

TREND IN REAL WAGES IN COTTON TEXTILE INDUSTRY IN AHMEDABAD FROM 1900 TO 1951

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1. This paper seeks to derive the movements in average real wages of the operatives employed in the cotton textile industry in Ahmedabad from the year 1900 through 1951. The major findings of the paper are presented in the Basic Tables at the end of the paper. It would be observed from the Basic Tables that the level of real wages during the fifties was, on the whole, somewhere between 2.5 to 3.0 times the wage level in relation to the early nineteen hundreds. As compared to the average real wages for the first five years after 1900, the average of the last five years ending 1951 was thus 253.2 per cent higher. This is accounted for by about an elevenfold rise in money wages in current rupees compensated by a rise in the cost of living index which was about 432.0 per cent of the average of the cost of living for five years following 1900. The movement in real wages was also significantly different as compared to that in Bombay.¹ The real wages showed a slightly rising trend that reached a peak in 1910. Thereafter the real value of the wages fell continuously until 1919 due to war-time rise in prices. The post-war revision in money wages between 1921 and 1923, however, stabilised the real wages until the sharp fall in cost of living drove the real wages considerably above the normal level by the year 1931. Since then there have been no major shifts in the level of real wages. Upward adjustment in money wages kept ahead of the cost of living upto the year 1942. Thereafter the sharp rise in prices caused the real wages to dip, but further increases in money wages restored the level by 1948.

2. The task of piecing together the series of money wages for Ahmedabad differs considerably in detail as compared to Bombay city. This is principally because the detailed wage data from the 'Prices and Wages in India'² are not available for Ahmedabad. For several reasons it would be easier to work the sources of information backwards and in what follows this procedure has been adopted.

3. The published figures on the basis of the returns under the Payment of Wages Act, 1936, do not give separate wage data for Ahmedabad. The breakdowns from this source are either in respect of states or in respect of industries. Fortunately however, the Ahmedabad Millowners' Association in their memorandum to the Central Wage Board on Cotton Textile Industry³ gives a breakdown of the Ahmedabad wages from 1939 onwards, which has obviously the same source as the Payment of Wages Act returns. As these figures are annual averages of total remuneration received, the