam any subscription in excess of $8\frac{1}{3}$ per cent. has to be made to the General Provident Fund. At all the Ports, the Port's contribution is equal to the amount of compulsory subscription, that is, $8\frac{1}{3}$ per cent. of pay and dearness pay. At Madras Port, however, until 1933 the rates of subscription and

¹ State Railway Code for Establishment Department, Vol. I, page 138.

contribution were 10 per cent. of pay. The increased contribution, however, was on account of the fact that at that time the Provident Fund Rules of that Port did not provide for special contribution.

Interest

9. At Bombay and Madras, the rate of interest is declared year to year on the basis of what the investments yield. At Cochin and Visakhapatnam, the rates are those declared by the Central Government every year. At Calcutta, the rates of interest are fixed by the Commissioners meeting from time to time, but a minimum rate of 4 per cent. is guaranteed for those who were members of the Fund before 1st October, 1939. Similar guarantees have been provided at Madras for those who were members before 1st April 1933 and at Visakhapatnam for those who were members before 7th March 1938. At Bombay there is no such guarantee for old entrants.

Advances

10. Advances from the Provident Fund are admissible at all Ports for certain specified purposes which vary slightly from Port to Port. The Madras Port Trust, however, ordinarily gives no advances to employees with less than three years' service and also limits the grant of advances at a time to a maximum of 15 per cent. of the total number of subscribers.

Penalties

11. Section 6 of the Provident Funds Act, 1925 permits the withholding of the employer's contribution if the subscriber resigns before the completion of five years of service or is dismissed for any reason specified in the Rules. This, however, is purely an enabling provision. Wide discretion is given to the competent authority in this matter and if by the Rules of the Fund the discretion is qualified or cut down in a manner which is beneficial to the interests of the employees and the depositors, it will not be *ultra vires* of Section 6. Suitable provisions for the exercise of this power have been incorporated in the Provident Fund Rules of all the Ports. Thus, at Bombay in the event of retirement before five completed years of service, an employee is entitled to receive only his own contributions and interest thereon, though in certain cases, the Chairman may waive forfeiture of the Port's contributions. At Calcutta, if an employee resigns before completing five years' service, the whole amount of the contribution together with interest thereon shall be forfeited. At Madras, if an employee resigns before the completion of five years from the date of joining the Funds, all or any of the funds standing in his contribution account may be forfeited. In all these three Ports, the Chairman is expressly empowered to forfeit the entire amount of the Port's contribution, together with interest thereon, in the account of any employee who has been dismissed for dishonesty, insubordina-

tion, absence without leave, neglect of duty, misconduct or criminal offence. The Madras Port Trust Rules provide specifically that the forfeited money shall be earmarked for the Welfare Fund, whereas in other Ports the money is credited to the Port's Account.

Demands of Labour

12. The demands of Labour can be broadly classified into two categories, demands relating to general questions and demands in respect of specific items. The general demands of Labour in regard to Provident Fund (as also for other certain conditions of service) are that (i) the rules should be standardised for uniform application at all the Ports, (ii) all ports and Dock workers (except purely temporary employees engaged for six months and less) should be eligible from the date of their employment, (iii) the Port's contribution and Special Contribution (Gratuity) should be obligatory and payable irrespective of the cause of termination of service or length of service, (iv) the basis of both the contributions should be total earnings including dearness allowance, compensatory allowance, house rent allowance, incentive bonus and piece-rate earnings and (v) workers should be given a voice in the management of their Provident Fund holdings and there should be a Joint Board for the purpose. The specific demands are (i) the employees should be allowed to subscribe up to 12½ per cent of total earnings with an equal contribution from the Ports. (A local Union in Madras has suggested the restoration, retrospectively, of the old rates, 10 per cent. which was in force in that Port up to 1933), (ii) the rate of interest should be guaranteed, the rate suggested by the various Unions varying from 4 per cent. to 5½ per cent., (iii) the Port's contribution should be credited to the Provident Fund Account every month along with the subscriptions realised and (iv) the accumulations in the Provident Fund as well as in the Special Contribution (Gratuity) should be paid to an employee along with the pay for the last month of the service.

Views of Employers

13. The Port Administrations have generally expressed the opinion that as their Provident Fund Rules are based on similar rules of the Central Government, any further revision should be on a common basis. As regards the demand that piece work earnings should be taken in full, they have pointed out that the piece rates contain an element of incentive bonus, house rent allowance and compensatory allowance and as such inclusion of all piece rate earnings will not be appropriate. The view has been expressed by the representatives of the various Stevedore Associations in the course of discussion that the wages of Stevedore workers are higher than those of the corresponding categories on shore and should, therefore, be considered as including in them an element of provision for retirement benefits. They also apprehend that any further concessions will place an undue burden on the employers. The representatives of the Indian National Steamship

Owners' Association have stated a general view that Labour in this industry has already received considerable benefits which can stand comparison with conditions even in much bigger industries and the present is most inopportune time for considering the demands of Labour.

Retirement benefits—whether deferred payments

14. In discussing the demands of Labour which touch also on certain basic concepts, it will be useful to examine in the first instance whether the theory that such benefits are only in the nature of deferred wages is tenable. If they are, the title to such payments will not be affected by the manner of termination of the services or the time and circumstances in which the services are so terminated. A further implication of this concept, it might be argued, is that all contributions should be paid into an irrevocable trust fund administered by the employees and free from the employer's control.¹

15. The question was mooted before the Royal Commission on the Civil Service of the United Kingdom (1953-55). The majority view of the Commission, in agreement with that of the Treasury, was that while in one sense pensions clearly were deferred pay in that they partook of the nature of remuneration and were in fact paid after, and not during, service, they were not deferred pay in the sense of an element which was held back from the wages packet and to which the employee was just as much entitled as he was to wages; that it was perfectly proper for the State, or any other employer, to undertake to pay an employee in addition to salary of wages, if he gave long service and stayed until a minimum retiring age, an allowance after he retired from employment; and that it would be altering the fundamental contract to regard the employee as entitled to some payment in lieu, for example by way of return of national contributions, if in fact he did not fulfil his side of the contract but departed from his employment prematurely. It was not wrong that the superannuation system should be so designed that civil servants who acquired valuable skills of various kinds at their employer's expense should not be able to withdraw them except at a loss to themselves.²

16. This question was considered by the Madras High Court whose opinion is stated as follows :

“The second group of disputes relates to bonus, gratuity, pensions, Provident Fund, and Pongal presents. The general argument with regard to these items is that they are *ex gratia* payments and can be given or withheld by the management at their pleasure. Here again, the general principle followed by the learned Judge is that the Tribunal cannot compel the management to

¹ Charles L. Dearing, *Industrial Pensions*, Washington : The Brookings Institution, 1954, pages 254-55.

² Royal Commission on the Civil Service, 1953—55, para 694, page 174.

give what they are not legally bound to give. ** ** * *
 The granting of bonuses, gratuities, pensions, and the like to employees is not out of charity. They are given in order to make labour more contented, and form part of the remuneration of the workers for their services.”¹

Constitution of Fund

17. An important feature of the Employees' Provident Funds Scheme of 1952 is the vesting of the Fund with a Board of Trustees in which both employers and labour are represented.² Analogous provisions have also been made in the Provident Fund Rules for some Government Companies and also some statutory corporations such as the Indian Airlines and Life Insurance Corporations.

18. The Provident Fund of the Commissioners for the Port of Calcutta is controlled on their behalf by a Board of two Trustees consisting of the Chairman and the Chief Accountant. In other Ports, the funds are directly controlled by the Port Administrations. This poses two questions—whether a separate Board of Trustees should be set up for the administration of the Provident Fund, and if so, whether Labour should have adequate representation therein. The answer to both should be in the affirmative; the separate Board should be responsible to the Port authority and it will be no more than an extension of the well-recognised principle that labour should have a say in matters pertaining to them.

Eligibility for Employer's Contribution

19. The removal of restrictions on membership of the Provident Funds has been one of the principle demands of Labour. While membership of the Fund is compulsory in respect of permanent staff in all the Ports, admission of temporary employees is regulated differently in different Ports ranging from one year in respect of non-scheduled permanent staff in Bombay to three years in Cochin and Kandla. The representatives of Labour recognise that admission to Provident Fund should not be extended to staff taken on casual vacancies and have suggested six months as minimum of service to qualify for admission to the Provident Fund. It may here be mentioned that the Employees Provident Fund Scheme provides for admission of such employees who have completed one year's 'continuous' service or worked for 240 days during a period of twelve months. The exclusion of temporary employees from the benefits is apparently based on the principle that retirement benefits should be related to permanency in service. It should, however, be emphasised that the real retirement benefit is only the employer's contribution, the employee's contribution being in the nature of a saving of an equal amount. The General Provident Fund Rules which regulate subscriptions to the Fund on an optional basis formerly used to restrict admission to that Fund only to such staff as were likely to be made

¹ Baktavatsalu Naidu vs. Chrome Leather Co. I Madras Law Journal, 1949, page 126.

² Employees' Provident Funds Scheme, 1952, Clause 3.

permanent. In 1948, however, in order to augment national savings, Rules were amended throwing open membership to all employees who had completed a year's service. The need for encouraging thrift in low paid workers cannot be gainsaid. It is, therefore, recommended that admission to Port's Provident Funds should be extended to all categories of temporary employees other than purely casual workers on completion of one year's service.

Removal of the five-year limit

20. If the enactments on the subject are to be taken as an indication, the point of view that the Port's contributions are in the nature of deferred payments has not been fully accepted. Section 10(2) of the Employees' Provident Funds Act, 1952, also contemplates certain authorised deductions and Clause 69(3) of the Employees' Provident Funds Scheme lays down that the full amount of the employer's contribution and interest thereon shall be forfeited to the fund if the period of membership of the Fund is less than five years. However, the relaxation of this Clause to the extent of permitting a member with less than three years' membership to get 25 per cent. of the employer's contribution with interest thereon and with fifteen years' membership for full contribution with interest, is stated to be under consideration.¹ Membership of the scheme terminates when a worker ceases to be in the employment in any factory to which the scheme applies for a continuous period of not less than one year, whereas in the Ports the rules relating to withholding of the employer's contributions come into force the moment an employee resigns from employment of a single port. On the other hand, under the Employees' Provident Funds Scheme, withholding of a proportionately smaller proportion of the employer's contribution is stipulated upto resignations within 20 years, while in the Ports' Rules the contributions become payable in full in the event of resignation after five years of service.

21. The number of such cases where the Ports' contributions have been withheld in the event of resignation before completion of five years of service are not many. During the last three years, such deductions have made only in respect of 156 cases in Bombay, 64 cases in Calcutta and 9 in Madras. There have been no cases of forfeiture in Cochin and Visakhapatnam during the same period. The membership of the various Ports' Provident Funds is of the order of 75,000. This has to be compared with the fact that during the year 1955-56 alone the employer's contributions were forfeited in respect of 11,348 workers covered by the Employees' Provident Funds Scheme, the total membership of the scheme during that year being 5,56,922. The amount so forfeited was Rs. 6,50,970/-. This will indicate that most of the workers taking up employment in the ports tend to stay on.

¹Report on the Working of the Employees' Provident Funds Scheme, 1954-55, Government of India, Ministry of Labour, para 47 (vi), page 19.

22. Thus, while there is no evidence that the incidence of the present rules in this regard is harsh, the fact has also to be remembered that a certain amount of mobility in industrial labour is not unusual. With the progressive extension of the Employees' Provident Funds Scheme, the workers covered will be entitled to carry forward their Provident Fund accounts in the event of changes in the employment to a very much larger extent. It is also a significant fact that membership of this Fund is permitted even for some periods when the worker is not in employment. This as well as the fact that the amounts at credit will be very small in the earlier years of service will justify modification of the present rules to the extent of making the Ports' contributions unconditional as far as the length of service is concerned.

Rates of Subscriptions

23. There is a large measure of uniformity in the rates of subscriptions and contributions, the only significant variation being in Calcutta where certain Class IV employees who hold appointments mentioned in Schedule 'X' to the Rules can either subscribe eight annas a month or 1/12 of pay and the special contribution is not admissible to those who have elected the higher rate of subscription. There is no justification for this provision and the rules in Calcutta should, therefore, be amended to make Class IV staff in that Port eligible for Provident Fund benefits to the same extent as other staff. One of the demands of Labour in this connection is that an employee should be allowed to subscribe up to 12½% of his emoluments with a corresponding contribution by the Port. In view of the obviously heavy financial implications I am unable to support the proposal. A specific point has been made in one of the Madras Unions' memoranda that higher rate of ten per cent. was in force in that Port some time back, but as has been explained earlier, the higher rate was in lieu of special contributions.

Basis of calculations

24. For the purpose of calculating the contributions, originally only basic pay used to be taken into account. Subsequently, the Ports adopted the orders of the Finance Ministry dated 9th May, 1953 to include half the dearness allowance in pay. The demand of Labour is that the entire wages including dearness allowance in full, local compensatory, house rent and overtime allowances, should be taken into account for this purpose. During discussions, the representatives of Labour quoted Section 6 of Employees' Provident Funds Act, 1952, which lays down that the contribution payable by the employer to the Fund shall be on the basic wages and dearness allowance in full, as indicative of the policy of the Government in this matter. The framing of Section 6 has, however, been influenced more by the fact that unlike Government Departments wages in private industry have not been rationalised and there are very great variations in the level of basic wages in private industry, even in different units in the same industry. If

contributions* are reckoned on basic wages only, there will be wide differences in the degrees of benefits received which will obviously be unfair to the workers.

25. In the course of debates on the Employees' Provident Funds Bill, the Labour Minister observed¹ that there were cases where dearness allowances constituted 75 to 80 per cent. of the earnings of the workers and mentioned instances where a dearness allowance of Rs. 50 or 60 was paid on a basic wage of Rs. 10 or 12. Besides, the Employees' Provident Funds Scheme allows contribution only at 6½%, although there is a permissive provision in Section 6 of the Act for contribution of 8 1/3%, at a later date if the scheme so provides. In the Second Five Year Plan, it has, however, been proposed that the question of the enhancement of the rate of contribution from 6½% to 8 1/3% should be further studied. The proposal for enhancement of the rates to 8 1/3% was generally approved at the Labour Ministers' conference held in December, 1956. The question is under consideration of the Ministry of Labour.

26. The Committee appointed by the Ministry of Finance in 1953 (under the Chairmanship of Shri N. V. Gadgil) to look into the problem of absorbing a portion of dearness allowance in pay scales admitted that there was little probability of the cost of living going down to the level anticipated by the Central Pay Commission. They, however, felt that the cost of living index was not also likely to remain at the level that prevailed at the time of appointment of that Committee. (June, 1952: 358—Base 1939). Even at the time of consideration by the Committee, a well known economist, in a written Memorandum submitted in this behalf, felt that it was impossible for the cost of living index to reach a level below that in January, 1947, the date on which the scales of dearness allowance laid down by the Central Pay Commission were given effect to. He, therefore, recommended that the dearness allowance rates in force at that time should be integrated into the regular salary scales.² The Committee, however, recommended that half the dearness allowance that was being paid, at the time they made their recommendations, to those in receipt of pay up to Rs. 750 should be treated as part of pay for retirement benefits and orders of the Government were issued accordingly.

27. Since 1947 there have been two *ad hoc* increases of Rs. 10/- and Rs. 5/- in 1949 and 1951 respectively in order to compensate partially for the increase in the cost of living. Although in para 71 of their Report the Pay Commission had included a recommendation that the rates of dearness

¹ Constituent Assembly (Legislative) Debates Vol, I & II, Part II, dated 23-2-52. page 1188.

² Dr. V. K. R. V. Rao's Memorandum, Appendix V to the Report of the Dearness Allowance Committee, page 52.

allowance should be synchronised with the cost of living, the Government after reviewing the position in 1949, felt that such a course should not be accepted as a matter of policy. Except for recession of prices in 1955 which brought the cost of living index near about the level which prevailed at the time of the second *ad hoc* increase, the cost of living had gone up appreciably and the present index for the latest month available (April '57) is 381 (August, 1939—100). It should also be remembered that since 1951 no further *ad hoc* increases of dearness allowance have been given to compensate for the increased cost of living, the reason being that such increases generally result in inflationary tendencies and cost of the Central Exchequer Rs. crores for every such increase of Rs. 5/-.

28. The crux of the problem, therefore, is whether the amounts received by way of Provident Funds would, under the present economic conditions, and in accordance with present and anticipated price level, be sufficient to insure subsistence for worker during the period he is expected to live after retirement. If they do not, then ways and means will have to be found for increasing the corpus of the Fund.

29. The Provident Fund accumulations of a Class IV employee on the present scales of pay and dearness pay who retires after completion of thirty years of service and after reaching the maximum of Rs. 50/- in the pay scales, will be of the order of Rs. 6,500/-. The amounts actually received in settlement have, as a matter of experience, been considerably smaller. To give a few instances, a Junior Clerk with seventeen years of service, whose basic pay was Rs. 69/- at the time of retirement received a total amount of Rs. 1,584/-; 'Khalasi' after twenty-seven years of service, retiring on a basic salary of Rs. 40/-, Rs. 1,236/-; a Sweeper with thirty years of service, only Rs. 765/-; a Yard Porter with 35 years of service, Rs. 1,383; a Syrang with twenty-six years' service and a basic pay of Rs. 115/-, Rs. 6,073, and a Viceman getting Rs. 45 as basic pay with fifteen years' service, Rs. 3,151. Instances of this kind can be multiplied. In one Port during a period of six months, 81 employees leaving service within ten years were paid amounts ranging from Rs. 83/8 to Rs. 771/-, 24 employees after service of over ten years and up to twenty years—from Rs. 145/- to Rs. 3,151/-, 12 employees with service of twenty years and up to thirty years—Rs. 634/- to Rs. 2,490/- and three employees with over thirty years of service Rs. 1,301/- to Rs. 2,402/-. The smallness of the amounts as compared with the estimated accumulations are due to a number of reasons such as (i) the low pay scales which were in force before the prescription of new scales, (ii) late admission in some cases to the Provident Fund, (iii) adjustment of advances outstanding against the accumulations in the Provident Fund. In all these cases, the pensionary equivalent of the amounts outstanding will be much smaller than what the employee would have got had he been on a pensionable system.

Indebtedness

30. Even this small corpus is not entirely drawn by the workers at the time of retirement as they are heavily indebted and have to pay the loans they have taken from Co-operative Societies, besides loans taken from private persons of which no statistics are available. The following figures will indicate the appalling extent to which indebtedness prevails.

Bombay.—In 1956-57, up to February '57 1,313 persons had taken loans amounting to Rs. 2,56,018/-. Loans from Co-operative Societies were taken by 7,440 persons to the extent of Rs. 14,92,231/-.

Calcutta.—In 1955-56, 19,159 persons have taken loans amounting to Rs. 17,85,767/- from the Port Commissioners' Loan Fund. Besides, 510 persons have taken loans in December, 1956 from the Port Commissioners' Co-operative Credit Society to the extent of Rs. 10,86,358/-. The figures relate to Class III employees only, as Class IV employees are not eligible for membership of the Society.

Madras.—531 Class III and IV employees representing 12% of total number of subscribers to the Provident Funds have taken loans; the amount outstanding on 28th February, 1957 was Rs. 52,086/-. Almost all the Class IV employees and many of the Class III employees are indebted to Co-operative Credit Societies to the extent of six times their monthly salary.

Cochin.—640 subscribers out of a total of 1,800 and 1,200 members of the Port's Employees' Co-operative Bank out of a total membership of 1,368 had taken loans during the last year.

Kandla.—125 persons out of a total of 500 have taken advances from the General/Contributory Provident Fund to the extent of about Rs. 24,000/-.

Visakhapatnam.—Of the 801 Class III employees, 280 or 35% have taken advances from the Provident Fund amounting to Rs. 71,700/-. Roughly, every Class IV employee in four has taken an advance from the Provident Fund; these advances amount to Rs. 77,597/-. In addition, 678 out of 801 Class III staff are indebted to Co-operative Banks to the tune of Rs. 8,40,943/-, and 1,051 out of 1,527 of Class IV staff are indebted to Co-operative Banks to the total value of Rs. 7,04,252/-. The total of advances and loans come to Rs. 17,00,000/-.

Inclusion of Dearness Allowance in full

31. While it will be hazardous to conjecture at this stage the ultimate level at which prices may stabilise, it is a reasonable assumption that there is little possibility of the price levels falling to an extent which will necessitate reduction in the existing rates of dearness allowance. The Gadgil Committee had also left the matter open to review in the light of further changes in the price levels. Further, as contributions to the Provident Funds

form part of a running process, unlike a pension which is worked out at the time of retirement, there should be no objection to the quantum of dearness allowance treated as pay being reduced if justified by a subsequent fall in price levels. This point has also been made clear categorically even in respect of the Employees' Provident Funds Scheme. Shri Khandubhai Desai in his speech in the debate on the Employees' Provident Funds Bill, in February, 1952, stated that the opinion of most of the economists was very definite that the time had come when dearness allowance should form part and parcel of the basic wage.¹ Due weight will also have to be given to the fact that the expectation of life is steadily increasing, which will reduce the pensionary equivalent of a lump sum paid out of a Provident Fund, and to that extent, upset the balance between a Provident Fund system and a pension system. This will be an additional reason, apart from the increase in price levels for seeking a method of increasing the accumulation in the Provident Fund. It, therefore, appears that taking into account the dearness allowance at the present rates in full for the calculation of subscriptions and contributions will be adequately justified.

Rates of interest

32. Except in the case of certain employees who entered before certain crucial dates, the rate of interest allowed on accumulations to the Provident Fund is only what the investments will bear. The rates of interest declared on the accumulations in the Provident Fund during the year 1955-56 are: 44% in Calcutta, 3.91% in Bombay, 3.75% in Madras and 3.75% in Visakhapatnam and Cochin, which is also the rate of interest declared by Government on Provident Fund deposits with them. It will, thus, be seen that the rates of interest allowed by the Port Trusts compare very favourably with those declared by Government which is by itself an indication of the prudent investment policy of the Ports concerned. Indications are that the rates of interest will continue to be at the present level for years to come; in any case it will not be proper to burden the Ports with any liability in respect of Provident Fund accumulations which is greater in extent than the yield of the corresponding assets. It will be interesting to compare this with the rate of interest declared in 1955-56 on accumulations in Employees' Provident Funds which was only 3.50%.²

Advances from the Provident Fund

33. It is difficult to sympathise with the demand of Labour for the grant of more liberal provisions for advances from the Provident Fund. The Rules clearly indicate that all the Ports have recognised the usual reasons for which advances of this nature are ordinarily given from the Provident Fund. In fact the only unusual restriction on advances that can be pointed

¹ Parliamentary Debates, 1952, Part II.

² Report on the Working of Employees' Provident Funds Scheme 1955-56, para 34.

out is in the Madras Rules which restrict the grant of advances to not more than 15% of the total number of subscribers to the Fund.

34. The Employees' Provident Fund Scheme does not provide for advances from the Employees' Provident Funds for any purpose except for payment of life insurance premia. This omission is deliberate and is based on the experience that such provisions encourage the workers to fritter away the savings. In this connection the following observations of Shri Jagjivan Ram, then Minister of Labour in Parliament during the debate on the Employees' Provident Funds Bill on 23rd February, 1952 will be of interest:

"If we take a portion out of their (workers) earnings to put it by for the rainy day, does it mean that we should fritter it away by advancing loan to them which we know many of them will not be able to repay—not that they have not the intention to repay but because they have not the capacity to do that. * * * * Taking all these things into consideration, though there is a case, and there is a case for many things, for advancing loans, I would not agree to-day to any withdrawals from the Provident Fund."¹

35. This again was reiterated by Shri Abid Ali, the Deputy Minister for Labour in the course of the debates in the Council of States on 24th November, 1953—

"About loans, it is true that such of the employees who are directly under the Schemes which are not exempted are not allowed to get a loan. The reason is that experience shows and as a Trade Union worker I myself have felt that whenever any occasion arises the workers draw from the Provident Fund loans and on retirement practically nothing is given to them because the amount to their credit has to be set off against the loans which might have been taken. Therefore, intentionally we have made this provision."²

36. It can, thus, be readily appreciated that the purpose behind any improvements made in Provident Schemes will be defeated if they are accompanied by a further liberalisation of the terms and conditions relating to advances. If past experience is to be a guide, there is a strong case for tightening the present provisions in this matter. A very careful scrutiny of applications for advances is essential if reductions in final payments are to be avoided. The special restriction at Madras, however, serves no special interest of the employee; on the other hand, there is a real danger that a more deserving application may be turned down because the quota has already been reached. This restriction may, therefore, be removed.

¹ Parliamentary Debates (1952), Official Report, Part II, page 1186.

² Debates in the Council of States, Official Report, Vol V, No. 2, page 18.

Inclusion of house rent and compensatory allowances

37. The inclusion of local compensatory and house rent allowances has been urged on the ground that they also are paid in cash to the employees and as such should be deemed to be a part of the emoluments. The effect of such inclusion will, however, be discriminatory in the sense that of two Port workers similarly remunerated the one posted in Bombay or Calcutta will get a large quantum of the retirement benefits than his confrere in other Ports. Similarly, as between a worker in possession of an official quarter and one who is not, the latter will get an adventitious benefit. Mere accidents of posting or allotment of official residences should not make any difference in retirement benefits which should be based only on such portions of emoluments as are being paid uniformly throughout. The same argument also applies against the inclusion of overtime.

Piece-rate workers

38. It has already been decided that shore labour under the Port Trusts employed in the handling of cargo should be paid piece-rates. Piece-rates generally include, in addition to a correlated basic wage on a time scale of pay, dearness allowance and local compensatory allowances and an element of incentive bonus also. Normally, any addition to emoluments on such considerations should be treated as final rewards in themselves and no further claim should arise in regard to retirement benefits. The impropriety of including local compensatory and house rent allowances for this purpose has already been discussed in earlier paragraphs.

39. Certain temporary workmen in certain Central Government Departments like the Mints, Central Public Works Department have been remunerated on piece work basis for a considerable length of time in the past. A Contributory Provident Fund has been set up for those workmen and regulated by the Workmen's Contributory Provident Fund Rules framed for that purpose. Rule 2(2) of that Fund provides that—

“Emoluments in the case of these workmen shall mean monthly pay or leave salary or wages, excluding rent, overtime and other fluctuating or extra allowances provided that the monthly emoluments of a person paid at daily rates shall be deemed to be 25 times the rate of wages admissible to him for the first normal working day of the month.”

40. The above formula, though it has the virtue of simplicity, is empirical and does not provide for the exclusion of the element of bonus and an employee, who earns a large bonus either by virtue of his superior capacity for intensive work or being accidentally assigned piece work with a larger element of bonus, stands to gain disproportionately. One of the peculiarities of Port Work is that the capacity to earn bonus by the same worker varies appreciably from job to job. The problem has been consi-

dered by the Labour Appellate Tribunal in Bombay whose findings have already been incorporated in the Provident Fund Rules of that Port Trust. The introduction of piece-rate schemes in other Ports on the lines of the scheme applied in Bombay has been contemplated and a Tribunal is already conducting enquiries. I do not therefore think it is necessary to include a recommendation on this point.

Other Demands

41. It has been suggested that the Ports' contribution should be credited monthly to the Provident Fund Account of the employee along with his subscriptions instead of at the end of the financial year as is being done at present. As far as the Ports contributions are concerned there is no real loss to the employee on account of this because the rules provide for crediting a proportionate amount in the event of an account being closed in the middle of a year. There may be some gain on interest if the balances are worked out every month and interest credited thereon, but the gain will be disproportionate to the extra cost and effort involved in the accounting of the transactions. Another suggestion is that the system of maintenance of accounts should be so organised that all the dues are paid along with the last pay due to the employee at the time of termination of his service. The rules already provide for withdrawal by an employee of 90% of the amount standing to his credit when he proceeds on leave preparatory to retirement. There is, however, considerable force in the argument that staying in a Port town after retirement and during a period when he is not in receipt of any pay is a drain on the resources of the employee and it is certainly desirable that there should be the least possible delay in settling the account finally. This is a point worth investigation by the Port administrations.

Special Contribution (Gratuity)

Introductory

42. Special Contributions (Gratuity) are additional benefits which are provided for in the Provident Fund Rules of the Ports. The concept of a Special Contribution to supplement the employer's contribution to the Provident Fund originated in the Railways. The Railway Provident Fund system was first introduced about half a century ago. It appears to have been the intention to give Railway officers a benefit in the shape of a bonus (employer's contribution) and gratuity which together would be roughly equivalent to corresponding pensionary benefits in the Civil Departments of the Government. But as a result of the substantial increase in the rates of pay granted during the years 1919 and 1924 and the higher rates of interest then prevailing, the relative advantages of the Railway Provident Fund benefit increased considerably particularly in the case of higher income groups. With a fall in the rate of interest involving a corresponding

increase in the commuted value of pension there has been a swing in favour of the pension system as being financially more advantageous.¹ Generally speaking, Special Contribution is contingent on good and faithful service and on completion of specified years of service and is not therefore sanctioned in the event of dismissal for misconduct.

Position in Ports

43. The rules relating to Special Contribution have, therefore, been framed in all the Ports broadly on this basis. In Bombay, the rules *inter alia* provide that in the case of an officer whose pay at the date of retirement exceeds Rs. 320/- p.m. the amount of Special Contribution should be calculated on the basis of half a month's pay for each year of service subject to a maximum of six months pay if the officer has put in service not exceeding 18 years and a sum equal to six months pay plus a sum equal to half a month's pay for each year after the 18th year subject to a maximum of twelve months pay or Rs. 25,000 (reduced to Rs. 15,000/- for employees recruited subsequent to 31st March, 1951). In the case of an officer drawing less than Rs. 320/- p.m. the rules provide that no Special Contribution shall be granted if the officer has less than 15 years of service, except in certain special cases, and the amount of Special Contribution should be at the rate of half a month's pay for each completed year of service up to a maximum of 15 months. Where an officer retires before the completion of the specified years of service on account of circumstances beyond his control, a Special Contribution on the same basis subject to a maximum of six months pay has been provided for. In special cases the rate can also be raised to one month's pay for each year of service within that ceiling. In Calcutta and Madras, the rules are uniform in regard to minimum periods of eligible service which commences after completion of 15 years service. In Cochin, Visakhapatnam and Kandla, the same limits are in force for non-gazetted staff. In all these rules sanction of this contribution has been made contingent on good conduct.

Demands of Labour

44. Demands of a general nature in regard to Special Contribution are (i) the contribution should be calculated at the rate of one month's emoluments for each year of service; for this purpose, dearness allowance, overtime allowance, piece-work bonus, house rent and compensatory allowances should be taken into consideration instead of dearness pay alone; (ii) an employee should be eligible for this from the date of commencement of his service; (iii) there should be no ceiling placed on this contribution; and (iv) as this benefit is in the nature of deferred pay, it should on no account be withheld either on dismissal or discharge. Other demands are (i) the monthly emoluments for the purpose of calculating Gratuities should be based on the highest monthly earnings during the last 12 months preceding

¹ Report of the Central Pay Commission, para 168, page 90.

the termination of the service of the employee; (ii) any break in service should automatically be condoned; (iii) past services of workers under Tolliwallas, Contractors etc., should be taken into account for grant of Special Contribution; and (iv) in the case of decasualised workers, where records are not available, calculations of this Contribution in respect of periods of service before decasualisation should be on the basis that the employees entered service at the age of 18. A suggestion has also been made that the Special Contribution should be on a slab system ranging from 25 months' pay for those who retire after 25 years of service, 20 months' pay for those retiring between 15 and 20 years of service, 15 months' pay for those retiring between 10 and 15 years of service, and 10 months' pay for those with less than 10 years' service. It has also been suggested that this Special Contribution should be fixed in lump for different categories of staff irrespective of other factors.

Views of Industrial Tribunals

45. Special Contribution is a unique privilege which is found only in the Provident Fund Rules of the Railways and Ports. In the Provident Fund Rules of Civil Departments of the Central Government, such a provision does not exist. The payment of a Gratuity as a supplementary benefit to a Provident Fund has not, at present, been explicitly stipulated in any industrial or labour legislation, but the question of providing a Gratuity Scheme, as a part of Employees' Provident Funds Scheme is stated to be under examination. Nevertheless, Industrial Tribunals have generally taken the view that if the financial position of the concern so permitted, there should be no objection to such a benefit being given. One Tribunal has held that "such an award is even desirable in the interests of social justice to enable the employees to have something to fall back upon during old age or incapacity for further work on account of any other causes to which human body is heir to and the only limitation subject to which the award should be made is a capacity of the concern to bear the financial burden involved."¹ Tribunals have also generally recognised that the payment of a Gratuity is conditional on satisfactory service and thus an employee dismissed from misconduct is not entitled to receive Gratuity.² The principle of regulating this benefit at half a month's salary for each year of service, in conjunction with Provident Fund benefit, has also found general acceptance.³

Basis of calculation

46. As this Special Contribution is part and parcel of the Provident Fund system, the basis for its calculation is the same as for contributions to the latter. As a corollary to the recommendation that dearness allowance

¹ Associated Electrical Industries (India) Ltd. vs. their Workmen, 1956, II F. J. R. 12; Ahmedabad Municipal Corporation vs. their Workmen, 1954, 6 F. J. R. 453.

² Tata Oil Mills Co. Ltd. vs. their Workmen, 1952 (I) L. L. J. 35.

³ Tata Oil Mills Co. Ltd., vs. their Workmen, 1952, L. L. J. 35.

in full should be taken into consideration for the purposes of calculating contributions to the Provident Fund, Special Contributions should also be reckoned on the basis of pay and dearness allowance in full. The arguments advanced earlier against the inclusion of other compensatory allowances, overtime and piece-work bonus, apply in this case also.

Rate of contribution

47. The demand, unanimously voiced by all Labour Unions and strongly pressed before me in the course of discussions, was that the Gratuity should be reckoned on the basis of one month's emoluments of each year of service or fraction thereof and should not be subject to any limit. It was also stated that a number of commercial concerns in Bombay and Calcutta were giving gratuity on this basis, and that at their respective retiring age, the workers were "too old to work and too young to die".

48. In an earlier paragraph, the present imbalance between the pension rules of the Central Government and the Provident Fund-cum-Special Contribution Rules has been discussed. The advantage in favour of pension and gratuity under a Pension-cum-Gratuity scheme is further weighted in the case of those who happen to get promoted in a substantive capacity steadily and whose emoluments at the time of retirement are appreciably higher than at the time of entry. Thus with the provision of adequate channels of promotion, the pension system will be more advantageous.

49. The Central Pay Commission after careful consideration were inclined to think that the pension system might well be adopted generally for all Government employees and expressed a hope that other establishments have a Contributory Provident Fund system would fall in line with Civil Departments.¹ It should, however, be recognised that the Provident Fund system would continue to be more suitable for non-Government bodies in which distinctions like permanent and temporary cannot be made to the same extent as in the Government Departments and where it would be of advantage to terminate the nexus with its employee at the time of his retirement.

50. Another important point is that even the present wage structure is fixed below the subsistence level and at least for low paid categories a slightly higher quantum will be necessary. The point is particularly important for industrial labour employed on vocations like Dock work which is of an exacting nature. Thus, partly as a means of redressing the present imbalance between the two systems and partly to increase the corpus of the Provident Fund (of which Special Contribution is an integral part), it is recommended that the Special Contribution may in future be reckoned on the basis of one month's salary (pay plus dearness allowance) for each completed year of service up to a maximum of 25 years. In the case of

¹Report of Central Pay Commission, pages 109-110.

Government servants, one of the qualifying periods for full pension is 25 years. The extra price seems worth paying in view of the greater sense of old age security that will be derived by the employees.

51. I am not recommending acceptance of the demand that the calculation should be based on the highest monthly emoluments during the period of 12 months preceding the retirement, because it is an integral part of any pensionary benefit that it should be an average over a period of time before retirement. It is interesting to observe in this connection that pension technicians in the United States of America consider averaging the employees' earnings during the five or ten years preceding retirement as quite adequate.¹

Condonation of break in service

52. The demand is that condonation of break in service, for the purpose of Special Contributions, should be automatic. This has been argued in one of the Memoranda in the following manner:

“That under the existing rules any strike which is not justified according to the Port Management constitutes a break. We submit that the strike is a legitimate right of workers and therefore, the break should not constitute any break in service.”

The rules of Bombay Port Trust do not contain any provision in this respect, while Calcutta and Madras differ to the extent that while in the former Port there is no distinction between a legal or illegal strike, in the latter, only participation in illegal strikes is penalised. The Labour's point of view can easily be met by adopting the provisions of Rule 1317R in the State Railway Establishment Code which condones a break cause by participation in a legal strike.

Removal of Penalty Clauses

53. In their discussions as well as in their Memoranda, the Labour representatives assailed the present provisions relating to the forfeiture of Special Contributions and Port's contributions in the event of dismissal for misconduct. It was argued that dismissal itself is a severe punishment and the forfeiture of Gratuity and Port's Contributions would amount to a double punishment. The argument is not without some force. The principle of double jeopardy is embodied as a fundamental right under Article 20 of the Constitution. Even though this Article does not, in terms, apply, the principle has a sufficient moral authority and should be borne in mind in interpreting penal clauses.

54. When considering such a demand in respect of the Railway Provident Fund rules, the Central Pay Commission felt that the existing restric-

¹Dan M. McGill, *Fundamentals of Private Pensions*, page 35.

tions need not be relaxed as a suitable procedure for considering appeals in respect of Railway employees had been prescribed and as a consequence dismissal otherwise than on adequate grounds, was hardly a possibility. Even in such cases, however, they recommended a compassionate Gratuity and felt that the substance of the demand would have been met without prejudice to the question whether the Special Contributions were in the nature of deferred pay. The employees of the autonomous Port Trusts do not have the same right of appeal as a regular Government servant. Besides, the earning capacity of worker decreases as he gets older and forfeiture of the Port's and Special Contributions of the worker even on account of misconduct after the end of an otherwise impeccable period of service will leave him a burden on the society. As early as 1912, a student of the old age problem wrote—

“From the standpoint of the whole system of social economy no employer has right to engage men in any occupation and exhaust the individual's industrial life in 10, 20, or 40 years and then leave the remnant floating on society at large as a derelict at sea”.¹

55. The number of instances of forfeitures of the Port's contribution following dismissals is not large compared to the volume of the transactions. There have been no such instances of forfeitures during the last three years in Cochin Harbour. In Bombay there was only one instance of forfeiture following dismissal for misconduct and only near about a dozen cases of dismissal following conviction in criminal courts. In Calcutta the number of such forfeiture for dismissals on account of misconduct have been 319 during the last three years. In Madras, there have been only four instances of dismissal, the period of service in all such cases being less than five years. With absenteeism as a common feature, the fact that the number of such forfeitures has been small serves to indicate the care and circumspection with which the Ports have been exercising this power. Nevertheless, except in those cases where losses are caused to the Port's Funds on account of the misconduct of the employee, there seems to be ample ground for the removal from the present rules of the provisions relating to forfeiture as a measure of penalty.

Annuity

Provision of pension schemes

56. It is recognised that the greatest drawback in the system of Contributory Provident Fund is lack of restraint on the part of the employee after the Provident Fund money has been paid to him, with the result that most of the accumulations are frittered away. The Second Five Year Plan has also suggested examination of the question whether the Provident Fund

¹Lee Welling Squire, *Old Age Dependency in the United States*, Macmillan Company 1912, page 272.

Schemes can be so converted as to find a basis for a suitable pension scheme.¹

57. Although there appears to have been a system of pension in the Ports a long time ago, it seems to have been given up in favour of Provident Funds in the 'twenties'. The reversion to the system of pensions is not impossible as the Ports are permanent bodies, but being organisations run on business lines, the rather elaborate procedure for pension report, verification and payment may not altogether suit them. One of the drawbacks of a pension system which has only been remedies to a partial extent in the Liberalised Pension Rules is the cessation of pension in the event of the death of the employee. In the present rules of the Government, the provision for a family pension is at half the rates of the normal pension subject to a maximum of Rs. 150 for a very limited period.

Position in U.K.

58. In the United Kingdom, personal superannuation benefits are non-contributory, but provision has been made on a contributory basis for allocation of a third of the pension of a superannuated employee to give an actuarial equivalent pension for his wife or some other dependent. In addition, pension schemes for widows and dependents have been framed on a contributory basis. In the private sector, a number of occupational pension schemes have been adopted which are briefly discussed below:

(i) An endowment assurance policy providing a lump sum on death or attainment of a stated age is taken out by the employer for the employee. The employee's contribution ranks for relief as if it were a premium on an ordinary life assurance policy; and the employer's contribution is relieved of tax in full as a working expense. Premiums returned to an employee (e.g., on leaving employment) are not subject to tax, but refunds to an employer are treated as trading receipts for tax purposes. In most cases it is an Inland Revenue requirement that at least three-quarters of the lump sum on retirement should be used to purchase an annuity. Such an annuity is taxable as earned income, but if an annuity is purchased voluntarily with a lump sum not subject to this requirement, that annuity is taxable as unearned income.

(ii) Under the second type of arrangement, which like the first applies of Life Office schemes, the employer and employee collaborate with one another to provide, through an insurance company, a deferred annuity for the employee on retirement. If the scheme is recognised by the Commissioners of Inland Revenue as a *bona fide* pension scheme, the shares of the two contributing parties are relieved of tax to the same extent as in the preceding example. Equally, premiums returned to an employee are not taxable and premiums returned to an employer are treated as trading receipts.

¹Second Five Year Plan, page 580.

The annuity itself will be treated as earned income, but up to one-quarter of it may be commuted for a lump sum which is not taxable.

(iii) Where pensions are provided by means of an internal trust fund—an “internally administered scheme”—to which both parties contribute, and this fund is “approved” by the Commissioners of Inland Revenue under the Income Tax Acts, the contributions of both sides rank as expenses and are entirely exempt from taxation. The investment income of such a fund is also immune from tax. The resulting annuities are taxed as earned income. The main conditions for the approval carrying these valuable concessions are that the Commissioners should be satisfied: (a) that the sole purpose of the fund is the provision of non-commutable annuities for members at a stated age or earlier incapacity, or for widows and dependents; (b) that the pensions are reasonable in amount having regard to remuneration and length of service. When contributions are refunded to an employee, the fund is required to pay tax at a quarter of the standard rate on the amount refunded. It may, but is not required to, deduct an equivalent amount from the refund. Refunds to employers are subject to tax at the standard rate. There are provisions for the partial approval of a fund that provides other benefits besides annuities.

(iv) Similarly, an employee’s compulsory contributions to a superannuation scheme set up by a Public General Act of Parliament to provide him with benefits on retirement or death are exempt from tax. This applies to many of the schemes for the public services. Some public service schemes are operated through approved funds and then, even when they are not set up under Public General Acts, the reliefs described in (iii) above apply.¹

Provision of annuity in Ports

59. The recommendations made in this report in regard to Provident Fund and Special Contribution will have the effect of increasing the accumulations to a substantial extent. It has been estimated that even for the lowest category of employee retiring on pay of Rs. 50, the increase in Provident Fund accumulations will be nearly Rs. 2,800 and another sum of Rs. 1,200 will be added by way of increase in Special Contribution. These two, if invested in an annuity, will yield nearly Rs. 30 per month,² which will be roughly one-third of his emoluments at the time of retirement. This is by no means an innovation, as the Bombay Provident Fund Rules (Rule 26) already provide for an optional annuity, but the experience has been that in the absence of any compulsory provision in this behalf the facility is seldom availed of. In fact, only one retired employee has chosen to take annuity after retirement during the last five years. The legal posi-

¹Report of the Committee on the Economic and Financial Problems of the Provision for Old Age, 1954, Cmd. 9333 (Philips Report), Section V, para 230.

²This is on the assumption that the age at next birthday is 56.

tion appears to be that in the absence of any specific mention in the relevant sections of the Ports' Acts of an annuity as one of the benefits on which the Port Administrations are competent to make rules, there is no means of compelling a retiring employee to convert a portion of his accumulations in the Provident Fund into an annuity. If this suggestion is to be implemented, relevant sections of the Ports' Acts may have to be amended.

Annuity Funds

60. One method of bringing into effect the above Scheme will be the setting up of a separate annuity fund as has been done in the Bombay Port. But in such cases, it is difficult to provide for any benefit other than the pure form of single life annuity termed, in American nomenclature, as 'straight life annuity' which is considered fully liquidated upon the death of the annuitant and no guarantee is given that any particular number of monthly payments will be made. Because of the absence of any refund feature, this type of single life annuity provides the largest monthly income on any given outlay.

Types of annuities

61. Several other forms of annuities are available for disbursement of pension benefits. Classified broadly, annuities may be of single life or joint life variety and within that classification they may be either of the pure or refund type. As indicated by its title, a single life annuity is one which is based on only one life. The refund type of single life annuity includes any annuity which guarantees to return in one manner or another all or a portion of the purchase price of the annuity. The annuity may promise that a certain number of monthly payments will be made whether the annuitant lives or dies, with payments to continue, of course, if the annuitant lives beyond the guaranteed period. In American insurance circles, this type of annuity is referred to as a "life annuity certain and continuous". A joint life annuity is based on two or more lives. It provides an income of a specified amount as long as the annuitants designated in the contract live, the income ceasing, however, upon the death of the first annuitant. Theoretically, this annuity could contain a refund feature, but it is not customary to incorporate such a feature. The joint life annuity has only a limited applicability and has been all but supplanted by the "joint and last survivor annuity" which provides a periodic payment of a specified amount as long as either of two or more persons live. For most combinations of ages, this is the most expensive of all annuity forms. This type of contract is ideally suited to provide old-age income to a husband and wife. The contract is available in a form in which the income is reduced upon the death of the first annuitant to either one-half or two-thirds of the original amount, on the theory that the survivor does not require as large an income as do the two annuitants.

Group coverage

62. In organisations like Ports which employ large numbers of persons, coverage on a group basis may be more attractive. This has become a more feasible proposition in respect of large establishments with the setting up of the Life Insurance Corporation. It is stated that in the United States of America coverage of pension plans up to 8,000 or 10,000 employees can be taken up only by the largest firms and plans of such size are definitely the exception.¹ However, in the limited time available, it is not possible to work out the actuarial and other implications of the various annuity schemes, but it is my considered opinion that a scheme by which additional credits to the Provident Fund, following the recommendations in this Chapter, are converted to joint and survivor annuities will be the one that will be in the best interest of the employees. Any such scheme, in addition, will make available every year nearly 35 to 40 lakhs of rupees for investment, which will otherwise be frittered away if paid in lump sum to the employees.

Liability of annuity to income-tax

63. With regard to the proposed annuity, a question has to be examined as to whether the amounts paid by way of annuity would be subject to income tax. As the Ports' Provident Funds are governed by the Provident Fund Act, 1925, the relevant Sections are 7 and 15 of the Income Tax Act. Under Explanation 2 to Section 7(1), the lump sum payment from the Provident Fund would undoubtedly be exempt from tax. The annuity which is purchased out of the accumulated amount, however, will not be exempt from tax even though the principal sum out of which the annuity is purchased was exempt. If instead of paying out the amounts standing in the Provident Fund in one lump sum, the trustees make a payment by way of annuities month by month, it is still payment to the employees of money due to him from the Provident Fund. The proviso to Explanation 2, Section 7(1), exempts "any payment from a Provident Fund". Such a payment, month by month, would still be a payment under the Explanation and would, therefore, be exempted. Under the existing law, it will be necessary for the Ports to purchase the annuities themselves without any transfer of the moneys to the subscribers and to pay the annuity amount month by month.

Summary of Recommendations*Provident Fund*

(i) In regard to all categories of staff to whom the Provident Fund Rules apply the rules should be uniform throughout. Any rule in which a particular class of employees has been accorded a lower scale of benefits should be amended to remove the discrimination.

¹Dan M. McGill, *Fundamentals of Private Pensions*, page 75.

(ii) In respect of Port employees governed by Provident Fund Rules the rate of subscription and contribution should be at 8-1/3 per cent. of basic wages and dearness allowance in full. Local compensatory, house rent and overtime allowances should be excluded.

(iii) For workers remunerated on a piece work basis, no specific recommendation is made in view of the fact that revised piece-rate scheme for some of the Ports is under consideration.

(iv) Eligibility to subscribe to Provident Fund should be determined with reference to the fact whether the employee has been taken on a permanent or temporary basis. In the latter case the subscription should commence only after one year's service has been completed.

(v) No liberalisation in the present rules relating to sanction of advances from Provident Fund is called for. As accumulations in the Provident Fund are also regarded as being held in trust for the benefit of the family of the employees, there is scope for even tightening the present rules.

(vi) Without conceding that retirement benefits are in the form of deferred wages, there is ample justification for amending the Provident Fund Rules to provide for payment of the Port's contribution as well as Special Contribution in the event of any kind of discharge other than that caused by misconduct involving loss of the Port's funds.

(vii) For the purpose of the application of the Provident Fund Rules, the pay limit up to which an employee can be considered as Class III should be placed at Rs. 500 and for Special Contribution in Bombay and Madras Ports according as the employee draws a pay of more than Rs. 320 or Rs. 300 or not should be amended accordingly.

(viii) There should be a separate Board of Trustees for the management of Provident Funds, in which Labour should be represented, the Board will be responsible to the Port authority.

Special Contribution (Gratuity).

(ix) Special Contributions should be regulated on the basis of one month's emoluments for each completed year of service up to a maximum of twenty-five years. Only basic wages and dearness allowance in full should be treated as emoluments for this purpose.

(x) As has been suggested in the case of Provident Fund, the rules relating to Special Contribution should be made uniform for all staff drawing pay up to Rs. 500.

(xi) The remarks offered earlier in regard to withholding of the Port's contribution in the Contributory Provident Fund apply also to the Special Contribution.

Annuity

(xii) The increase in Provident Fund accumulations and Special Contributions should be converted into annuities of the joint and survivor type. It may also be necessary to amend the relevant sections of the Ports' Acts in order to provide, in the Provident Fund Rules, for annuities on a compulsory basis.

CHAPTER VII

WORKING HOURS, NIGHT SHIFT AND WEEKLY OFF

Working hours

The problem of working hours

The problem of hours of work, in other words the length of the working day, has been engaging the attention of employers and workers as well as Governments and Legislatures, for well over a century. Other things remaining equal, the progress of technology has tended to diminish the number of working hours. When the hours of labour are excessive, the worker has little leisure to attend to his duties as a citizen and a householder. Shorter hours are apt to increase the efficiency of the workers, who are better able to concentrate and adapt themselves to new and more advanced processes.

2. The problem, however, is not simply one of shorter hours. While too much work may mean stagnation, too little may lead to poverty. The crux of the problem is to find the length of working time best suited to the particular stage of social and industrial development. While an absolutely uniform regulation of hours is not feasible, it is essential that the conditions of labour prevailing among groups of workers in similar industries should be made as nearly similar as possible.

Reduction of hours of work

3. The reduction of working hours has been a progressive development in determining which differences of climate, habits and customs, or economic opportunity and industrial tradition, have a large part to play. Article 2 of the Hours of Work (Industry) Convention of 1919 laid down that the working hours of persons employed in any public or private industrial undertaking should not exceed 8 in the day and 48 in the week. It also recognised, in Article 10, specifically for India, the principle of a 60-hour work to be adopted for all workers covered by the Factories Act then administered by the Government of India. Following the ratification of the Convention, the working hours were reduced from 72 to 60 hours. With the enactment of the Factories Act in the present form and the passage of the Minimum Wages Act in 1948, there has been a further reduction in the hours of work to 48 per week.

4. It is of interest to note that the 48-hour week is the rule in most of the countries of the world. Although in the U.K. and the U.S.A. the working week has been reduced to 44 and 35—40 respectively, several countries with highly intensive industrialisation such as Belgium, West Germany, Switzerland and Japan, and countries with advanced social legislation like Sweden, have maintained a 48-hour week.¹ Any further reduction in the working hours can be envisaged only as a progressive ideal to be realised on the achievement of a higher level of productivity. The hours of work may vary as between the industrial and clerical workers and this has been provided for by the Hours of Work (Commerce and Office) Convention of 1930. Article 4 of the Convention allows the arrangement of hours of work in a day up to 10 as compared with 8 hours a day stipulated in the Hours of Work (Industry) Convention of 1919. The former convention does not envisage any special reduction in working hours for these types of employments. In the U.K. the Royal Commission on the Civil Service has recently recommended that the working hours for civil servants should be 'conditioned' at 88 hours a fortnight, *i.e.*, 44 hours a week which is identical with the working week of industrial labour in that country.²

Statutory provision

5. In India for a long time the hours of work as well as the rate of wages were left to be settled mainly on the basis of supply and demand. It was only in 1948 that it was decided to intervene in this domain—a domain which till then had remained a virtual monopoly of the employers—with the legislation for Minimum Wages and the new Factories Act, restricting the working week to 48 hours. The Minimum Wages Act was intended to provide the necessary safeguards in those employments where sweated labour was more prevalent or there was "a big chance of exploitation of labour".

Hours of work at Major Ports

6. There is naturally, and inevitably, a difference between normal office work and other kinds of work. In a large organisation like a Port it is not surprising that the hours of work vary from Department to Department. Generally, all the clerical staff employed in the office, work for only 38½ hours in a week inclusive of half an hour break for lunch. In Visakhapatnam Port, however, this half an hour break has been dispensed with and the office closes half an hour earlier. In the Docks, at all Ports, the working hours are 48 hours in a week with day shifts of 8 hours' duration. At Bombay, the hours of work in certain establishments of the Engineering Department during the evening shift have been revised to 7 hours inclu-

¹I. L. O. Year Book of Labour Statistics 1956, p. 163.

²Report of Royal Commission on the Civil Service, Cmd. 9613, 1953—55, paras 195—208, pages 51—53.

sive of half an hour rest or recess, in pursuance of an Award of the Industrial Tribunal, Bombay in 1954. The Labour Appellate Tribunal, in confirming this Award, had also stated that the workers should get the rest interval at about the middle of each shift and the period of rest should be considered as hours of duty if due to exigencies of work an employee is unable to leave the place of duty. A demand of the Labour Union that the provisions of this Award should be extended to all other Departments was not accepted by the Bombay Port Trust on the ground that the decisions of the Industrial Tribunal were binding only on the parties to the disputes and not to others. Some of the Departments of the Ports, such as Engineering, Stores and Railways, where work is closely connected with Dock work, observe a 48-hour week; in Departments where the clerical staff are posted to work side by side with other staff the rule is to prescribe the same working hours for both. Some Marine Staff in Bombay and Calcutta work on 12-hour shifts, while in Madras and Visakhapatnam, where the harbours are of a compact nature, the duration of the shifts is only 8 to 9 hours. In Bombay Port a longer working week has been prescribed for certain Class IV staff working in the offices; they are expected to come an hour earlier on all working days and leave half an hour later on week days and an hour and a half later on Saturdays. In Madras also such Class IV staff are expected to come half an hour earlier on all days; besides, certain Peons are put on split duties by turn, requiring their attendance from 8 a.m. to 10 a.m. and 2 p.m. to 6 p.m.

7. The Port administrations of Bombay, Calcutta and Madras are local authorities under the law. Under Section 3 of the Minimum Wages Act, it is the responsibility of the Central Government to fix the minimum wages payable to the employees of Local Authorities who come within the Central sphere. The Central Government have accordingly issued sets of notifications fixing the minimum wages for various categories of employees in the three Port administrations. The Ports of Cochin, Visakhapatnam and Kandla are directly under the administrative control of the Central Government and the Minimum Wages Act is, therefore, not directly applicable to them. The provisions of the Minimum Wages Act and the Rules are, however, applicable to workers in certain employments at Cochin Port, such as road and building operations which are included in the Schedule to the Act. It is also interesting to observe that while the Hours of Employment Rules for Railway servants are not applicable to casual labour, any category of labour in a Port can be brought under the purview of this Act if so notified. The notifications which have been issued for Bombay, Calcutta and Madras Ports have been extended to cover casual labour also.

Railways and Central Government Departments

8. The hours of employment in Indian Railways are governed by a separate set of Rules, the Railway Servants (Hours of Employment) Rules

1951, framed under the Indian Railways Act of IX of 1890 which *inter alia*, stipulate that the hours of employment of a Railway Servant should not exceed 45, 54 or 75 hours a week, according as the nature of the duties of the Railway servant is intensive, continuous or essentially intermittent. The classification of Railway workers on the above basis has in the Rules been left to the General Managers of the Railways concerned. The employment of a Railway servant is held to be intensive if it is of a strenuous nature involving continuous concentration or hard manual labour with little or no periods of relaxation. The classification of an employment as essentially intermittent depends on whether the employee will have substantial periods of rest or enforced idleness during a period of duty. All categories of employments other than those declared as intensive or essentially intermittent are classified as continuous. Certain categories of employees, like Caretakers and Gate Keepers, are excluded from the purview of the Rules because of their exceptionally light work, their total effective work being less than 6 hours during a period of 24 hours. Apart from working hours, the periodic rests for Railway servants are also different for intensive and continuous workers, on the one hand, and the essentially intermittent workers, on the other. The former are entitled to a minimum of 30 consecutive hours of rest during each week commencing on Sunday. The later are entitled to a minimum of only 24 consecutive hours including a full night. These two categories are eligible for one period of rest of 48 consecutive hours for each fortnight. The Rules, however, applied only to nine Railways mentioned in the notification issued under the Indian Railways (Amendment) Act, 1930. The extension of the Indian Railways Act to the whole of India has not effectually altered the position and the Rules do not apply to Railway servants in Railways run by the Port Authorities.

9. In the Posts and Telegraphs Department the working hours vary in respect of the field staff, from 50 hours a week for Telephonists and Telegraph Office clerks to 30 hours a week for R.M.S. sorters on night duty. The Workshop staff are employed from 45 hours to 47½ hours a week. In industrial undertakings under the control of Government Departments, the practice is by no means uniform. The Ordnance Factories observe a 45-hour week, the Government Presses a 44-hour week, the Mints at Calcutta and Bombay 37½ hours a week, and the Indian Security Press at Nasik 48 hours. It will be evident, therefore, that there is no standard of working hours capable of universal application.

Minimum Wages Act and Rules

10. The Minimum Wages Act also lays down that in regard to the scheduled employments for which minimum wages have been fixed the Government may prescribe the number of hours of work which shall constitute a normal working day and provide for weekly days of rest and payment of remuneration for such days. Section 14 also stipulates that where an employee whose minimum wages is fixed by the hour, by the day or by such a

longer wage period as may be prescribed, works on any day in excess of the number of hours constituting a normal working day, the employer shall pay him for every hour or part of an hour so worked in excess at the overtime rates, fixed under the Act or under any law of the appropriate Government for the time being in force whichever is higher.

11. The Minimum Wages (Central) Rules, 1950, bearing on the subject of hours of work are reproduced below:—

Rule 24

- (1) The number of hours which shall constitute a normal working day shall be—
 - (a) in the case of an adult, 9 hours;
 - (b) in the case of a child, 4½ hours.
- (2) The working day of an adult worker shall be so arranged that inclusive of the intervals for rest, if any, it shall not spread over more than twelve hours on any day.

Rule 25

- (1) When a worker works in an employment for more than nine hours on any day or for more than forty-eight hours in any week, he shall, in respect of overtime work, be entitled to wages,
 - (a) in the case of employment in Agriculture, at one and half time the ordinary rate of wages;
 - (b) in the case of any other scheduled employment, at double the ordinary rate of wages.

Explanation.—The expression “ordinary rate of wages” means the basic wages plus such allowances including the cash equivalent of the advantages accruing through the concessional sale to the person employed of foodgrains and other articles as the person employed is for the time being entitled to but does not include a bonus.

Intermittent Staff

12. The notification of some categories of Port workers under the Minimum Wages Act has led to practical difficulties in respect of certain staff as, for example, the Marine staff whose duties, though essentially intermittent, require them to stay on board for continuously long periods and the Light House staff in Bombay Port who have to stay for several days at their places of duty; the fixation of weekly hours at 48 and the calculation of overtime beyond these hours in such cases have resulted in quite disproportionate payments details of which will be found in Chapter VIII,

13. The maintenance of harbours in a navigable condition necessitates the employment of substantial numbers of floating craft with crew. The dredging of channels of the harbour is a continuous process, particularly in Calcutta. In addition, the Ports require the services of crews in conducting vessels safely into the harbour. The nature of work of certain categories of staff is thus different. In some harbours of the country the working shifts, for instance, of the Marine staff are 12 or more hours, as in Bombay and Calcutta. The meticulous application of the Minimum Wages Rules to such staff will result in payment of excessive amounts. The real objection to such an application of the Rules is not so much the overtime payments as the fact that the duties themselves are not continuous in the same sense as duties in other Departments of the Ports are. Besides, when the staff on board, as in Calcutta, are away for days at a stretch, there is no machinery by which their actual working hours can be clocked. This is appreciated by the employees who have readily agreed to a compromise according to which the Marine staff in Calcutta receive an *ad hoc* overtime payment.

Demands of Labour

14. The general demand of Labour is for a shorter working week. The specific proposals in this connection are:

- (i) that in no case the duty hours of a manual worker for day work should be more than 8 hours a day or 45 hours a week;
- (ii) the duty hours of those workers whose nature of work is intensive should not be more than 7 hours a day or 40 hours a week for day work; and
- (iii) the night shifts should not exceed more than 6 hours.

In this connection the following observation of the Bhore Committee (para 128, Volume II of the Report)¹ has been quoted:

“In view of the climatic conditions of the country, the frequent difficulties of transport to and from the worker's home, his poor physique and nutritional deficiencies, the necessity for a mid-day rest and his general social and economic environments, we recommend that the maximum should be reduced to 45 hours a week, *i.e.*, 8 hours a day for 5 days and 5 hours a day for one day.....”

Reference has also been made to a recent recommendation of the Inland Transport Committee of the International Labour Organisation in favour of a 40-hour working week. It has been further urged that a reduction in

¹Report of the Health Survey and Development Committee 1946, Vol. II, para 128.

working hours need not lead to a corresponding fall in productivity. In one of the Memoranda the argument is as follows:

“It is often argued that reduction in duty hours will lead in putting heavy burden on an industry. But this proposition or the proposition that every reduction in working hours means less output has been proved to be wrong. Reductions in working hours have resulted in greater production. The quality of work also tends to be better. Because the labour does not get much fatigued with reduced working hours. A tired worker at the end of long shifts produces less and the quality of his work also suffers. If there is more rest, there is more recoupment of vitality and vigour. All this compensates for the apparent loss in production or increase in expenditure.”

15. While a demand has been made in respect of a 40-hour working week in respect of intensive labour, on the analogy of a similar classification in the Railways, this has not been elucidated further by specifying categories of staff whose work can be regarded as intensive; the contention is that the physical strain on a Port and Dock worker is heavy and as such they should be regarded as intensive workers for the purposes of determining the working week.

Views of Employers

16. The demand for a shorter working week has not found favour with the Port Authorities and Shipping interests. It has been suggested by the latter that in view of the increased responsibilities of the Ports under the Second Five Year Plan and the continuous need of avoiding congestion, the present is not an opportune time for considering any reduction in working hours.

17. One Port authority has stated that the hours of work have been fixed in accordance with administrative requirements and the provisions of the Factories Act and the Minimum Wages Act and Rules wherever applicable. Another Port considers that a job analysis will show that work is not intensive and any reduction in hours of work will affect turn-round of shipping and that the present practice of rotation of workers in shifts does not justify any such reduction or any allowance for night work.

18. In the course of discussions, the representatives of a Stevedores' Association explained that the reduction of output during night shifts was due more to the slackness in supervision as compared with the supervision on the day shift rather than to the unwillingness of the workers. They strongly felt that the existing working hours should not be disturbed and that having regard to the provisions of the Minimum Wages Act and the I.L.O. Convention as well as the requirements of the Second Five Year Plan, the demand is unrealistic, undesirable and unwarranted.

19. One Association feels that conditions and circumstances of individual Ports must determine the function of working hours and that it is not desirable to achieve uniformity in working hours between a way Port and a terminal Port.

Requirements of the Second Five Year Plan

20. While the demands of workers should receive every consideration it must be borne in mind that the country has entered the second year of the Second Five Year Plan and all sectors of industries have to pull their weight to make the Plan a success. In this connection, Labour has an important part to play. The workers have fully co-operated in the country's efforts to bring to a successful conclusion the First Five Year Plan, and it can therefore be reasonably expected that they will respond generously to the call for greater endeavour towards the success of the Second Plan. As has been observed in the Second Five Year Plan, "the socialist pattern of society proposed requires that the worker's claims to improve his work and social status be recognised. In their turn, the workers too have to realise their responsibilities. Hard and efficient work. . . . will be needed for achieving the goal the community desires to reach".

Port work whether intensive

21. In the United Kingdom there is no special reduction in working hours in respect of Port work. The term 'intensive' is not capable of easy definition. It is true that the work of handling of cargo involves synchronizing the activities of each member of a gang, whether on board the ship or on shore, and as such every worker is kept on his toes. This, however, will not warrant the assumption that such sustained activity is called for throughout the 48 hours of employment in a week. On the other hand, the work involved in handling cargo and ancillary operations contain an element of unproductive time also. Adequate material on the proportion of unproductive time to the total working hours is not available. Nor is it possible to ascertain precisely as to how much of such unproductive time is caused by the worker. Information in respect of some foreign Ports has, however, been published.¹ In the six capital Ports and three other major Ports of Australia, during the year 1953-54, unproductive time amounted on an average to 26 per cent of the time paid for. For overseas shipping, *i.e.*, excluding Australian coastal shipping, the percentage was 30. In New Zealand, records have been kept of unproductive time of men in gangs; the delays in these cases have been reckoned as nearly 50 per cent. In 1951-52 the handling of cargo of overseas vessels in New Zealand Ports had 38 per cent unproductive time. While caution is necessary in drawing general conclusions from such data, it may be pointed out that the principal idle time payments are made in certain contingencies such as the:

- (i) breakdown of cranes or winches;

¹I.L.O. Inland Transport Committee's Report on "Methods of Improving Organisation of Work and Output in Ports", p. 101 *et seq.*

- (ii) shifting of quay cranes or rigging of ship's derricks;
- (iii) cargo not ready for shipment;
- (iv) late arrival of vessels at the berths;
- (v) completion of loading and/or unloading before the end of the shift;
- (vi) actual rain time during shift working hours; and
- (vii) any other reason beyond the control of the workmen except slow work on the part of workmen covered by the reference.

There is an obvious need for more information on this subject. In commenting on unproductive time the Australian Committee of Enquiry on Stevedoring Industry considered that it should be a function of the statutory authority to obtain reliable data with more detailed analysis of this time and to investigate the causes with a view to eliminating unproductive time as far as possible. Unless adequate attention is given to this aspect of our Port work, it will be difficult to devise ways and means of reducing such idle time and of increasing the output. Only when avoidable unproductive time is eliminated can Port and Dock workers be really regarded as performing work of such intensive character as to justify any reduction of working hours.¹

22. In the Railways such work as is not classified as intensive or intermittent is termed continuous; in respect of such work the weekly hours are 54. The work in the Ports cannot strictly be regarded as falling within the meaning of the term 'intensive' although it involves a certain degree of physical fatigue; there is therefore no sufficient ground for prescribing a shorter working week for the Port and Dock workers. Any reduction in their working hours can therefore be considered only as a part of the general question of prescribing working hours for the industrial establishments of the country and not as an isolated issue.

Marine and other essentially intermittent staff

23. A reference has already been made to the difficulty in regulating, on the basis of notifications under the Minimum Wages Act, the working hours of staff of certain departments like the Marine, etc. and also to the fact that compromise agreements have been reached on the basis of *ad hoc* overtime. As the work performed by such staff is essentially intermittent in character, the substitution of a 75-hour week for the present 48-hour week will be justified in their case. It is, however, difficult to secure an exemption from the purview of the Minimum Wages Act unless the alternative rules relating to subjects covered by the above Act provide for equal or higher benefits. A practical solution of this problem will be the application of the principle, adopted in the Railways, of running allowances to the Marine and similar

¹I. L. O. Inland Transport Committee's Report on "Methods of Improving Organisation of work and Output in Ports", p. 103.

staff and the evolution of suitable compensatory allowances for other intermittent workers. As in the Railways, the classification of categories of staff as intermittent at each Port should be undertaken by the Administrations concerned.

Some further Demands of Labour

24. There are some other specific demands of Labour as follows:

- (i) the recess period for clerks should be of one hour without affecting their present timings of attendance;
- (ii) the out-door clerical staff should have the same duty hours as indoor clerical staff;
- (iii) the duty hours of non-clerical staff attached to offices should be reduced;
- (iv) the duty hours on Saturday should be less than those on other working days;
- (v) the time spent in transit to and from the place of work should be recognised as duty.

25. So far as the first demand is concerned, it has been argued that the clerical staff had derived no benefit from the reductions made in the working hours from time to time 'in spite of the admitted fact that clerical work involves a high degree of mental exertion and is more complex, responsible and taxing than non-clerical work'. A similar point was raised before the Central Pay Commission and effectively answered by them as follows:

"As regards office work, it is the opinion of many senior officers that holidays in this country are far too many and that the hours of work may reasonably be fixed at 39 or 40 per week, including an interval of about three quarters of an hour each day for lunch. The Director General I.M.S. who may be relied on as a medical authority suggested a 40 hours week. The services were very often ready to appeal to the practice in the U.K. but when it came to the question of holidays and hours of work, they contended that differences between the two countries in climatic and social conditions precluded the adoption of the English practice here. Some services went so far as to suggest a 27-hour week. No useful purpose will be served by discussing the various suggestion put before us. We do not ignore the limitations imposed by climatic conditions in this country; but likewise, we cannot ignore the hours of work adopted in well established business concerned, banks etc. Making allowance for all factors we think that normal office attendance may reasonably be fixed at 38½ hours a week so as to provide for 6½ hours of actual work on each week day after allowing half an hour lunch and 3½ hours of work on Saturdays. If it is

desired to increase the lunch interval to three quarters of an hour, the total number of hours of attendance at office will have to be correspondingly increased."

It is now almost a common experience that the half hour break for lunch is invariably exceeded except perhaps by the very conscientious !

Uniform working hours for all categories of clerical staff

26. The demand for parity in the working hours of all clerical staff, whether employed in office work or on outdoor duties, is apparently based on an assumption that all members of a particular category of staff, irrespective of the circumstances under which they work, should have identical working hours. The recognised practice is, however, different. The clerical staff attached to Ordnance Factories and Railway Workshops observe the same hours as other workers of those establishments; otherwise the schedule of work can get easily upset. If the intention behind the demand is that overtime should be paid for extended working hours for clerical staff so posted, it is equally difficult to sympathise with it. At present the clerical staff of the Bombay and Calcutta Ports, already notified under the Minimum Wages Act, are eligible for overtime beyond 48 hours and the fixation of their working week at 38½ hours is itself a concession. It may be pointed out that in the Railways, whose rules have been frequently invoked by the representatives of Labour in support of their various demands, the clerical staff posted in the workshops are eligible for overtime only after completing 54 hours a week reckoned as an average over a period of time.

27. Objection has been taken to the additional working hours prescribed for Class IV staff employed in the offices of the Bombay Port Trust. It has been argued on behalf of Labour that since the work of cleaning the offices is done by other workers specially appointed for the purpose, it should be normally enough for the Peons to attend office 15 minutes earlier and leave 15 minutes after closing time. It has also been contended that the working hours of the Peons have been unnecessarily extended to meet the requirements of the supervisory personnel who stay late and to provide for occasions when the clerical staff are put on overtime. It has been noted that most of the Ports have a large number of Peons and there is no satisfactory reason as to why shift arrangements cannot be so adjusted as to avoid this complaint. The work of cleaning the offices is actually entrusted to others. It should be sufficient if the peons attend office 15 minutes earlier and leave 15 minutes after the closing time.

28. The next claim of Labour to be considered is that the working hours for Saturday should be less than those fixed for other week days and that in no case should be more than 5 hours. The argument in support is that the weekly day of rest is insufficient for recouping loss of energy spent during the week. This demand is linked up with that for a shorter working week;

the Memorandum of a Labour Federation states that "shorter hours are achieved both by reducing the number of day's working hours and also by increasing the period of weekly rest". It has been explained earlier that it would be inadvisable, in the period of the Second Five Year Plan, to suggest any reduction of working hours, nor is it proper to try to achieve similar relaxation by extending the weekly day of rest. It is thus not possible to concede the demand.

29. It is important to consider whether the time spent in going to and returning from work should count as duty. Quite an appreciable number of workers have to come to work from distant places. While public transport arrangements may not be unsatisfactory during the day, in most of the Port cities transport is not available late at night and the early mornings. It would be advantageous both to the management and labour if suitable provisions are made in the Ports for the transport of the workers, thus avoiding waste of valuable time and unnecessary strain in trudging home at odd hours. A general recommendation is, however, not made in this behalf because of possible administrative difficulties in implementation, but it is hoped that the authorities themselves will appreciate the desirability of such arrangements in the interests of all concerned and take necessary steps in the matter. So far as the workers on evening and night shifts are concerned, if for any administrative or other reasons a Port authority is unable to make suitable transport arrangements, the workers should be reimbursed the equivalent of the bus or tram fares for journeys to and from the Port when these occur between 11 p.m. and 5 a.m.

30. One of the factors which contributes to unproductivity is the time lost during the process of movement within a Port. It has been reported that in an Asian Port the workers spent about an hour and a half of paid time in getting rowed to and from a ship in the harbour. In many Ports such transport is organised by motor launch and takes only a few minutes. A similar arrangement would appear to be a paying proposition from the point of view of the Port authority. It certainly is from the point of view of Shipowners.¹ There is a graphic account in one of the Labour memoranda in connection with the claim that time spent in such transport should be counted as on duty in all cases:

"There are workers who are required to be carried in a conveyance from a point to the place of their work. For instance, certain workers in Bombay are required to be carried from Bombay to Butcher Island in a launch. The existing practice is not uniform in this connection. Shore staff of the Port Department engaged for work on the Butcher Island are taken there and brought back from there during their working hours, whereas it is not the case in regard to the pipe line staff of the Engineer-

¹ I. L. O. Inland Transport Committee Report on "Methods of Improving Organisation of Work and Output in Ports," p. 105.

ing Department although they too are required to be carried to and fro every day. Workers employed for loading or unloading on a ship in the stream, whether they belong to a stevedore or port authority, are given the facility of counting their time spent in transport as duty. We submit that in all such and similar cases time spent in transport should be recognised as duty."

There does not appear to be any rational in the distinction between workers in different Departments of the Port. The principle of uniformity requires that such disparity should be removed. To this extent Labour's claim should be conceded in all Major Ports.

Conclusions and recommendations

31. In the result I am clearly of opinion that the existing 48-hour week should be retained except in the case of office staff who have been dealt with separately and certain intermittent workers for whom a 75-hour week is recommended. This will not place any undue strain on the workers but will on the other hand ensure greater productivity. As mentioned earlier, the crux of the problem of working hours is to decide the length of the working time best suited to a particular stage of social and industrial development. It is my considered opinion that a 48-hour week would achieve the required balance between the workers' right to improved working conditions and the imperative needs of the Second Five Year Plan. In conclusion, my specific recommendations are as follows:

- (i) While a progressive reduction of working hours is a desirable objective, there is no special reason to place the Port Transport Industry on a separate footing; the number of working hours should remain at 48-hours a week;
- (ii) Certain categories of staff in the Marine, Lighthouse and other Departments, whose duties are essentially intermittent in character, should observe a 75-hour week; their classification should be undertaken by the Port Administrations; running allowances on the model of Railways and compensatory allowances should be paid to such workers;
- (iii) There is no justification for a further reduction in the working hours of the Clerical staff by an increase of the lunch interval;
- (iv) The working hours of the Clerical staff posted to work along with technical staff on outdoor work should be on the same basis as for the latter category;
- (v) The working hours of certain Class IV staff attached to offices of the Bombay Port Trust should be on a par with those of other staff subject to slight modifications;

- (vi) The Port authorities should consider the desirability of arranging transport facilities for the workers; where for administrative or other reasons they are unable to do so, evening and night workers should be reimbursed the equivalent of the bus or tram fares when the journeys occur between 11 p.m. and 5 a.m.;
- (vii) Time spent in transit to and from the place of work within the Port during working hours should in all cases be counted as on duty.

Night Shift

32. The maintenance of productivity at an adequate level often makes it necessary for industrial establishments to have more than one shift. Where the nature of the operations is such as would not admit of any stoppage, as for example in the running of Railway trains, or where a satisfactory level of productivity can be reached only by longer hours of work, as in the case of Ports, a succession of shifts with the inclusion of night work becomes unavoidable. Although shifts which fall entirely during the night are not always welcome to Labour, they have to be worked as a measure of necessity. There are no International Conventions against such employment except in respect of the employment of women and young persons. In such Conventions¹ the term 'night' is taken to signify a period of at least 11 consecutive hours including the interval between 10 p.m. and 5 a.m.

Shifts

33. The institution of night shifts in Ports is a comparatively new development. Some of the factors which have led to their adoption are—

- (i) increase in traffic,
- (ii) difficulties in anticipating the time of arrival of ships,
- (iii) lack of berths and frequent congestion in the docks,
- (iv) absence of facilities for the diversion of ships,
- (v) inability to complete clearance during the day, and
- (vi) the bunching of ships, sometimes aggravated by local conditions.

34. Until quite recently, the Major Ports had only two shifts. At Bombay, there were shifts of 8 hours' duration each (except in the Engineering Department where the second shift was of 7 hours); to this was added an extra shift of 6 hours at night. At Calcutta there used to be two shifts with a break of one hour between them, but even before the recommendation of the Dock Workers (Regulation of Employment) Enquiry Committee the Port Commissioners had introduced a third shift. At Madras, there

¹ I. L. O. Conventions, Night Work, (Women) Convention 1919, Art. 2; Night Work of Young Persons, (Industry) 1919, Art. 3.

were two shifts, with a short interval of 45 minutes between the closing of the first shift and the beginning of the second. A third shift has been started at the Port as an experimental measure.

35. The Dock Workers (Regulation of Employment) Enquiry Committee recommended that there should be three shifts round the clock with no interval between them at each of these three Ports; of these shifts, two should be compulsory and the third optional for the employers subject to the approval of the Port Authorities, that is to say, an employer could ask for the supply of labour for the third shift whenever it was considered necessary. The Committee further recommended that a Pool worker should not be allowed to do more than 9 shifts in a week or 33 in a month. Monthly workers might also be employed up to 9 shifts a week or 33 a month.¹

Night Shift

36. The third shift is thus a fairly recent innovation at the Major Ports. It was first introduced as a regular measure at Bombay in June, 1949 and at Calcutta in April, 1955; at Madras the third shift came into existence only in June, 1956. There is no third shift at Cochin or Kandla. There are also other variations. At Bombay, the Harbour and Dock Flotilla Staff work on two shifts of 12 hours each, while the Cargo handling staff, both Shore and Stevedore gangs work three shifts: the day shift is from 8 a.m. to 5 p.m. with an hour's break from 12 to 1 p.m.; there are two night shifts, one from 5-30 p.m. to 12 midnight, with a $\frac{1}{2}$ hour break, another from 12-30 a.m. to 7 a.m. with a $\frac{1}{2}$ hour break.

37. The night shifts at Bombay are thus of six hours duration. It will be noticed that the shifts do not run continuously. There is a gap of half an hour between the day and night shifts, and again, between the first and second night shifts, an hour's break between the second night shift and the morning shift. In Calcutta Port, the Cargo handling staff have three continuous shifts of 8 hours each. At Madras the hours of the three shifts are 6-30 a.m. to 2-30 p.m., 2-30 p.m. to 10-30 p.m. and 10-30 p.m. to 6-30 a.m.

Demands of Labour

38. The principal demand of Labour in regard to shifts is the reduction of working hours at night to six hours inclusive of recess. In India no overtime is paid for work on a night shift; additional compensation is sought to be provided by reducing the working period by two hours. In this the practice in our country differs from that followed, for example, in the U.K. where night shifts ordinarily carry double overtime; during the week-end the payment for the night shift is as much as four times the wages, that is, at a quadruple rate.

¹ Report, page 148.

Whether Shifts should be continuous

39. While commenting on the arrangements of shifts, the Dock Workers (Regulation of Employment) Enquiry Committee¹ felt that continuous shifts were necessary to save valuable working time which would otherwise be lost on account of the closing and opening of hatches at the end of each shift. This observation has also been noticed in the recent Report of the Inland Transport Committee of the International Labour Organisation. The Committee considered the question of three shifts round the clock with no interval between them and suggested that the choice might lie between two shifts of 14 to 16 hours a day, with possible extension in certain cases by overtime, or, three shifts which would enable work to proceed for 21 to 22½ hours, out of every 24 hours, after making allowances for rest periods.² In this connection it may be pointed out that at Bombay the working hours amount to 22 hours, with intervals of 30 minutes to 1 hour between the shifts, so that the practicability of the I.L.O. Committee's suggestion has already been demonstrated at one of our Major Ports.

Reduction of hours for night work

40. There can be little doubt that night work is open to criticism on physiological grounds as it tends to produce a reversal of the normal daily rhythm of activity and rest. The possession of good physical strength and a capacity for adjustment may of course enable workers to alternate the ordinary routines of day work and night rest, with little or no unfavourable effect on health and efficiency, but unfortunately such qualities are uncommon. A serious obstacle to night work is the lack of self-discipline: many night workers do not abstain from the normal activities of day life but continue to work at night. Systems of night work vary. There is the continuous system in which employees work by night and do not attend the establishment at all by day and the discontinuous system in which the workers change to the day turn at regular intervals, usually every other week. Night work in our Ports fall into the latter category, though with the significant variation that the intervals are irregular.

41. The case against night work rests on several grounds. In the first place, as has been urged by the Labour representatives, it is bound to have some deleterious effect on the health of the worker, particularly if he continues to under-take such assignments for a long period of time. Investigations which have been made from time to time to assess the comparative efficiencies of day and night work in factories in the U.K. have highlighted the undesirability of long night hours as work during such period might have grave results on health owing to the disturbance it creates in normal home life. Apart from dislocating the worker's social and family life, the

¹ Report page 148.

² Report on "Methods of Improving Organisation of Work and Output in Ports," page 95.

lack of leisure at the proper time and the absence of healthy recreation must necessarily have some adverse reaction. While a total prohibition of night work is hardly practicable, night shifts should in any case be the exception rather than the rule. 'Night was made for rest and sleep and not for work' is a common saying among the workers many of whom dream of an industrial order in which there will be no night shift. On the other hand, in an essentially outdoor occupation like Dock work, it may actually be an advantage, in the hot summer months, to be put on a night shift. Night work, however, frequently results in loss of time for the worker if he becomes exhausted; the older men and those with a weak constitution may even suffer physical breakdown. On the side of management itself, it is difficult to maintain the same standard of supervision over the handling of cargo as during a day shift. My personal observations of night gangs handling cargo in some of the docks have left an impression of desultory work and casual supervision, no doubt largely due to a physical inability to respond at late hours to the same degree as in the day time. There is, in my view a strong case for restricting night shifts to the minimum and also for a uniform practice of confining the hours of work at night to six hours, as in the Bombay Port, inclusive of a short recess period. It may be mentioned here that employers are usually disinclined to introduce rest periods because of a general impression that these involve a loss of working time and, consequently, a decrease in output. A survey of a number of industries in the United Kingdom has, however, made it clear that in a majority of cases the introduction of a rest period has eventually led to an appreciable improvement in output.

Hourly wages

42. A question arose in the Bombay Port as to whether the hourly rate of a night shift of six hours could be one-sixth or one-eighth of normal rates. The Labour Appellate Tribunal of Bombay before whom the question was adjudicated decided that the hourly wage should be 1/8th of the normal wages. This conclusion was supported on the ground that special allowance for night work should be discouraged when workers were employed on continuous day and night shifts by rotation throughout the 24 hours. It was also stated that the reduction of night shift hours to six and the granting of overtime beyond these hours were sufficient concessions. In view of the recommendation that the duration of the night shift should be on a uniform basis of six hours, the question of the rate of hourly wages is of special importance. The correctness of the decision of the Tribunal in the circumstances under which the answer was given, is not canvassed. But, in view of the deleterious effect of night work on the health of the worker, the dislocation of his social and family life and the various other considerations set out in the earlier paragraphs, and also because the six hour night shift has been prescribed uniformly for all the Major Ports, in the altered circumstances it is necessary to take a different view. Besides, overtime is an

extension of the shift hours and the hourly wages should be an exact proportion of the daily wages. The hourly wages of workers on a six hour night shift should, therefore, be one-sixth of their normal daily wages.

Idle time: how minimised

43. With a night shift of six hours it is not possible to ensure continuous duty arrangements. Some breaks between the shifts, as at Bombay, appear to be unavoidable. It is, however, necessary to consider whether these small breaks of half an hour may result in the slowing down of the tempo of work. It is difficult to estimate in precise statistical terms, the loss on account of this factor. But, again, sample studies conducted in respect of certain Docks in Australia and New Zealand can be taken as a fair assessment; the loss in working hours on account of intervals between the opening and closing of hatches worked out to roughly 7 per cent of the working time. The proportion of idle time even during regular working hours on account of various factors is much more than this. In this connection, the following observations of the I.L.O. Committee may be quoted fully :

“A good deal of time is taken up at the start of work by the removal and replacement of beams and hatch covers. The removal may take perhaps half an hour. In Australian Ports, this operation accounted for 7.7 per cent of the total time paid for. As a rule this work occupies only a part, perhaps half of the gang, the others just standing by. One solution of this problem is to have the ship’s crew carry out these duties, and this is often done, being in fact compulsory in some Ports. Sometimes the Dockers object to having to wait while this work is done, as they lost money if they are on tonnage rates. In some cases, it is understood that the Dockers themselves will remove the beams and hatches, but often they are reluctant to do this. One reason may be a fear that if they undertake work for which they are not employed, any accident which occurs may be deemed to have arisen otherwise than ‘in the course of their employment’, thereby prejudicing, under certain types of legislation, their claim to workmen’s compensation. In other cases, when the ship is in port, it is difficult to have the ship’s crew act to recover holds, as they may be off duty when the dockers cease work, or may even be on shore leave during the greater part of the ship’s stay in the port. One method widely adopted to avoid having to replace beams and hatches between shifts is to have a simple temporary cover by tentage put up which can be quickly rigged.”¹

In this connection it may be noticed that Clause 50 of the Indian Dock Labourers’ Regulations, 1948, relating to safety provisions in respect of

¹ I. L. O. Inland Transport Committee Report on “Methods of Work and Output in Ports,” p. 106.

hatches not in use, provides for secured fencing of the hatches if they cannot be closed.

44. The exact proportion of idle time caused by the opening and closing of hatches at the commencement of loading and unloading operations can best be determined by the Ports themselves, but it seems reasonably clear that in view of the general percentage which unproductive time bears to the working hours, it is somewhat unrealistic to single out the Dock worker as the only factor holding up the tempo of work.

45. It seems, therefore, desirable in the interests of all concerned that the shifts, including the night shift, should be so arranged as to cover the 24 hour period as continuously as possible with comparatively short intervals between successive ones. An arrangement of shifts as at present in force in Bombay, this is, from 8 a.m. to 5 p.m., 5-30 p.m. to 12 midnight and from 12-30 a.m. to 7 a.m., would, in my opinion, be the most suitable. Some slight modifications as to the exact time of commencement of shifts may be made by the Ports to suit local conditions, especially with regard to the availability of public transport for the workers.

46. It has been represented by Labour that recess periods should be during the middle of a shift and regarded as effective breaks, and the workers should be allowed to get away from their places of work if they so desire. It has also been claimed that the staff required to work during a period of recess should be paid overtime at double the normal rates. No special argument is required to justify a short break during a shift, when such a break is necessary to enable the workers to have their meals. There are, however, other occasions when a little time off for a few minutes may be desired by a worker as, for instance, for the purpose of smoking. In the Dock areas smoking is usually forbidden. In New Zealand and Australian Ports, a few minutes are allowed for smoking and this is popularly known as "Smoko"; but these unofficial breaks are not given to the detriment of regular work.¹ Neither should a worker legitimately demur if in order to finish the work in hand he is not able to get away whenever he wants to. Such small concessions, however, help to foster human relations between the employers and the worker and should be encouraged. As far as possible the recess period should be in the middle of the shift; it is but reasonable that the worker should have a break after working for half the shift. The demand that the recess should be an effective break, permitting the worker to be away from his place of duty is also a natural one: psychologically, a worker may not find it conducive to real rest if he has always to continue under the eye of the employer even during a break; physically, it may not be possible for him to obtain, for instance, a snack or a meal, at his place of duty, e.g., the Dock or the transit shed. This demand of the worker should be met as far as possible. If, however, owing to the exigencies of work, he is asked to continue in his place of duty during a recess, and this

¹ I. L. O. Inland Transport Committee Report p. 110.

will no doubt be only on rare occasions, the worker should not expect overtime payment for the period.

Recommendations

47. In conclusion, the recommendations in regard to night work, are, briefly, that:

- (i) Shifts should be as continuous as possible, with comparatively short intervals in between, as at present in Bombay Port;
- (ii) There should be a uniform night shift of six hours;
- (iii) The hourly rate for workers on night shift of 6 hours should be at the rate of 1/6th of the normal wages;
- (iv) As far as possible, recess periods should be in the middle of the shift;
- (v) Recess periods during shifts should be regarded as effective breaks and subject to the exigencies of work, the workers should be permitted to be away from the place of duty;
- (vi) A few minutes off for smoking should be granted if so desired by a worker.

Weekly Off

48. Linked up with the question of working hours is also the provision for a weekly day of rest commonly called a 'weekly off'. Under the Minimum Wages Act it is compulsory to grant a weekly day of rest after six days of continuous work. Rule 23 of the Minimum Wages (Central) Rules provides for such a day of rest on the first day of the week and, if this is not possible, an alternative day off with wages. Doubt has arisen as to whether if the weekly day of rest is given on a Sunday, payment of wages on that day is obligatory under the Rules. This question has assumed some significance particularly in respect of those categories of daily rated workers whose wages are being reckoned by dividing the monthly rates by 26, thus indirectly providing an element of wages for the weekly day of rest also. The Bombay High Court, on an appeal by the Bombay Port Trust from a decision of the Payment of Wages Authority, upheld the contention that payment for work on Sundays is not obligatory under the Rules.¹ In effect, the ruling of the Bombay High Court leads to the anomaly that while workers can be paid wages for a weekly day of rest which is given on any day of the week, except a Sunday, they need not be paid wages for a weekly off which is given on a Sunday. The High Court did not go into the merits of the case on point of fact; they however, recognised the admittedly anomalous situation created by the construction placed by them on Rule 23. The present position has been strongly assailed on behalf of Labour on the

¹ (1956) Trustees of the Port of Bombay Vs. I. C. P. Fernandes.

ground. that the deprivation of wages on a weekly day of rest defeats the very purpose of the compulsory provision in that behalf. There is some force in this argument, but against this it should be mentioned that if payment on Sunday is made in respect of daily rated workers whose wages are reckoned on the basis of 1/26, it will in effect raise the minimum guarantee by four more days and reduce to that extent the attraction of remuneration on a monthly rated basis as compared with that based on a daily rate. In any case it seems desirable that the position should be reviewed so that the anomaly which has arisen may be rectified.

49. The main demand of labour is for the grant of weekly off with full wages. In Bombay, even though the weekly day of rest falls on a Sunday, the Port Trust pays the wages to Class III and Class IV employees on monthly or hourly scales of pay and a retention allowance of 12 annas to the decasualised employees. I propose that in all Ports, workers whose weekly days of rest fall on Sundays should be paid their wages, whether they are covered by the Minimum Wages Act or not. It may be noted that in some Ports, for example Bombay, certain workers have been exempted from the benefit of the Rule and are paid overtime. These exceptions may continue to be necessary in the interest of Port work.

50. The next claim of Labour is that the weekly off should normally be on a Sunday. But in view of the very nature of Port work and the recommendation in this Report that the handling of cargo in Ports should continue without interruption throughout the year, it will not be possible to grant this benefit as of right. By employing the workers in rotation and by a calculation of chances, however, it should not be difficult to make a Sunday off available to workers at regular intervals.

51. The alternative claim of Labour is that, if it is not possible to fix Sunday as the day of weekly rest, each worker should have a fixed day in the week as his day of rest. This again cannot be made obligatory on the Ports, though there should be scope for treating this request with sympathy and making suitable arrangements to the extent possible.

52. The next demand raises the question whether workers should receive double overtime in addition to a compensatory day off for work on weekly days of rest. I need not labour this point in view of the Award of the Labour Appellate Tribunal, Bombay. Though the Award was only in respect of workers of the Engineering Department of Bombay, the principles of the Award stated below should apply to all categories of workers in the Major Ports except such workers, in whose case it may not be feasible to extend the privilege of a weekly day of rest and the Class IV conservancy staff dealt with in paragraph 54 below. The Award directed as follows:—

- (1) Time rated workers shall get twice their normal rates of wages for work on weekly rest days and holidays;

- (2) Piece rated workers shall get their normal piece rates for their total output on a weekly rest day plus their normal time rates for one day. Processing allowance shall count towards this extra allowance:

Provided that where a worker is given an alternative day of rest in place of the weekly day of rest, the extra payment for him shall be only half the normal wage. Any period of work less than a shift on weekly rest days shall count as one full shift.

53. The fifth demand is that if the weekly day of rest falls on a paid holiday the workers should be given another day off. It is not possible to sympathise with this demand. This is not a complaint that is peculiar to labour. Closed holidays occasionally fall on Sundays and the Government staff and staff working in private concerns do not obtain another day off on that ground.

Weekly half day for conservancy staff etc.

54. So far as the conservancy staff is concerned it is not possible to comply with this demand for a weekly half day of rest on Saturdays for all the staff without causing considerable inconvenience, which will be inevitable if all the staff are to be absent for half the day. On the other hand, the employment of the full complement on holidays will deprive a large number of persons of their weekly holidays. A reasonable solution will be for a skeleton staff to work in rotation on Saturday afternoons and holidays; as a small number of workers will have to do all the work on such days, such Class IV conservancy staff should be paid overtime at double the rates for the periods.

55. The other demand that Sweepers, Scavengers, Bhisties, Rat Catchers, Muccadams and Sanitary Inspectors called upon to work on weekly rest days should be given overtime wage as well as compensatory day off is already covered by my recommendation in para 54 above so far as the Class IV conservancy staff is concerned; as regards the rest of the categories; it need only be stated that all personnel working on holidays and entitled to a compensatory day off should receive, in addition, overtime at one and half rates.

56. The recommendations are summed up as follows:

- (i) All Port and Dock workers, except workers in whose case it is not feasible to give a weekly day of rest, should be given a weekly off with full wages after six days' consecutive work;
- (ii) It will not be obligatory on the Port Authorities to fix Sunday or any other fixed day as the weekly day of rest for all workers but they should try to make suitable arrangements to the extent possible;

- (iii) The principle laid down in the Award of the Labour Appellate Tribunal, Bombay, in regard to payment for work on weekly day of rest should be followed in the case of all workers with the exception noted in (i) above;
- (iv) Class IV Conservancy staff should work in rotation on Saturday afternoons and holidays and such workers should be paid overtime at double rates for the period.

CHAPTER VIII

Overtime Work and Rate of Payment

Nature of overtime

In most countries a certain number of hours of work has been specified as constituting a normal day or a working week. This, however, is only a basic arrangement; the hours may be shortened by part-time or lengthened by overtime work. The amount of overtime depends not so much on the extra pay, provided by legislation or agreements, as upon the pressure on the industry on account of internal or extraneous factors. Although consistent overtime is frowned upon as being detrimental to the interests of the workers and not always conducive to efficiency, the working of some overtime is inevitable even in the most advanced countries. A comparison of the normal hours of work and the average hours actually worked makes it clear that the normal and actual working week are by no means identical. Indeed, in the post-war years, owing to the prevalence of overtime, the actual working hours have usually exceeded the normal hours. A survey of the manufacturing industries in the U.K.¹ has shown that in 1955 the hours actually worked in a week amounted, on an average, to 46.4 as against the weekly normal hours of 44. In the U.S.A. in the same year, the actually worked hours came to 40.7 though the normal hours for the week varied from 35 to 40.²

Overtime in Port work

2. As the rate and quantum of overtime is often a matter of local negotiation, the overtime earnings tend to form an appreciable proportion of the total earnings of the worker. In a British Port, it has been estimated, overtime payment has amounted to as much as 29 per cent of the wage bill. In the special conditions of Port work it is not possible to dispense with overtime completely, even with the provision of shifts round the clock. Overtime is particularly useful when a short period of work is required to finish a ship before sailing, without having to lay off until the next shift or the next day. In Port Conservancy and Customs work it is not uncommon to find it a more economical proposition to pay overtime rather than to provide for additional shifts.

¹ I. L. O. Year Book of Labour Statistics, 1956, pages 164-165.

² I. L. O. Year Book of Labour Statistics, 1956, pages 190-191.

3. Overtime, with the prescription of normal hours of work, should be regarded as a measure designed to meet unusual circumstances, as, for instance, to relieve the congestion in the Docks. Thus, the Hours of Work (Industry) Convention, 1919, refers specifically to "the temporary restrictions that may be allowed so that the establishments may deal with exceptional cases of pressure of work". The intention is clearly that overtime should not be just a means of increasing the earnings and should not become a regular feature.

Is overtime compulsory?

4. During the last War, overtime in the United Kingdom was compulsory. After the War, it came to be generally accepted that week-end overtime should be voluntary in the full sense of the word, that is, each man should decide for himself whether he wants to do it or not. Reasonable overtime during the week was also agreed to by the Trade Unions. Such overtime was not compulsory and the employees were not entitled to ask for it; it was not voluntary in the sense that a worker could refuse it if he did not want to do it.

5. The extension of hours of work is usually limited to two hours a day. The line taken by the Transport and General Workers' Union in the case of a dispute on this subject in London was that there was a collective responsibility on the Union to provide an adequate labour force for overtime periods to take care of the industrial needs of the Port, but that there should be no compulsion on the individual to work any substantial amount of overtime.¹ Taking a similar view, a recent Award in New Zealand provides that any worker who does not wish to work overtime on any day must notify the foreman on the shift not later than 9-30 a.m. on such day.² In India the Dock Workers (Regulation of Employment) Enquiry Committee recommended that "normally overtime work should be permitted in respect of finishing ships only and it should not exceed two hours at a time. In exceptional circumstances, the Chairman, Dock Labour Board, may allow exceptions both in regard to the time and the reasons for working overtime".²

6. In Indian Ports, the position is somewhat vague. The view taken seems to be that all overtime is compulsory; the Port Authorities speak of workers as "required to do overtime work" or of "making" workers do overtime. The Dock Workers (Regulation of Employment) Enquiry Committee had pointed out that a provision in the Scheme was necessary to ensure that 'neither the workers can refuse to work overtime, nor the em-

¹ I.L.O. Inland Transport Committee Report on Methods of improving organisation of work and output in Ports, page 99.

² Report, page 150.

ployers can ask workers to do overtime work beyond reasonable limits.¹ In one Memorandum a Labour Federation has stated that certain workers are regularly put on overtime, in some cases almost daily; it has been urged that such regular and excessive overtime work is unfair to the worker and he should have the option to refuse.

Is overtime less productive?

7. It is commonly held that extended hours are apt to increase rapidly the strain and effort or 'disutility' of labour. The increased rates of payment for overtime aim at compensating for the extra strain as well as restricting its use. The result is to tempt workers to lose time during ordinary hours to earn higher rates at overtime. Studies of output in factories have shown that where the speed of work can be regulated by the worker and where strenuous effort is required—conditions which are usually found in Dock work—the total output during a spell of 10 hours' work is often little or no better than that in an 8 hour spell. It was noticed in one British Port, where overtime, which had been regularly worked, was stopped and the hours of work were reduced, there was no appreciable reduction in the tonnage handled. On the other hand, where a final effort is needed for a relatively short time, the need for special work in an emergency can have a bracing effect. Regular hours suit normal conditions, but may lead a man into a groove, and an occasional spurt, provided it is not too frequent and too protracted, will create a reserve power to rise to emergencies.

8. The effect of overtime on the health and home life of workers has also to be taken into consideration. Workers with heavy commitments, in their anxiety to maintain a satisfactory standard of living, usually take all the overtime they can get. If they do so frequently, they work for excessively long hours at most inconvenient times. This can easily result in ill-health and frustration. The problem is made all the worse when the men who need money have large families; the more they undertake overtime work, the less leisure they find to spend with their wives and children. This in turn may lessen their efficiency and affect the quality of work.

Overtime and piece work

9. In Ports where a piece work system is in vogue, it has been observed that the overtime arrangement has a tendency to lessen the incentive. Piece rates often appear to be less generous than overtime rates. Unless a worker is employed on an exceptional cargo, he feels he can do better for himself by working for ten hours at moderate speed than by working very hard through the normal eight hours a day. Besides, Dock workers who are nearing the end of a job are not likely to put themselves out to complete it within the normal working hours, for by doing so they may deprive themselves of a chance of earning overtime. It is important to bear in mind

¹ Report, page 150.

that Dock workers can often calculate in advance the exact amount they will earn in overtime, whereas they cannot be as certain of piece work bonuses.

Time rates

10. Throughout the United Kingdom, overtime rates are double time rates except night work between midnight on Saturday and midnight on Sunday which is paid at quadruple time rate. Double overtime was negotiated during the years between the two World Wars. Although a full night work amounts only to forty hours, the remuneration is very much higher than in a day week. Thus, as may be expected, night work is very popular, for money can be earned twice as quickly at night as during the day. Night work on the quadruple time rate has a special attraction and in dockyard parlance is referred to as the 'golden nugget'. Dock workers on the fringe of permanent gangs have been known to complain that they are dropped out when the Foreman goes on nights.¹

Observations of Central Pay Commission

11. The Central Pay Commission who considered the problem of overtime were emphatically of the opinion that there was normally no need for overtime allowance in the offices, as the grant of the allowance was likely to increase slackness.² But they recognised that there were certain departments and services such as the Railways, the Railway Mail Services etc., where overtime appeared to be inevitable. They felt that in such cases neither an increase in strength nor the maintenance of adequate leave reserves was likely to eliminate overtime fully. The Commission recommended that overtime should be minimised as much as possible and should be adequately compensated. They also recommended days off in lieu of overtime work in certain cases. But they realised that this might not be possible in many cases and compensation in money might have to be paid. Whether one or the other should be resorted to would depend on the nature of the work, the frequency of overtime and other service conditions. Where the compensation was to be in money, different rates were known and regarded as fair in different occupations.³

12. The Commission rejected the general claim of twice the normal rates as unjustified, but held that in some cases, as in clerical work a mere time rate for the extra hours would probably suffice. They went on to observe: "In certain other cases, one and a half times the normal rate will be reasonable. Where the overtime work involves prolonged employment during night, the compensation may go up to as much as twice the normal time rate. We are unable to generalise or suggest anything like rules of general application. The matter must be examined by each department and a fair

¹ The Dock Worker, University of Liverpool, 1954, pp. 168, 169.

² Report of the Central Pay Commission, p. 59.

³ Report of Central Pay Commission, p. 60.

measure of compensation must be determined in the light of such examination".¹ Different opinions were expressed by two members of the Commission, Shri Vadilal Lallubhai and Shri N. M. Joshi.² The former felt that except in some cases such as clerical work the compensation should be twice the normal rate, while Shri Joshi thought that payment for overtime work at twice the usual rates was essential for all overtime work in industry.

Legislation

13. Extra wages have been provided for work on overtime in the Factories Act, 1948. The statute applies to factories engaged in any manufacturing process carried on with ten or more workers with the aid of power or twenty workers without the aid of power. Section 59 of the Act lays down that work for more than 9 hours on any day or for more than 48 hours in any week should be paid for at twice the ordinary rate of wages. The same Section provides for the fixing of equivalent time rates for workers paid on a piece rate basis. The term 'wages' has been given a wide definition to cover all allowances, including cash equivalent of any concessions given by the employer but with the exception of a bonus.

14. The Minimum Wages Act is intended to cover a much wider field although it initially applied to a few scheduled employments. Section 14 of the Act leaves it to the appropriate Government to prescribe the regulation of overtime. So far as the Central sphere is concerned, the Central Government have, in Rule 25 of the Minimum Wages (Central) Rules, regulated overtime payments in the same way as in the Factories Act *i.e.*, double the rates for non-agricultural labour; the overtime prescribed for agricultural labour is 1½ times the normal rates of wages.

Position in Ports

15. The Port Administrations of Bombay, Calcutta and Madras, as local authorities, come under Schedule I to the Minimum Wages Act. The notification of categories of staff under the Minimum Wages Act did not present any unusual problem for the Ports except in the case of essentially intermittent employees such as the Marine, Lighthouse and Fire Services staff. As the Minimum Wages Rules did not envisage longer working hours, the payment of overtime strictly in accordance with Rule 25 to such workers in Bombay Port has resulted in quite disproportionate payments as in following instances :

TABLE LXXIII

	Basic Pay	Overtime payments
	Rs.	Rs.
<i>Harbour Flotilla</i>		
Master	185	242/13
Lascar 1st Class	65	93/7

¹Report of Central Pay Commission p. 60.

² *Ibid*, footnote.

TABLE LXXIII—contd.

						Basic Pay	Overtime payment
						Rs.	Rs.
<i>Dock Flotilla</i>							
	Master "Doris"	..	..	..	..	250	286/2
<i>Lighthouse</i>							
	Tindal	..	..	..	..	70	253/8
	Topaz	..	..	..	..	35	181/6
<i>Auxiliary Fire Service</i>							
	Fireman	..	..	..	..	60	117/15
<i>Wireless Beacon Sheds</i>							
	Attendant	..	..	..	..	225	532/11
	Greaser	..	..	..	..	60	114/4

16. Rule 32 of the Minimum Wages Rules permits exemptions if substantially similar or superior benefits are provided by an alternate set of Rules. The only exemption accorded so far is in respect of the staff employed on a Pilot vessel.

Calcutta

17. Under a settlement reached between the Calcutta Port Commissioners and the Labour Unions, the Marine Staff whose duty hours cannot be computed have been granted consolidated overtime allowance at different rates. Crews of Tugs and Launches under the Harbour Master, Mooring Crews, Dock Lascars etc., are paid overtime at double the ordinary rate of wages for two hours daily. Staff attached to Dredger, Despatch Vessels and certain Launches, are paid a consolidated allowance of 45 per cent. of gross wages for their irregular hours of work, overtime work, ship-keeping duty and Sunday work while the vessels are down the river. Crews of other Survey Vessels, Launches (excluding those attached to Dredger and Despatch Services), Light Vessels, Encroachment and Port Survey Party, Semaphore Staff, Sounding Staff, Ganga Barrage Party and Lighthouse Staff are granted a consolidated allowance of 30 per cent of gross wages for irregular hours of work including casual overtime work. Crews of Pilot vessels are paid a consolidated allowance of Rs. 30 p.m. for the extra work they have to do occasionally while at Sandheads.

18. All these consolidated allowances are admissible for periods of duty only. Some other categories of staff whose duty hours cannot be computed are given overtime allowances at the rate of 2/24th of gross wages for 2 hours a day. Employees covered by the Factories Act, 1948 are paid overtime at single rate even for work beyond 46 hours and upto 48 hours. The Port Commissioners also pay overtime at double the ordinary rate of wages for work on weekly off days if the employee is not granted any compensatory holiday.

19. Outdoor staff who were eligible for overtime in the past are paid at the rate of 1/208th of gross wages per hour. In some cases where the normal daily hours of the staff are less than 8 hours, *e.g.*, only 7 hours in case of office staff, overtime is paid at the single rate *i.e.*, at the rate of 1/240th of the gross wages per hour including the element of house rent allowance. But even in these cases, those covered by the Minimum Wages Act receive overtime at double the ordinary rate of wages for a work beyond 9 hours a day or 48 hours a week. In computing the gross wages of workers, the Dearness and Compensatory allowances are added to pay, but the house rent allowance is excluded.

Bombay

20. In Bombay Port, the employees who are eligible for overtime allowance may be broadly divided as :

- (i) categories notified under the Minimum Wages Act or covered by the Factories Act;
- (ii) categories not covered by the Acts but to whom benefits under the Minimum Wages (Central) Rules have been extended by the Trustees; and
- (iii) categories not falling under (i) or (ii) but drawing overtime allowance under the Port Trust Rules.

21. Overtime for workers in categories (i) and (ii) is calculated at 1½ times the basic pay and dearness pay and is paid for work beyond the normal duty hours but not in excess of 9 hours a day and 48 hours a week. As regards category (iii) employees, the maximum of whose scale of pay does not exceed Rs. 320 p.m. draw overtime allowance at the rate of 1½ times their basic pay and dearness pay, but employees, the maximum of whose pay scale exceeds Rs. 320, get overtime allowance at the single rate of basic pay plus dearness pay, if any.

22. In many cases, especially where overtime work is a regular feature, the allowance admissible under the Port Trust Rules is subjected to a certain maximum, *e.g.*, 25 per cent of the minimum of an employee's pay scale. Following the Dearness Allowance Committee's recommendations in August, 1953, half the dearness allowance paid to employees in the various pay groups up to the salary of Rs. 750 p.m. (with marginal adjustments thereafter) is treated as pay for the computation of overtime allowance.

23. Loco Drivers and Foremen appointed as such before 1st January, 1955 are governed by the Railway Service Rules and get overtime at the single rate, but those appointed on or after that date come under the Bombay Port Trust Rules and a proposal to pay them overtime at 1½ times is being considered by the Port Trust. Similarly, the continuance of

the benefits of the Minimum Wages Act and the Minimum Wages (Central) Rules, as extended to the Masters and Engineers of certain vessels and of the Engineering Departments, is under consideration. In accordance with an Award of the Labour Appellate Tribunal in a dispute between the Bombay Port Trust and their employees, a worker of the Chief Engineer's Department who works on a day of rest is paid at $1\frac{1}{2}$ times his normal daily wage and is also given in addition an alternative day of rest.

24. A few instances in which overtime work is undertaken in a more or less regular way to meet operational requirements of the Port may be of interest. Dredging Staff who work for 12 hours during the day for six days are allowed $3\frac{1}{2}$ hours' overtime per day; those who work for 12 hours at night for six days in the week are allowed 6 hours' overtime. Similarly, the non-scheduled Staff of Hydraulic Establishments, working on a 3 hour shift per day, are paid overtime allowance for periods ranging from $\frac{1}{2}$ hour to $1\frac{1}{2}$ hours each shift. Workmen of the Engineering Department who have to work for more than 8 hours per shift, receive overtime allowance for 1 hour calculated at $1\frac{1}{2}$ times the basic pay and dearness pay. Similar provisions for overtime have been made for certain Crews.

Madras

25. In the case of certain employees, notified under the Minimum Wages Act, who are, of necessity, required to work on holidays other than weekly off days, overtime allowance is paid at single rates on an hourly basis, on basic pay plus dearness pay, if the total hours of work in the week do not exceed 48 and no compensatory day off is given. For this purpose if the total hours in the week, including any holidays, exceed 48, the excess over 48 hours for which overtime is payable under the Minimum Wages (Central) Rules at twice the ordinary rate of wages, is deducted from the hours of work done in the holidays. Employees in receipt of rations are, however, paid at 50 per cent of this rate for work on holidays excluding the weekly off. For work in excess of scheduled duty hours in a day and up to 3 hours, overtime allowance is paid at single rate, on an hourly basis, on basic pay plus dearness pay.

26. For calculating overtime allowance under the Minimum Wages (Central) Rules, the hourly rate is computed at $1/30x$ ('x' denoting scheduled hours of duty on a day) or $1/240$, whichever is higher, of the monthly rate of pay plus allowances excluding house rent allowance. In other cases, the hourly rate is computed at $1/30x$ or $1/240$, whichever is higher, of the monthly rate of pay plus dearness pay. Provisions summarised above do not apply to Assistant Medical Officers and First Aid Superintendent. The indoor staff who work outside scheduled hours on working days to clear off work are not eligible for overtime.

Cochin

27. The Staff of the Traffic, Port and Accounts branches, engaged in such work as boat traffic, landing and shipping, clearance of vessels, collection of Port charges etc., receive overtime remuneration when they work beyond office hours or on holidays on the requisition of parties. For work on holidays, 'time off' is given whenever possible. The overtime payments range from 3 annas per hour to Rs. 2-4-0 per hour in proportion to the pay of the employee. The Shipping Master and Shipping Masters' clerks, engaged in signing on and discharging of crew afloat, also receive overtime allowance of Rs. 25/8/- and Rs. 4/8/- per vessel respectively, for work done on Sundays and closed holidays or from 6 p.m. to 9 a.m. on other days. Workmen, including eligible members of the work charged establishment, who are not governed by the Factories Act or the Minimum Wages Act, are paid 1½ times their wages for overtime work.

Visakhapatnam

28. The staff engaged on capital works on daily wages receive overtime payments at ordinary time rate for every completed hour worked above 48 hours per week. Other staff whose pay does not exceed Rs. 130 p.m. get overtime at a one and quarter of the time rate for completed hours in excess of 48 hours but not more than 60 hours; they are paid one and a half time rate for work beyond 60 hours. Overtime is admissible at the discretion of the Administration to staff graded 'Inferior' and to certain staff graded as 'Superior' when the pay or scale of pay does not exceed Rs. 130 p.m. In the case of monthly paid staff, daily pay is calculated as 1/30th of the monthly pay and hourly pay as 1/8th of daily pay. Overtime is also limited to 25 per cent of pay in the case of 'Inferior' staff. Wherever possible, 'time off' is given in lieu of overtime. Overtime is paid for work on holidays when it is not possible to give 'time off' within ten days.

Kandla

29. Workers not covered by the Factories Act, if required to work overtime (beyond 8 hours a day, excluding lunch hour of one hour), are given time off. If no time off can be given, then the staff in the Traffic Department receive overtime payment, ranging from 2 annas per hour or part thereof, in the case of Sweepers or Chowkidars, to 8 annas per hour or part thereof, in the case of Shed Markers, for work over normal working hours and at double their rates for work on Sundays and holidays.

Variations in practice

30. One of the prominent variations in the practice obtaining in the Major Ports is that while the employees governed by the Minimum Wages Act in the Port Trusts of Calcutta, Bombay and Madras are entitled to overtime at double the ordinary rate of wages, the corresponding employees

of Cochin, Visakhapatnam and Kandla Port Administrations, except the employees of Cochin Port engaged in road construction and building operations, are not eligible for overtime at this rate as these Port Administrations are not local authorities.

31. Another variation is that while the employees in Bombay Port, governed by the Minimum Wages Act or the Factories Act, and certain other categories to whom the benefit of the Minimum Wages (Central) Rules have been extended by the Trustees of their own accord, draw overtime allowance at $1\frac{1}{2}$ times the rate of their basic pay plus dearness pay for work beyond their normal duty hours but not in excess of the statutory limits, in Calcutta Port the rate of overtime is different in the case of some of the employments *e.g.*, the office staff is paid only at single rate that is, $\frac{1}{240}$ th of the gross wages per hour, and the outdoor staff, who were eligible for it in the past, are paid at $\frac{1}{208}$ th of gross wages for work beyond 8 hours a day. In Madras Port, overtime is paid at single rates on an hourly basis, on basic pay plus dearness pay, for work in excess of scheduled duty hours in a day and up to 9 hours. The indoor office staff, staying late to clear off work, are, however, not eligible for overtime.

32. In Calcutta Port, an employee is paid for work on his weekly off day at double the ordinary rate of wages if he is not granted any compensatory holiday. In Bombay Port, however, a workman of the Chief Engineer's Department, working on his weekly day of rest, is paid at $1\frac{1}{2}$ times his normal daily wages and he also gets in addition an alternative day of rest.

33. In Bombay Port, further, employees not covered by the Minimum Wages Act or the Factories Act or to whom the Minimum Wages (Central) Rules have been extended, draw overtime allowance at $1\frac{1}{2}$ times their basic pay plus dearness pay, if the maximum of the scale of pay does not exceed Rs. 300 p.m., and at single rate of basic pay plus dearness pay if it exceeds Rs. 300 p.m. But in many such cases where overtime work is a regular feature, the overtime allowances are subjected to a certain maximum, *e.g.* 25 per cent of the minimum of the employee's pay scale.

34. In the Port Administrations of Cochin, Visakhapatnam and Kandla, there is also the provision for giving time off as far as possible, in lieu of overtime work, but this is not the practice in the Port Trusts of Calcutta, Bombay and Madras.

35. The rates and basis of overtime for Marine and other essentially intermittent staff also differ in the Ports of Calcutta and Bombay; in Calcutta the allowance is mostly in the shape of consolidated allowances and in Bombay it is allowed mostly on the basis of fixed extra hours per day.

36. Another variation is that whereas the Bombay Port Trust includes house rent allowance in wages in calculating overtime it is not so included by the Calcutta Port Commissioners and by the Madras Port Trust.

Demands of Labour

37. All the representative organisations of Labour have demanded that overtime should be uniformly paid to all workers, whether daily rated or monthly paid, temporary or permanent, at double the rate of wages inclusive of all allowances and that the existing disparities in these rates for different categories of workers should be removed. It has also been contended that for the purpose of determining the hourly rate of wages, the monthly rate of wages should be divided by 208 and not by 240 and that in the case of workers whose normal duty hours are less than eight, the basis for calculation of overtime should be his wages divided by the number of his duty hours and not by eight as is done at present. One Federation has demanded that the piece rate earnings should be taken into account for calculating overtime as in the manner laid down in the Award of the Labour Appellate Tribunal in the case of a dispute in the Port of Bombay. One Union in Calcutta Port has demanded at least 4 hours' overtime per day for every worker performing 24 hours duties.

38. It is also demanded that overtime should be given for work beyond normal duty hours, that hours of work during the night be reduced and that for the purpose of determining the number of weekly overtime hours the normal hours of working of the weekly off days or holidays intervening in the week be taken into account. One Union in Calcutta wants that the workers of the Port attached to shifts and performing duties for eight hours continuously should be paid overtime for excess duties for half an hour or one hour. A Union in Cochin contends that the whole of the time during which a workman is obliged to be present on duty should be counted as actual working hours.

39. Another demand is that overtime should be paid for work on weekly off days even though an alternative day of rest is given. Two Unions in Cochin have asked for overtime payments for work done on Sundays. It has also been urged that the period of recess during which a worker is not allowed to leave his post of duty as well as work on holidays should be considered as overtime. One Union in Calcutta has pressed for the payment of one hour's overtime per day as some workmen have to attend half an hour earlier to relieve their colleagues or delay their departure by half an hour until the arrival of the next batch of men.

40. One Union in Cochin has demanded the fixation of night shift at six hours and an extra allowance of 25 per cent of wages including dearness allowance for work in this shift. Another Union in this Port has

suggested that for shift work between 6 p.m. and 6 a.m. each duty hour should be paid at 25 per cent of total remuneration viz. an extra 3 hours duty allowance.

41. A Union in Madras has asked for the payment of arrears of overtime to employers of the Madras Port Trust whose minimum rates were fixed in 1951 and 1954 and who, it is said, have not yet been paid overtime wages. This Union has also demanded arrears of overtime from 1951 for all employees who worked on holidays or weekly off days.

42. Lastly one Federation has observed that overtime should not become a normal daily feature, that it should not be made compulsory, that a sufficient number of workers should be employed instead of putting men on overtime, and that overtime should be taken only when there is emergency or urgency.

Views of Employers

43. As regards the demand that overtime work beyond normal duty hours on any day and work on weekly day off and holidays should be compensated at double the ordinary rate of wages including all allowances, a Port Administration feels that there is no justification for liberalising the existing practice unless the Minimum Wages Act and the Factories Act are amended. A Port authority feels that it is not statutorily required that payment at double the rate of wages should be made below the limits of 9 hours work a day or 48 hours work a week. Another Port authority has stated that the question of enhancing the existing rates of overtime other than the rate of overtime prescribed in the Minimum Wages Act was receiving attention. For work on holidays, the reply is that the staff are compensated by the grant of another day in lieu or payment of overtime and that similarly for work on a weekly off day a compensatory day off is granted and that therefore no extra payment is justified. One Port authority has observed that giving an alternative day off in addition to overtime payment will mean granting two days off in a week as on one of the days the worker will stay at home and on the other he will draw overtime.

44. Two Stevedores' Associations have observed that under the prevailing conditions, when work has to be performed round the clock, the opportunity for overtime is restricted; overtime is now worked only on finishing ships which is more often than not allotted to the third shift. According to one Association, there are cases when overtime has to be worked due to the default of workers as in closing hatches etc. In such cases, it has been contended, the payment of overtime at double the rate will encourage defaults or negligence. With regard to the demand that for determining the hourly rate of overtime the monthly wages should be divided by 208 and not by 240, the Associations point out that the monthly

workers are paid a monthly wage for 30 days and that because of the privilege of the weekly day off they are required to work for 26 days; the Associations feel that advantage should not be taken of this privilege as monthly wages have not been restricted to 26 days' work and it is not unusual for the workers to be gainfully employed for less than 21 days.

45. A Stevedores' Association has referred to an Award of the Labour Appellate Tribunal implemented in Bombay from 3rd March, 1956 and has pointed out that there has been no change in the circumstances since then and the Award itself was fair and liberal. Another Association does not object to the payment of overtime at double the rate for work done beyond normal hours but objects to such payments for work on a weekly off day or Sunday.

46. The representatives of the Shipping interests, who have also endorsed the views expressed by the Stevedores' Associations, have submitted in the course of discussions that the demands of Labour have already received sufficient attention and the Dock workers have been granted considerable benefits; any further consideration will have an adverse effect on the economy of the Dock industry with its corresponding economic effect on the Shipping industry. Their view is that this is an inopportune time to consider any further improvements in the conditions of service of Dock workers.

Position in Central Government Departments

47. In Government departments the entire time of an employee is at the disposal of the Government. While this does not mean that a Government servant is expected to work at all hours, the intention is that any occasional burden of work should be cheerfully borne without any claim for additional remuneration. The Central Pay Commission in examining this did, however, agree that there are certain Departments and services (e.g. the Railways, R.M.S., Pilots, Customs Preventive offices) where overtime work is well recognised and is almost unavoidable. They also recognised that it was quite conceivable that clerical staff may in some Departments have the work so linked up with the work of people who have regularly to work overtime that the former may also claim to have done systematic overtime work (as was stated to be the case in the Ordnance Factories) and that special provision may have to be made for cases of that kind so far as the non-gazetted staff are concerned.¹ The working hours of Railway servants are regulated by the Railway Servants (Hours of Employment) Rules 1951, according to which all Railway servants are divided into three categories—intensive, continuous and essentially intermittent. The working hours for these categories are 45, 54 and 75 hours a week. For work in excess of these hours the Railway

¹Report of the Central Pay Commission, Para. 98, page 59.

servants are entitled to overtime on the basis of $1\frac{1}{2}$ times the rate of pay and dearness pay. These overtime payments are not, however, made on the basis of excess in working hours on each day but are admissible only on the basis of an average for the month. Thus, for most of the categories of Railway employees overtime is paid only for work in excess of 54 hours a week. In the Posts and Telegraphs Department most of the non-gazetted staff with the exception of certain categories like those in the selection grades, employed in the P. & T. Transport service organisation, certain Class IV staff like Chowkidars, Gardners etc., are eligible for overtime allowances at certain prescribed hourly rates which vary from 4 annas for those in receipt of pay of Rs. 35 to Rs. 2 for those in receipt of pay of Rs. 325. These rates are stepped up by 25 per cent for work on Sundays or days of weekly off. In the Ordnance Factories under the Ministry of Defence, workers to whom the Factories Act applies receive overtime either at the departmental rates or at the rates prescribed in the Factories Act, whichever is higher. For other industrial staff the departmental rates apply. The departmental rates vary from time rate for certain supervisory categories to time and a quarter or time and a half rate depending on the establishments. As mentioned earlier, the Central Pay Commission were unable to generalise or suggest anything like rules of general application for overtime and left the matter to be examined by each department in the light of the circumstances prevailing in that department.¹

Conclusions

48. Broadly speaking, the matters now requiring consideration pertain to the regulation of overtime (i) of staff not notified under the Minimum Wages Act or governed by the Factories Act; (ii) for work put in by staff, so notified, in excess of the normal working hours but short of the statutory limits; (iii) of staff on long working hours performing functions essentially of an intermittent character; and (iv) for work on weekly days of rest or holidays.

49. In respect of all categories of persons to whom payment of overtime is not a statutory obligation, the tendency has been to pay overtime at slightly lower rates ranging from a rate of $1\frac{1}{2}$ times to a single rate; no overtime, however, is paid to Clerical staff in Cochin and Visakhapatnam. In Calcutta, overtime at double rates is paid also to staff not notified under the Minimum Wages Act and Rules for work in excess of 9 hours a day and 48 hours a week. Rule 25 of the Minimum Wages (Central) Rules clearly lays down the principles of overtime though the Port Authorities are reluctant to extend this benefit to categories of staff who have not been notified or to whom the Act is not applicable. Thus, it is necessary in the case of staff not notified under or governed by the Minimum Wages

¹See page 354 *ante*.

or Factories Act to lay down clearly that they will receive overtime at the rates specified under Rule 25 of the Minimum Wages (Central) Rules.

50. As regards the work of staff in excess of the normal working hours but short of the statutory limit, a solution presents more difficulty. In pressing their demands for overtime at double the rates, the Labour representatives argued that such a provision would have a discouraging effect on the employers and would, therefore, result in only such overtime as was absolutely inescapable. Against this is the fact that the working hours have been reduced in respect of certain categories of staff, mostly employed on clerical work and the payment of overtime within the statutory limit would amount to a doubtful concession. Even when overtime is granted to clerical staff, the usual practice is to allow it only in respect of hours of work in excess of a particular limit taken on an average over a period of time, usually a month. In the United Kingdom the rule is that overtime is admissible only when a particular number of hours, called 'conditioned' hours, are worked over a fortnight, although the actual working hours may be below this limit. The Royal Commission on the Civil Service, which reported in November, 1955, emphasised the importance of bringing about equality between the 'conditioned' hours and the gross working hours.¹ In the Railways, overtime is admissible to clerical staff only for work performed in excess of 54 hours a week on an average in a month. Another noteworthy point is that the hours of work of the outdoor staff have been kept higher than those of the indoor staff and any reduction of the hours of work of the first category may react adversely on the working of a Port. Allowing overtime for work performed by the indoor clerical staff in excess of their normal duty hours of 38½ hours a week but below 9 hours a day and 48 hours in a week could well be regarded as discrimination against the outdoor clerical employees.

51. The work of the clerical staff is continuous and not in any sense intensive. No case has been made out for the grant of double overtime for clerical work beyond normal duty hours but not in excess of 9 hours a day and 48 hours a week, although the existing practice in Calcutta and Bombay is to pay the clerical staff overtime at single and 1½ rates respectively. While this concession will be governed by the principles enunciated elsewhere in the Report for the fixation of emoluments of existing incumbents, the extension of such overtime payment, to the clerical staff of the other Ports, on the ground of uniformity, will not seem to be justified.

52. The difficulties in the application of the Minimum Wages (Central) Rules to intermittent workers have already been indicated. Some of the

¹Report of the Royal Commission on the Civil Service 1953-55 Cmd. 9613. para 204, page 53.

agreements between the Port authorities and Labour recognise the difficulty and the solutions merely aim at restricting the payment of overtime to a reasonable figure. Such *ad hoc* arrangements, however, are liable to provoke demands for revision from time to time. The payment of a precise sum as overtime for excess work done has also been rendered difficult by the absence of any machinery to clock the actual working hours. Any payment will thus, inevitably, be on an empirical basis. A brief reference to the problem has already been made in paragraph 23 of Chapter VII. Except in the case of Marine Staff, overtime at double the normal rates should be paid to essentially intermittent workers for work in excess of 75 hours a week and a suitable compensatory allowance should be evolved to replace the present *ad hoc* additions to emoluments. So far as the staff of the Marine Department are concerned, they may be treated on the same footing as the staff of the Railways who are in receipt of a running allowance. While the actual method of applying of these formulae will have to be worked out by the Port administrations, it is recommended that such allowances for Marine workers should be included in their pay for the purpose of leave salary, the calculation of subscriptions to the Provident Fund, etc. to the same extent as in the Railway Rules.

53. Another point that has to be considered is whether the second of two consecutive shifts of a worker should be regarded as work on overtime. The point was originally raised in a Note of dissent appended by Shri B. N. Dubey and Shri A. C. Bannerjee to the Report of the Dock Workers (Regulation of Employment) Enquiry Committee.¹ The main Report had recommended that it was extremely desirable that normally workers should not be called upon to work on two consecutive shifts and that this should be avoided as far as possible. But the Committee was not prepared to go as far as to prohibit the workers from being called upon to do consecutive shifts, though the Schemes had already contained such a prohibition.² I find myself in agreement with the view in the dissenting note that where a worker is required to work two consecutive shifts, he should be compensated by being paid at overtime rates for the second shift. I would further recommend that as far as possible workers should not be called upon to undertake a second consecutive shift except in cases of emergency.

54. A grievance of the daily rated staff is that their hourly wage for the purpose of overtime is arrived at by dividing the monthly wage by 240 instead of 208, although the daily rates are calculated by dividing the monthly wages by 26. It may be argued that by dividing the monthly wage by 26, the payment for Sundays and days of rest is included in the normal pay, but the hourly wages should obviously be a proportion of the daily wage and not of the monthly wage. The daily wage having been

¹Report—Page 201.

²Report—Pages 149-150.

fixed at 1/26th of the monthly wage, it follows necessarily that the hourly wage should be reckoned as 1/8th of the daily wage *viz.* 1/208.

House rent allowance : whether included

55. A subsidiary question is whether the term 'wages' includes house rent allowance. The Payment of Wages Act and the Minimum Wages Act define 'wages' as including all remuneration, capable of being expressed in terms of money, and specifically excluding the value of any house accommodation. Whether the house rent allowance would fall within the meaning of this expression has been open to doubt. The Supreme Court in a recent case under the Payment of Wages Act has held that under that Act, "shorn of all verbiage, 'wages' are remuneration payable by an employer to his employee for services rendered according to the terms of the contract between them. * * * * It is equally clear that house rent allowance which may in certain circumstances as aforesaid be included in 'wages' is not the same thing as the value of any house accommodation referred to in the Act".¹ In the result if the house rent allowance forms a part of the contractual payment, it can be treated as part of the wages, but not otherwise. Although not bound in law to do so, the Bombay Port is including house rent allowance in wages for calculating overtime. As overtime payment should preferably bear a direct proportion to normal wages, the inclusion of house rent allowance in wages for payment of overtime is recommended. It may also be convenient from the point of view of accounting.

56. Besides the payment of overtime for work beyond normal hours, overtime is also paid for work on weekly days of rest or holidays. These aspects have been discussed elsewhere in Chapter VII and IX.

57. The recommendations can now be summed up as below :

- (i) Any additional hours of work in excess of 9 hours a day or 48 hours a week, whether or not the worker concerned comes within the purview of the Minimum Wages Act, should be paid for at double the rates.
- (ii) In principle, the payment of overtime to the clerical staff working short of the general limit of working hours prescribed for other workers does not seem to be justified.
- (iii) Except in the case of Marine staff, overtime at double the normal rate should be paid to essentially intermittent staff for work in excess of 75 hours a week and a compensatory allowance should be evolved to replace the present *ad hoc* overtime.

¹G. I. P Railway *vs* Mahbdeo Raghoo 1955 S. C. A. pages 858, 861.

- (iv) For such Marine staff whose work is essentially intermittent in character, a scheme of allowance similar to running allowances paid to Railway staff should be evolved; these allowances should count for leave salary, provident fund etc. to the same extent as in the Railways.
- (v) A worker should not be called upon to undertake a second consecutive shift except in emergencies when he should be compensated by being paid at overtime rates.
- (vi) For daily rated workers whose daily wages are determined by dividing the monthly wages by 26, the hourly overtime rate should bear a proportion of $1/208$ of the monthly wages instead of $1/240$.
- (vii) Overtime should be calculated on the basis of the entire emoluments drawn by a worker while on regular duty. Emoluments for the calculation of overtime should include house rent allowance also.

CHAPTER IX

LEAVE, HOLIDAYS AND OTHER PRIVILEGES

Leave

General

Leave is an important condition of service intended for a number of purposes. The more important reasons for the grant of leave are :

- (i) Normal rest, recreation and reunion, usually on full pay;
- (ii) Treatment of prolonged sickness, on full pay as well as half pay; certain additional types of leave are granted where an injury has been sustained or hospitalization enforced on account of the working conditions;
- (iii) Private affairs, usually on half pay if leave on full pay is exhausted; and
- (iv) Special purposes such as study, maternity in the case of women employees, quarantine, etc.

Different types of Leave Rules

2. The four main sets of Rules which have been in force for Government servants are :

- (i) Leave Rules in Civil Service Regulations;
- (ii) Leaves Rules in Fundamental Rules;
- (iii) Revised Leave Rules, 1933, as subsequently liberalised in 1948; and
- (iv) Leave Rules in State Railway Establishment Code.

3. The Civil Service Regulations are applicable to civilians paid from the Defence Service Estimates. The Fundamental Rules apply to Government servants on the civil side who entered service on or after 1st January, 1922 but before 16th July, 1931 or having been in service on 31st December, 1921 elected these rules. Persons of non-Asiatic domicile specially recruited overseas for service in India are governed by these rules irrespective of the date of appointment. Thus these leave terms are applicable only to a limited and diminishing category of employees. The

Revised Leave Rules of 1933 are applicable on the civil side to persons recruited in India on or after 16th July, 1931. Originally there were differences between the leave terms applicable to Railway servants on the one hand and to the employees of the Civil departments on the other. After the Central Pay Commission's Report the Railway Rules have been brought on par with the Rules applicable to other Central Government employees.

Revised Leave Rules

4. The Revised Leave Rules, 1933, as subsequently liberalised from time to time, provide for the following benefits :

- (1) Earned leave on full pay, calculated on the basis of substantive pay at the time of going on leave or 12 months average pay whichever is higher.

This is earned by permanent Class I, II and III employees at the rate of 1/11 of duty subject to a maximum accumulation of 180 days. Further, only 120 days of this leave can be taken at one time. For temporary employees the rate of accumulation is 1/22 in the first year and 1/11 for subsequent periods.

Permanent Class IV employees can accumulate leave only at a lower rate of 1/22 of the period of duty, with a ceiling of 60 days, during the first 10 years of service; of 1/16, with a ceiling of 90 days, during the next 10 years of service; and of 1/11 with a ceiling of 180 days, during subsequent service. Temporary Class IV employees earn leave at a still lower rate of 1/30 of duty during the first year of service.

- (2) Half pay leave earned at the rate of 20 days for every completed year of service in respect of Class I, II and III staff. Class IV employees earn at the rate of 15 days for each completed year during the first 20 years of service and 20 days thereafter. Provision is also made for commuting this half pay leave into full pay leave on medical certificate, the total of leave so commuted not being in excess of 240 days during the entire length of service.
- (3) In addition to the above principal kinds of leave, the Rules also provide for a Special Disability or Injury leave, partly on full pay and partly on half pay; Hospital leave on full or half pay; leave not due to permanent Government servants on half pay; and extraordinary leave without pay when no other type of leave is available.

5. No civil servant is entitled to leave due to him as a matter of right; nor is he eligible to receive any form of monetary compensation if his leave is not sanctioned or curtailed because of the demands of work.

Leave Rules in the U.K.

6. A striking feature in the leave rules of Government servants in India is the extent to which leave can be accumulated. In the United Kingdom no such accumulation is permitted. The terms of the annual leave recently recommended by the Royal Commission on the Civil Service are :

Staff on scales with maxima up to and including that of Clerical Officer.	16 days; after 10 years, 19 days.	
Staff on scales with maxima above that of Clerical Officer up to and including that of Senior Executive Officer.	19 days; after 10 years 23 days; after 10 years 27 days; after 10 years 32 days.	on 19, on 23, on 27,
Staff on scales with maxima above that of Senior Executive Officer up to and including that of Assistant Secretary.	27 days; after 10 years 32 days.	on 27,
Staff on scales with maxima above that of Assistant Secretary.	32 days. ¹	

This, in fact, represents a reduction in the existing leave terms in that country.

Factories Act, 1948

7. Without prejudice to any better terms offered by the employer, Section 79 of the Factories Act provides that every worker who has worked for a period of 240 days or more in a factory during a calendar year shall be allowed, during the subsequent calendar year, leave with wages for a number of days calculated at the following rates :

- (i) If an adult, one day for every twenty days of work performed by him during the previous calendar year;
- (ii) If a child, one day for every fifteen days of work performed by him during the previous calendar year.

8. If the leave due to him in a year is not sanctioned, the worker has the right to carry forward the leave not availed of to the next year. There is also provision of payment to a worker, who quits employment before he has exhausted all his leave, of the salary due in respect of leave not so taken. Section 81 of that Act also provides for payment of leave wages in advance in some cases to a worker who has been allowed leave for not less than 4 days in the case of an adult and 5 days in the case of a child.

Variations in leave terms in Major Ports

9. The Port authorities of Bombay, Calcutta and Madras have been generally following the Central Government Rules in regard to their

¹, Report of the Royal Commission on the Civil Service, 1953—55, Cmd. 9613, para 236, page 59.

monthly paid staff and decasualised workers. In Cochin Port, which is departmentally administered, the regular staff are governed by the Central Government Rules. At Visakhapatnam, the State Railway Leave Rules are followed, the Port having been under the administrative control of the Ministry of Railways until recently. There is, however, a multiplicity of leave rules in Bombay Port. Persons substantively appointed to scheduled posts before 1st August, 1931 are governed either by the leave rules under the Civil Service Regulations or the Fundamental and Supplementary Rules depending on the rules prevailing at the time of their entry. Scheduled employees entertained after the above date come under the Revised Leave Rules as liberalised from time to time. The non-scheduled employees have, however, been granted leave terms applicable to the corresponding staff of the Calcutta Port Commissioners and the Indian Government Railways. The Locomotive Drivers and Firemen who entered service before 1st January, 1955 are governed by the leave rules of the Railways as amended from time to time. The incidence of these leave rules on scheduled employees is identical with the incidence of Government leave rules on Class III and Class IV staff. As regards the non-scheduled employees, permanent workers holding posts, the maximum pay of which exceeds Rs. 100 p.m., get leave terms similar to Class III permanent scheduled employees and those in receipt of less pay similar to Class IV staff. Temporary non-scheduled staff earn leave at 1/22nd of duty if the maximum pay exceeds Rs. 100 per month, and 1/30th if less. With regard to other types of leave except casual and special disability leave, the non-scheduled permanent employees are on par with the temporary employees of similar class of scheduled employees.

10. In Calcutta Port, the Class III staff get leave terms similar to those in the Revised Leave Rules for corresponding categories of staff, while Class IV staff earn leave at the rate of 1/12th of duty from the date of entry, if permanent, and 1/30th in the first year and 1/12th in the subsequent year, if appointed in a temporary capacity. An increased rate of earning has been given to Class IV staff as they are not entitled to any casual leave. In Madras Port, the Revised Leave Rules apply to staff and artisans and labourers borne on the schedules including decasualised shore labour. At Cochin, the staff are divided into two categories—staff and workmen. The former are on Government leave terms, while the workmen get only 15 days' earned leave and ten days' sick leave in a year. At Visakhapatnam, the daily rated workers in the Workshop and Power House get the leave terms under the Factories Act, while all other staff, except the work charged staff, get the Government leave terms; the work-charged staff are said to be ineligible for any leave.

Further lack of uniformity

11. In addition to the normal types of leave provided in the Rules, special types of leave become necessary in special contingencies, such as

disability and quarantine; these Rules are also not uniform in the Ports. In Bombay, only scheduled employees are eligible for special disability leave terms under the Fundamental Rules, which allow for the purpose leave up to 24 months including 4 months on full pay. The non-scheduled employees get only Hospital leave limited to 3 months on average pay in any period of 3 years. In Calcutta the Class III staff only are eligible for special disability leave, the Class IV staff being eligible for four months of what is termed 'injury leave'. Similarly, in respect of segregation imposed by quarantine, quarantine leave up to 30 days is given in Bombay, while in Madras special casual leave is sanctioned up to the necessary extent for the same purpose. At Cochin, the leave for this purpose is only on half pay and is admissible up to two weeks only.

12. There is in addition a special type of leave called casual leave, which is really non-cognizable, and is intended to be taken only for absence of unforeseen and casual nature. The ordinary leave rules involve maintenance of leave accounts in detail, which is usually avoided in the case of casual leave. Even in this matter, there is a variety of rules. In Calcutta Port, the Class III staff are entitled to 15 days' casual leave, while the Class IV staff are not entitled to any casual leave. In Bombay, the scheduled employees are entitled to 20 days' casual leave and the non-scheduled permanent employees to 10 days; the non-scheduled temporary employees are entirely excluded. In Madras, the decasualised shore labour are not entitled to any casual leave, which is allowed to the regular staff up to a maximum of 15 days. At Cochin the workmen are entitled to five days' casual leave in a year.

Demands of Labour

13. The principal demand of Labour is that disparity in the leave terms of the various categories of staff should be removed. Other important demands are that :

- (1) the ceiling now placed on accumulation of earned leave should be removed;
- (2) half pay leave should be allowed to be commuted to full pay leave without any limit;
- (3) the period of leave should be counted as duty for the purpose of earning further leave;
- (4) a person who resigns or is removed from his post should be entitled to get leave salary for the earned leave standing to his credit;
- (5) there should be no limit on the extent of leave when sanctioned on account of injury, sickness or without pay;
- (6) an adequate leave reserve should be provided; and
- (7) casual leave should be at the rate of 20 days per annum.

A demand of local interest is that the non-scheduled staff should be permitted to accumulate leave up to 180 days like the scheduled staff, whose limit, incidentally, is 120 days. The disparity in the leave terms of Class III and IV staff has been described in one of the Labour Memoranda as "based on misconceptions and a source of veritable discontent among workers". Another Labour Union has argued that the Port workers have to undertake very hard work without having any protection against the sun and as they have to suffer so much physical strain they need sufficient rest and, consequently, liberal leave terms.

Views of Central Pay Commission

14. The present Rules of the Major Ports are to some extent based on the recommendations of the Central Pay Commission. The Commission, however, considered that in an endeavour to respect the spirit of equalitarianism, certain material considerations should not be lost sight of, and that the determining factors should be the need for rest on the one hand and public interest on the other. As the Class IV staff are recruited locally and their work is generally manual in character, the necessity for prolonged rest does not arise to the same extent as for staff employed on duties involving mental work. In their view, "The older a man grows, the greater will be his need for rest. It may also be said that a person who has loyally served the State for a great many years has a greater claim on the State than one who has served only for a shorter term. The situation is analogous to the calculation of a person's in proportion to the length of his service. The principle of varying the period of annual leave according to the length of service is well established in England and applies to the upper as well as to the lower categories of public servants. It also stands to reason that the need for rest and the length of rest needed depend to a large extent on the nature of the employee's occupation, the conditions in which he has to work and the burden of responsibility resting on him".¹ They, therefore, recommended that after completing 20 years' service, the leave terms for Class IV staff should be identical with those for Class III staff. One of the Members of the Commission, Shri N. M. Joshi, however, expressed the following opinion :

"I am not in favour of any discrimination being made in regard to the grant of leave between Class IV service and the other services. I consider that there is no real justification for discriminating against Class IV. In the social system which prevails at present wherein manual labour is not only less paid than it deserves but is looked down upon, there is even justification for some discrimination being made in favour of Class IV, such as in providing him with medical leave on full pay when his earned leave is exhausted and he has to take 'leave not due' on medical certificate. Manual work is as essential for the good of Society as any other class of work

and the removal of any discrimination which at present exists to the disadvantage of manual workers will do good to the community as a whole.

Even in the matter of medical leave the employees of Class IV will be at some disadvantage inasmuch as their earned leave, in a given period, will be less than that of employees of other classes and so when an employee of Class IV becomes sick, his earned leave for being converted into full pay leave on medical certificate will be less than that of an employee of other classes and consequently medical leave on full pay will be available to him for a shorter period than an employee of other classes and he will have to take 'leave not due' on half pay much earlier if his sickness continues longer than the period of his earned leave."

The Commission were emphatic that their recommendations did not reflect any distinction based upon any theory of status. They went on to observe, "Again, we are making no difference between public servants of one category and public servants of another as regards their right to full pay during a period of illness because we feel that that is a situation in which the needs of all persons may well be taken to be the same. We are also introducing a provision entitling employees belonging to Class IV to half pay leave for a certain period even without medical certificate".¹

15. While it may be true to say generally of the Class IV employees that manual labour in their earlier years of service cannot be as exhausting as mental work, due weight must be given in the case of Port and Dock workers to the specialised and exacting nature of their duties. In the words of the International Labour Organisation's Committee on Decasualisation of Dock Labour :

"When it comes to the handling of the ship's winches or to stowing the cargo in the ship's hold, the degree of training required, the amount of judgment and the sense of responsibility involved in so placing the cargo as to make the best possible use of the space and to ensure that no damage will be done either to the cargo or to the ship during the crossing—such work can be learned only after several years of constant and preserving application."²

In an intensive survey of life and labour in the Port of Manchester by the Department of Social Science of the University of Liverpool in 1951-52, under the auspices of the Nuffield Foundation, the working conditions in the Docks were characterised in the following manner :³

"Dock work itself is essentially a dirty, exposed and dangerous occupation, and in the course of his working life, the dock worker faces a number of unusual hazards".

¹ Report of the Central Pay Commission, para 142, page 79.

² I. L. O. Report of the Inland Transport Committee, 1954.

³ The Dock Worker, University of Liverpool, September 1954, page 182.

16. In the circumstances one cannot fail to be impressed with the argument that considering the peculiar and taxing nature of the work there should be liberal leave provisions for workers in the Ports. While it may be a moot point whether it is a business-like proposition for an industry to offer similar leave as available to Government servants, the fact is that the Ports have already been applying *mutatis mutandis* Government Leave Rules in one form or another. So far as the general level of leave benefits is concerned, Labour cannot really have any substantial grievance. It has, however, to be conceded that there is little justification for the present differences in rates and other incidence of leave as between the Ports and various categories of staff and these should be removed as far as possible.

Removal of limits

17. Except to the extent of ironing out differences between the Ports or between the various categories of staff in a Port, the general approach to the demands of Labour must be conditioned by the fact that the Leave Rules of the Ports are themselves based on Government Leave Rules. There has always been a considerable difference of opinion on the point whether accumulations of leave should be permitted. The Fundamental and Supplementary Rules permit accumulation of leave on average pay to an unlimited extent and the experience of Government was that the leave was seldom availed of and most of it lapsed at the time of retirement. The Central Pay Commission also felt that as a matter of principle, public servants should not merely be encouraged, but even compelled to take leave at short intervals so that they might be able to return to duty with renewed health. While agreeing to accumulation up to 120 days, in deference to a strong volume of opinion, the Commission also expressed the hope that the officers would realise the advantage of availing themselves of their earned leave at short intervals.¹ Since the recommendations of the Pay Commission, the limit of accumulation has been further extended to 180 days and this can, therefore, be considered to be adequate for all purposes. The rate of earning leave on half pay is 20 days for each completed year which can be commuted to 10 days' leave on full pay. Thus, in order to utilise fully the present ceiling of 240 days, 24 years of service will be necessary. It is difficult to see what real advantage will be derived by further lifting the ceiling.

18. In support of the demand that leave should be earned during the period when a worker is on leave, no cogent reason has been adduced except that such leave is granted as a matter of necessity and it is, therefore, unfair to penalise the person taking leave by stopping the earnings of leave during the leave period. It is difficult to entertain this claim considering the scale of benefits conferred by the present leave Rules; the actual loss, even assuming a period of two months' leave is taken at a

¹ Report of the Central Pay Commission, para 148, pages 81-82.

time will be about six days. In fact, the presence of a provision in the rules relating leave to actual duty tends to discourage taking of unnecessarily long spells of leave.

19. There is, further, a demand for the payment of leave salary, in lieu of leave not taken in the event of discharge of the worker; this is apparently based on Sub-section 11 of Section 79 of the Factories Act. This concession has to be read against the background of other privileges admissible under the Factories Act. As stated earlier the Factories Act provides for the earning of leave only at 1/20th of the period of work and allows accumulation up to thirty days for an adult. There is also a stipulation, which is an essential part of the terms on which leave facilities are based, that leave is not a matter of right and is subject to the exigencies of the service. The financial implications of such a demand may be staggering; it has been estimated by a Port authority that these may be of the order of 67 lakhs of rupees in that Port alone. Having regard to the already liberal leave terms and the general principles on which leave is granted, I am unable to recommend acceptance of this demand.

20. A specific demand has also been made in regard to leave accumulated at the time of retirement. The claim is that a worker should be permitted to enjoy his accumulated earned leave after retirement or cash it on retirement. Normally, all leave at credit lapses when an employee attains superannuation, but admissible leave applied for and refused before retirement can be availed of after retirement. The present Rules in this connection are quite equitable and it is not necessary to amend them.

Special Disability and Sick Leave

21. According to the present Rules, a worker, eligible for disability leave, can get four months on full pay and twenty months on half pay. There is also provision for leave on full pay for a further period of four months out of the earned leave account; thus, in combination with the first four months of special disability leave, the employee can, if he has leave due to him, get leave on full pay up to eight months. This should ordinarily be adequate for all practical purposes. It has been pointed out by the Stevedores' Associations that under the Workmen's Compensation Act, compensation is only at the rate of half the monthly wages for low salaries and still less in respect of higher salaries, and the payment is to commence only after the expiry of a waiting period of seven days from the date of disablement. As compared to this, the present terms regarding special disability leave can be said to be much more liberal. One of the Labour Memoranda submitted in this connection argues that the Workmen's Compensation Act 'does not afford adequate relief' and goes on to suggest that full wages should be ensured for a period of six months. As has been explained earlier, even under the existing Rules it is possible for an employee in certain circumstances to obtain leave on full pay up to eight

months. From the practical point of view, no commensurate advantage is likely to be gained by a further relaxation of the present Rules.

22. The above answer would also apply to the demand for sick leave on full pay and leave without pay to an unlimited extent. There is, however, a small anomaly in the Bombay Port which deserves consideration. At present, special disability leave is not admissible to the non-Scheduled staff. As the intention behind this leave is to provide for enforced absence due to disablement following an injury while on duty, there is no reason why this disparity should prevail. I would recommend that the Rules be suitably amended to extend the benefit to the non-Scheduled staff entertained otherwise than on a casual basis.

Casual Leave

23. Casual leave appears to be a product of Indian conditions and, although according to the Rules it is strictly non-cognizable, it has in a way come to be a part of the regular leave structure. Such short spells of non-cognizable leave cannot but have an adverse effect on productivity. For this reason, some Ports have not found it feasible to give casual leave to labour employed in the actual handling of cargo. One of the Ports has stated, in objecting to this demand, that "as casual leave can be taken without prior intimation, work will be upset if large numbers are absent without prior intimation". In Calcutta, the Leave Rules have sought to remove this uncertainty by banning casual leave for Class IV staff and by allowing leave to be earned at a rate of 1/12th of the period spent on duty instead of the usual rate of one day for every 22 days of duty. In fact, the sanction of the Government for this special benefit was obtained on the basis that no casual leave would be admissible to these employees. It has also been pointed out that more staff will have to be employed in the handling of cargo if casual leave is extended or increased. The question of achieving uniformity in this matter will assume greater significance if Port work is carried on continuously without resorting to closed holidays. In that case, the grant of casual leave to cover short absences for unforeseen reasons, up to 15 days in a year, for all categories of staff other than casual labour, will not be unjustifiable. The increase in productivity resulting from a stoppage of closed holidays, will offset any drop following such an extension of casual leave.

Supplementary Demands

24. Of the other demands of Labour, one that is unexceptionable and should be agreed to is that a weekly off-day or holiday should be allowed to be prefixed or suffixed to the period of leave. It has been urged on behalf of Labour that Registers showing accumulation and grant of leave should be easily accessible to all workers and that every year a programme

of leave should be drawn up in consultation with the men concerned; there may be practical difficulties in making formal arrangements of the type suggested. There should, however, be no objection to explaining to an individual worker the state of his leave account if he so desires; indeed, it is only fair that the worker should be able to ascertain how much leave may be due to him. Similarly, some advance planning of leave arrangements after consulting the workers generally or in a representative capacity may be helpful in meeting requests for leave and staggering them over a period of several months with due regard to the needs of the Port during different seasons. In the interests of smoother staff relations and a more satisfactory response from the point of view of the workers as well as the Port, these two suggestions deserve consideration by the Port Authorities.

25. There are also demands in respect of Leave not due and Extraordinary leave. Leave not due is usually granted on medical certificate when other types of leave due have been exhausted. As it is sanctioned without any credit in the leave account and in anticipation of the employee's returning to duty to earn further leave to be set off against it, the restriction of this leave to permanent staff is readily understandable. The present rules provide for the grant of Extraordinary leave in excess of normal limit of three months at the discretion of the competent authorities. There has been substantial liberalisation in leave rules in recent years and no further relaxation is recommended.

Leave Reserve

26. Closely connected with Leave Rules is the question of adequate leave reserves. The strength at which the leave reserve should be fixed depends on the quantum of leave admissible and the necessity of providing immediate replacement for the person proceeding on leave. Normally, provision for leave reserve is made in the lowest grade of a group of posts and any leave vacancy in the higher grades is made up by officiating promotion from the lower grade. Broadly speaking, as the Leave Rules of the Ports are based on the Government Leave Rules, the strength of leave reserves should be in line with the orders issued by the Government in respect of their own employees. Those orders are that the leave reserves, which are calculated separately for permanent and temporary posts, should be fixed at 10 per cent of the number of posts in each category as regards Class III posts and 7½ per cent with regard to Class IV posts. The percentage fixed in the Ports of Calcutta, Madras and Cochin is generally 10, although a higher leave reserve has been provided for certain categories of staff in the first two Ports; the leave reserve for Coupling Porters, Jamadars, Yard Porters and Yard Clerks, for example, in the Traffic Department of the Calcutta Port, has been fixed at 15 per cent. No information has been furnished on this point by the Bombay Port, while at Visakhapatnam there is no separate leave reserve, the sanctioned cadres including an element of unspecified leave reserve.

27. In the Railways, the leave reserves have been fixed on the basis of the principles laid down in the Award made by the Adjudicator, Shri Justice G. S. Rajadhyaksha, in 1947. In estimating the strength of leave reserves as percentage of the working cadre, the Adjudicator took into account the estimated annual absence caused by annual leave, times spent on periodical medical tests, joining time to carry over the orders of transfer and promotions etc.; the percentages vary from 30 per cent in respect of Assistant Station Masters to roughly 10 per cent for Workshop labour. In the Posts and Telegraphs Department, the leave reserves range from 20 per cent for Sorters in the Railway Mail Service, 17 per cent for Telegraphists and Telephone operators and 10 per cent for Clerical staff in Circle offices. The larger percentage of leave reserve has been fixed for those categories where the absence of an employee, even for a single day, will hold up the work and a substitute has to be provided even for absence on a day of casual leave.

28. The principal demand of labour is that leave reserves should not be less than 20 per cent and when the reserves are fully taken up, the officer concerned should have the right to engage substitutes. Under the existing Port Trust Leave Rules (which follow the Government Rules) it may be estimated that each employee will be absent on leave for a total of about 55 days in a year; of these 30 days will be on full pay, 10 days on half pay or commuted leave and 15 days on casual leave. For the employees of the Secretary's Department and the Accounts, Stores, Land and other administrative Departments, it may not be necessary to provide substitutes for absences of less than a month. On this basis, the leave reserve would work out to nearly 10 per cent. A higher percentage of 15 per cent might be required for employees in the Port Workshops. As regards the Deputy Conservator's/Port/Marine, Engineering and Traffic/Docks Departments, the percentages have to be higher depending on the necessity to provide replacements at very short notice. Considering the nature of work of these Departments it may be assumed that for most of the categories of staff it will be necessary to have adequate leave reserves, at a still higher level of 15 per cent to 20 per cent to ensure replacements even for a single day. The following may thus be taken as reasonable leave reserves in respect of the staff of the Departments shown below :—

1. Secretary/Administration, Accounts Land Manager/Estate Manager, Legal and Labour Departments	10%
2. Workshops	15%
3. Deputy Conservator/Post/Marine and Engineering including dredging) Departments	15% to 20%
4. Traffic/Docks Department	15% to 20%

29. The conclusions in this paragraph should be taken as indicating the basis on which leave reserves will have to be worked out. As a liberal formula has been suggested for the leave reserves, it should be possible to

adjust the leave programme in such a way as to enable a sufficient number of employees to avail themselves of leave within the sanctioned strength of leave reserves without the necessity of engaging substitutes.

Simplification of Leave Rules

30. The above recommendations have been made within the framework of the existing rules and with a view to remove anomalies and disparities as between various categories of staff and between the various Ports. There is, however, considerable scope for simplifying the present Rules. There is also the larger question as to whether, in the present state of our industrial development, the Port Transport Industry can afford to have such a variety of leave terms which are far more liberal than those in Western countries. It is interesting to observe that the Royal Commission on the Civil Services in the United Kingdom have actually proposed a reduction in the leave terms admissible to British Civil Servants. The Commission had found that the existing leave terms were more generous than those in comparable employments, outside the Services; though they agreed that leave should not be "screwed down precisely and mathematically to commercial practice", they felt that they would be failing in their duty if they did not recommend that some steps should be taken in the direction of greater conformity with outside practice.¹

31. Apart from the question of the quantum of leave, the present Rules necessitate the maintenance of leave accounts in great detail for each member of the Staff. The calculations of leave salaries are also on an average of the emoluments received over a length of time. It is not difficult to imagine the extent of work that is involved in calculating the leave salary payable to a daily rated worker on the basis of his daily earnings over the previous six months. Unlike Government Departments, the Ports employ daily rated workers running to many thousands. An effective step towards simplification would be to credit thirty days of earned leave in lump in respect of a particular year on the first day of the following years. Where the date of entry is in the middle of a year, proportionate lump credits can also be worked out. Similarly, there may not be any appreciable difference in the amounts actually received by a decasualised worker if instead of an average leave salary a fixed sum, worked out for each category of workers, is paid to him. The adoption of such a procedure will not only make it easier for the Port administrations to deal with leave applications promptly, but also lead to decentralisation of accounts work. The precise method will have to be determined after detailed examination at the Port level; here the point has been noted with a view to suggest the need for a simplified system of leave accounts.

¹Report of the Royal Commission on the Civil Service 1953—55; Cmd. 9613, para 235, page 59.

Conclusions and Recommendations

32. The principal conclusions and recommendations, therefore, are :—

- (i) The Leave Rules should be uniform for all categories of staff as well as for decasualised shore labour. In particular, the Rules for the Class IV staff should be brought on par with those for Class III. Similarly, the difference in the Rules applicable to the scheduled and non-scheduled permanent staff, as regards the limit of accumulation of earned leave and eligibility to special disability leave, should be removed.
- (ii) The present ceilings for the accumulations of earned leave or commuted leave need not be disturbed.
- (iii) Payment of leave salary in lieu of leave not taken by a worker because of his discharge will not be justified.
- (iv) The demands that no limit should be placed on special disability and sick leave on full pay, commuted leave, and extraordinary leave are not recommended for acceptance.
- (v) Casual leave should be made uniform, at fifteen days in a year, for all categories of staff other than casual labour. This is intended to compensate for the situation that may arise out of the suggestion that there should be no closed holidays in the Ports.
- (vi) A weekly off-day or holiday should be allowed to be prefixed or suffixed to a period of leave.
- (vii) It is difficult to fix a definite percentage for leave reserves; depending on the necessity for providing immediate relief, the percentages may vary from 10% to 20%.

33. The possibility of simplifying the Leave Rules by introducing a system of lump credits on the first day of each year and the payment of a fixed sum as leave salary in the case of decasualised shore labour deserves further examination.

Holidays

34. The large number of holidays in our country is to some extent due to the presence of a number of communities, local associations and religious considerations. There are many holidays on which members of particular religious groups are called upon to perform special ceremonies or have traditionally to discharge certain social obligations. Besides these there are National holidays in celebration of such historic occasions as the Independence Day and the Republic Day. Holidays are also being given in memory of national leaders as on Mahatma Gandhi's Birthday.

35. It has all along been appreciated that the number of holidays' is excessive, although attempts at any major reduction have not met with success. A peculiarity of holidays in India is that, so some of the holidays are on the ground of local associations, they are different in different States. The number of holidays also vary from State to State. So far as the Central Government Departments are concerned, a certain number of holidays is fixed for observance throughout India; but the Heads of offices in the States are given discretion to choose the holidays which should apply to their establishments, within this number, to suit local conditions. The total number of Central Government holidays for this year is 22. The number of holidays observed by State Governments is more, varying from 38 in Rajasthan, 33 in Kerala, Punjab and Uttar Pradesh, 32 in Bihar, 31 in West Bengal and Bombay; 29 in Assam, 28 in Madras and 27 in Orissa to 26 in Madhya Pradesh.

Number of paid holidays in Central Government Departments

36. There is no legislation prescribing any definite number of paid holidays for industrial labour as an obligatory minimum. In practice, a few paid holidays are being allowed in all the industrial establishments of the country. The number of such paid holidays is 14 for workers in the Ordnance Factories under the Ministry of Defence, 10 for workcharged staff under the Central Public Works Department, 16 for employees of workshops under the Posts & Telegraphs Department, 10 in Alipur Mint for workers with service up to twenty years and 16 for those with a higher length of service. Certain categories of the operating staff of the Railways are not entitled to any holidays and are required to work on the basis of a roster. In the Posts & Telegraphs Department the number of holidays for the Post and Telegraph offices is only 16.

37. The relatively large number of holidays in this country had been the subject of sharp criticism. In the words of an observer—"India is perhaps the only country in the world which has a very large list of public holidays, about 30 in a year, in addition to the usual half Saturdays and Sundays. Our holidays may have connection with religious and historic events, but none the less, their continuance under modern conditions materially increases the period of legal absence from work and to that extent hampers production and in the case of monthly paid workers increases their cost on work. . . . A poor and over populated country like India, frantically struggling for a better living, can ill-afford such a luxury of idleness even though it be camouflaged under the name of holidays and leave".¹ A competent authority, tendering evidence before the Central Pay Commission,² also questioned "whether any country can really afford

¹"Economic Basis of higher standards of living"—Taraprasad Khaitan, Lecturer, University of Calcutta, 1952, para 66.

²Central Pay Commission's Report, para 101, page 60.

to pay for so many unproductive man-days". The Central Pay Commission also endorsed this observation and strongly felt that every reasonable effort should be made to increase the total number of working days in a year.

38. In view of the variation in the number of holidays between the white collar and industrial establishments, it is not surprising that the number of holidays in the Ports are different as between different categories of staff. Equally understandable is the variation in the number of holidays among the Ports as most of these holidays are dictated essentially by local conditions.

Holidays in Major Ports

39. The Bombay Port Trust have classified the Class III and IV employees into four groups for the purposes of holidays. The first group consists of employees who are not eligible for any holidays and are not allowed any compensation in lieu thereof. This group includes the Fire Station Superintendent of the Auxiliary Fire Service, the Masters of certain Harbour tugs, Locomotive Drivers, Firemen, and Class IV Line staff of the Railway Department who were recruited before 1st January, 1955 and retained the Railway conditions of service according to which no holidays were admissible to them. The second group is eligible for only 12 holidays and consists of the non-scheduled staff of the Port Trust, Class IV Line staff of the Railway Department who were recruited prior to 1st January, 1955 and certain staff of the Port and Engineering Departments, Class III and IV employees of the other Departments regarded as outdoor employees and Locomotive Drivers and Firemen recruited on or after 1st January, 1955. Before the year 1947, the number of holidays admissible to this group of employees was not uniform. Certain establishments like the Workshops Electrical establishments, General Works and the Chief Engineer's Department, observed all the Bank holidays, while only four holidays were observed in the Docks, Lands and Bunder Departments and the hydraulic establishment of the Chief Engineer's Department. This position was reviewed in 1947 and a uniform number of holidays was fixed at twelve on the analogy of the number of holidays in the Posts and Telegraphs Department. The third group consists of employees who normally fall in the earlier groups but due to the exigencies of service are required to work on all such days and are either paid a special compensatory allowance or granted free rations or ration allowance. In this group are the Shore and Flotilla crews of the Port Department, men of the Auxiliary Fire Service, staff employed at the Lighthouses and the Wireless Beacon Station. The last group consists of other employees who are eligible for all the holidays declared by the State Government under the Negotiable Instruments Act, 1881, subject to arrangements for essential and urgent work.

40. In Calcutta Port, until 1942 there was a system of communal holidays. This was, however, abolished in 1942 and the number of approved holidays was fixed at 15. In 1955, the number of such holidays was increased to 19; in addition the Workshop staff were allowed one more holiday on Visvakaram Pooja Day. In Madras Port, the number of holidays is 15 for the scheduled staff, 10 for the scheduled artisans and labourers and 8 for the decasualised shore labour. Casual labour placed in the 'B' category in the Traffic Department and the Engineering and Marine Departments get two paid holidays in a year. At Cochin, the Office staff are eligible for 23 holidays in the year, while the outdoor staff and workmen get only 12. Casual labourers are given 4 holidays in a year. At Visakhapatnam and Kandla, the Government of India holidays are followed.

41. As the Ports do not close down completely on all the holidays, arrangements have to be made for carrying on the work during such days. In Bombay, the monthly paid staff falling in the first three groups are given overtime allowance in accordance with the Port Trust Rules or the Minimum Wages (Central) Rules as the case may be. The decasualised workers are, however, paid only 12 annas retention allowance. The staff falling in the last category, which represents the supervisory and office establishments, are given a compensatory day off. In Calcutta, a holiday allowance, at the rate of one day's gross pay and allowances, with the exception of house rent allowance, is granted to staff required to work on a holiday. In Madras, a compensatory day off is given as far as possible, but where this is not possible, overtime is paid at single rates on an hourly basis on pay and dearness allowance for the period of work on a holiday. At Cochin, if a compensatory day off is not given, overtime at the usual rate is paid. At Visakhapatnam, the office staff, who are called upon to attend on holidays, receive overtime for hours actually worked subject to minimum of 2 hours.

Demands of Labour

42. The demands of Labour in this connection are that (i) the number of holidays should be made uniform for all categories of staff in all the Ports and should be fixed at the highest existing level, (ii) all holidays should be paid holidays and (iii) any worker called upon to work on a holiday should be regarded as doing overtime and paid at double the normal wages in addition to a compensatory holiday at a later date.

43. The representatives of Labour have argued that the grant of holidays is essential because of their importance as on national, religious or international days and that 'holidays without pay' turn them into days of mourning instead of days of festivity. It is, however, recognised on behalf of Labour that work on holidays may be inevitable; in that case, it is argued, there should be adequate compensation for the inconvenience.

caused to a worker undertaking duties on a holiday by the payment of overtime at double rates. The difference in the number of holidays for different categories of staff in a Port has been described as 'atrocious'. Another line of argument is that as the Ports are charging for services rendered to Shipping Companies on holidays, there is no reason why the benefits should not be passed on to the workers.

Labour Appellate Tribunal's decisions

44. Some of the questions relating to work on holidays and rest days were considered by the Labour Appellate Tribunal in Bombay and their decisions are referred to in Chapter VII. The principles of the Award should apply to payment for work on holidays, as has been recommended in the case of work on weekly off-days.

Closed Holidays

45. There is nothing inherently wrong in the practice of a mixed establishment following a different policy in respect of holidays as between industrial and non-industrial Labour. What ultimately determines the question is whether the service rendered is one that will not admit of any cessation. It is because of this that certain categories of staff on the operating side of the Railways are not given any holidays as such. It is again with the object of ensuring as much uninterrupted service as possible that a lesser number of holidays has been prescribed for the Posts and Telegraphs offices, although the Circle offices might observe a larger number of holidays.

46. Under the existing arrangements, the staff of most of the offices work only about 265 days in a year (after excluding 78 days on account of Sundays and half holidays on Saturdays and 22 general holidays). The number of days of actual work in a year is much less, as the staff are allowed 15 days' casual leave (which despite its nomenclature is more often than not fully utilised, particularly by the Class IV staff), 30 days' earned leave and another period of about 30 days of average or other kinds of leave. On a proposal for an increase in the number of holidays, the Central Pay Commission expressed surprise and found it hard to understand, "how members of the services thought fit to ask for an increase in the number of holidays". In the indoor establishments, the loss of man hours is considerable owing to the staff working for only 38½ hours in a week.

47. The Ports have a vital role to play in the successful implementation of the Second Five Year Plan and very heavy demands will be made on them. The Dock Workers (Regulation of Employment) Enquiry Committee had also taken note of the strong protests of Shipping Companies and other employers in regard to the stoppage of work in Bombay for 12 days in a year. The Committee considered that while a certain

number of closed holidays might be inevitable under local conditions the number of closed holidays in a Port should not be more than six and the number of paid holidays eight.¹

48. In view of the continuing congestion in the Ports, which is likely to be accentuated by the country's need of food grains and other imports, apart from machinery and other equipment and material to be brought from overseas for the development projects of the Second Five Year Plan, and the paramount importance of speedy and regular turn round of shipping, there is abundant justification for an uninterrupted continuance of loading and unloading operations in the Ports throughout the year and therefore for requiring the workers employed in the handling of cargo, and others engaged in work considered essential in that connection, to work on a rostered basis. The recommendations in respect of casual leave have also been made keeping this purpose in view.

Holidays for other staff

49. Apart from staff employed in handling cargo there are a number of categories of staff in Ports whose work does not necessitate arrangements of work on roster but in the general interest of efficiency in works of the Port has to be carried on with the minimum interruption. A classification of staff into different categories for the purpose is in force in Bombay Port and substantial categories of staff in the Port and Engineering Departments of that Port are eligible only for 12 holidays in a year. This number was fixed on the analogy of the Postal holidays. These staff also observe a 48-hour week and in accordance with the Award of Labour Appellate Tribunal are eligible for overtime payment for attendance on holidays. As has been mentioned earlier there is nothing inherently wrong in a different number of holidays being prescribed for different categories of staff in different departments; the determining factor must necessarily be the nature of work performed. Since the time the number of holidays was fixed at 12 in Bombay Port, the Posts & Telegraphs Department have increased the number of holidays from twelve to sixteen. It has to be borne in mind that in contrast to the position at Bombay, 22 holidays are being observed in Cochin and Visakhapatnam, 19 in Calcutta and 15 in Madras. Though fixing the number of holidays at the same number that is being observed by Posts & Telegraphs Department will mean a reduction in the number of holidays in the first three Ports, it has also to be remembered that under the existing arrangement with the number of holidays on the same basis, the proportion of the effective working days is only near about 50% of the order. For organisations like Ports engaged in work of such vital importance it is essential to reduce the number of unproductive man-days as far as possible. Taking all these circumstances

¹Report, page 151.

into consideration, a positive and practical approach will be to fix the number of holidays for these categories of staff at 16, as now observed in the Posts and Telegraphs Department. It is also recommended that for attendance of these staff on closed holidays overtime in accordance with Labour Appellate Tribunal's Award should continue to be paid.

50. As regards the office staff, who observe a 38½ hour week and whose work is not required to be maintained continuously on all days in the year, there can be no objection to prescribing a number of holidays for them as in the case of Central Government servants. The present practice in some Ports, as pointed out in Chapter VIII, of giving them overtime allowance for occasional attendance on a holiday does not appear to be justified; they may have, when possible, a compensatory day off with a stipulated period. As regards other categories of staff, whose working week is 48 hours but who are not required on a roster, the Award of the Labour Appellate Tribunal, Bombay, should apply.

Conclusions and Recommendations

51. My recommendations on this subject, therefore, are :—

- (i) It is necessary that loading and unloading operations in Ports should continue without interruption; there should be no closed holidays for workers employed in handling of cargo and others engaged in work considered essential in that connection; the persons concerned should work on a roster.
- (ii) The number of holidays for other staff should be fixed at 16 as observed in the Posts and Telegraphs Department; payment for work on holidays should be in accordance with the principle enunciated in the Award of the Labour Appellate Tribunal.
- (iii) There is no justification for the grant of overtime allowance to the Office staff who work occasionally on holidays; they may have, when possible, a compensatory day off within a stipulated period.

Travel Privileges

Recommendations of Central Pay Commission

52. Until the recommendations of the Central Pay Commission, no travel concessions were available to Central Government servants other than those belonging to the Railway Department. The Central Pay Commission considered this question and recommended the grant of a concession similar to the Privilege Ticket Order available to Railway employees.¹ The P.T.Os. were limited to one set in a year for the Government servant and members of his family. The concession was

¹Report of the Central Pay Commission, para 93.

discontinued in 1949 and has been restored in 1956 in a modified form as follows :—

- (1) Admissibility of the claim only for journeys on leave to the home town and village.
- (2) Restriction of the concession only to Government servants whose home towns are more than 250 miles distant from their headquarters.
- (3) Instead of the old formula of Government bearing 2/3 of the cost of journey the Government servant will be expected to bear the entire cost for the 250 miles and for the remaining distance the liability of the Government will be 90 per cent of the actual Railway fares.
- (4) The concession will be admissible only once in two years instead of once in a year.

Practice in Ports

53. In Bombay Port, certain Class IV Line staff of the Railway Department, who were appointed to continuous service prior to 1st January, 1955, locomotive drivers and firemen of the Engineering Department, appointed as such prior to the same date, and employees of the Wagon repair shop, who were in service prior to 1st October, 1951, are eligible for free passes and P.T.Os. on the following scales :—

Class III employees—

After 2 years' service 1 pass (return) and 2 P. T. Os.
(return) on the Central and
Western Railways.

Class IV employees—

After 2 years' service 2 P. T. Os. (return) on the Central
and Western Railways.

The Class III Line staff of the Railway Department were formerly eligible for free passes and P.T.Os., but the concession was discontinued with effect from 1st May, 1946 in consideration of certain pay increases given to them. Similarly, leave travel concession formerly admissible to certain Class III and Class IV staff of the Railway Engineering Section was also withdrawn from 1st May, 1946. In 1948, the Bombay Port Trust decided to give all Port Trust employees (other than those who were already eligible for travel concession) the P.T.O. concession on the same terms and conditions as admissible to the Government of India employees. This concession was, however, held in abeyance from 1949, following the action taken by the Government. The Port Trust now propose to renew this concession subject to the same modifications as have been prescribed for the Government employees.

54. In Calcutta Port, the P.T.O. concession was introduced for the first time in 1948 on the analogy of the Government orders and was also discontinued in line with the subsequent orders of Government in 1949.

In 1951 the concession was restored to Class III and Class IV employees, drawing up to Rs. 200 per month, for proceeding on authorised leave to their permanent registered homes where these were beyond 50 miles from Calcutta. In Madras Port, the P.T.O. concession was sanctioned and withdrawn following the Government orders. In Cochin and Kandla the orders issued in this regard by Government from time to time apply. In Visakhapatnam staff who are in employment before 1st October, 1956 are entitled to pass facilities on the same basis as for railway servants. Entrants on or after that date are governed by Government orders. In no Ports, was there, at any time, concession for travel by road or by sea.

Labour demands : Recommendations

55. The general demand of Labour is that the concession should be restored and also extended to cover journeys performed by steamer or road. In opposition to this, it has been urged by certain employers that it is nowhere the practice for any organisation other than the one which is actually engaged in transport services to give such concession to its employees, and that unlike the Central Government employees, the Port and Dock workers are not subject to transfer. As against this point of view, it has to be borne in mind that the principle of according certain privileges has already been considered and recognised. A concession of this type enables a worker to proceed home on short spells of leave; such an opportunity for rest and recuperation in the surroundings of one's own home can only add to the efficiency of the worker returning to duty with renewed health. The restoration of the concession in the form in which it has been applied to the Government servants is, therefore, recommended.

56. At present no concessions are given for journeys performed by water or road. It was pointed out, in the course of discussion, that a large number of Port workers in Bombay come from districts which are not conveniently connected by rail. The concession in the present form will, therefore, not be of much use to them. In any case, it does not seem very logical to distinguish between the modes of travel for a concession of this nature. It is, therefore, recommended that a similar concession should also be given for journeys by sea, river or road transport to and from places not connected by rail; the concession should be based on the same principles as have been laid down for the P.T.O. concession, that is, the minimum distance should be excluded and the concession should be admissible only once in two years.