

Report of the Committee (Salt Pan
Industry) Appointed by the Government
of Bombay under Minimum Wages
Act, 1948

BOMBAY


PRINTED AT THE GOVERNMENT CENTRAL PRESS

Obtainable from the Government Publications Sales Depot, Institute of Science Building, Fort, Bombay (for purchasers in Bombay City), from the Government Book Depot, Charni Road Gardens, Bombay 4 (for orders from the mofussil) or through the High Commissioner for India, India House, Aldwych, London, W.C.2 or through any recognized Bookseller.

Price—Annas 9 or 11d.

1953

CONTENTS

	PAGES
CHAPTER I—Introduction	1
CHAPTER II—Employment and Wages in Salt Pan Industry—A Brief Survey	3
CHAPTER III—Purposes of Minimum Wage Legislation	.. Dhananjayarao Gadgil Library
CHAPTER IV—Detailed Recommendations	. 
A Note by the Chairman	.. GIPE-PUNE-031125
APPENDIX "A"	.. ..
APPENDIX "B"	.. .. 20
Report by Two Representatives of the Employers on the said Committee	21-33

**REPORT OF THE COMMITTEE (SALT PAN INDUSTRY) APPOINTED
BY THE GOVERNMENT OF BOMBAY UNDER
THE MINIMUM WAGES ACT, 1948.**

CHAPTER I

Introduction

APPOINTMENT OF THE COMMITTEE

The Government of Bombay by its Resolution, Labour and Housing Department, No. 2212/46, dated 30th October 1950, appointed this Committee under clause (a) of sub-section (1) of section 5 of the Minimum Wages Act, 1948 (XI of 1948). The original composition of this committee was:—

Chairman:

Shri P. N. Pesikaka, Retired Collector of Central Excise, Bombay.

Members:

Employers' Representatives—

Shri K. K. Shende, Bombay.

Shri Jayantilal Tribhovandas, Thana.

Employees' Representatives—

Shri T. H. Wajekar, President, Uran Petha Mithagar Kamgar Union, Uran, District Kolaba,

Shri R. P. Gawde, President, Mithagar Kamgar Sangh, Juichandra, Taluka Bassein, District Thana.

Secretary:

Assistant Commissioner of Labour (Information), Bombay, in charge of Socio-Economic Enquiries.

2. By Government Resolution, Labour and Housing Department, No. 2212/46, dated 30th January 1951, Shri Maneklal Lallubhai was appointed as the Chairman of this Committee in place of Shri P. N. Pesikaka resigned.

TERMS OF REFERENCE

3. The terms of reference of the Committee according to the Government Resolution were to hold enquiries and advise Government in the matter of fixation of minimum rates of wages in respect of employment in the Salt Pan Industry as specified in Part I of the Schedule to the Minimum Wages Act, 1948.

PROCEDURE FOLLOWED BY THE COMMITTEE

4. The following information compiled by the Deputy Commissioner of Labour (Information) was made available to the Committee:—

Report of the Salt Pan Industry in Bombay Province for the year 1947-48.

In view of the information contained in the above, the Committee did not consider it necessary nor possible to issue a fresh questionnaire.

5. After studying the above report, the Committee decided to issue a letter, with a view to obtaining up-to-date information, regarding figures of employment and the prevailing rates of wages for different categories of workers, to the President, Salt Merchants' and Shilotries' Association, Bombay. The President of the Association was also requested to obtain the information from the members of his Association and supply it to the Committee.

6. The Deputy Salt Controller, Bombay, was requested through the Secretary to the Government of Bombay, Labour and Housing Department to supply information on the following items:—

(a) the prevailing rates of wages for different categories of workers in the Salt Pan Industry at different places in Bombay State for (i) the last manufacturing season and (ii) for the current season.

(b) average seasonal earnings of the workers for the last season, and duration of the season.

(c) quantity produced and sold during each of the last three seasons in Bombay State in each Salt work.

7. The employers' and employees' representatives were requested to submit definite suggestions in respect of actual minimum rates of wages and dearness allowance to be paid to different categories of workers.

8. The Committee held in all twelve meetings and in the light of material made available to them and after discussions, resolved to report and recommend as follows:

CHAPTER II

Employment and Wages in the Salt Pan Industry

A BRIEF SURVEY

EMPLOYMENT

9. The field enquiry conducted by the Office of the Deputy Commissioner of Labour (Information) disclosed that the salt pan industry in Bombay State gave employment to about 11,000 men, women and children in 1947-48. Although the industry is spread-over in Thana, Kolaba, Ratnagiri, Karwar and a few places like Kharaghoda and Dharasana* in Gujarat, the first two, viz., Thana and Kolaba are more important from the stand-point of employment. The workers employed in these Districts can be broadly classified into two categories, viz., (i) Kharwas—who represent labour imported from places outside the Districts; and (ii) Agris—who represent local labour. The workers are recruited either directly by owners' agents or through recruiting agents known as Khatedars. Generally local labour is employed on the basis of written contracts between employer and the workers under which the latter bind themselves to the former for a specific period and specific work. Employment in the salt pan industry in the State has increased after the above survey was conducted as will be seen from the following table:—

No. of workers in the Salt Pan Industry in the year 1949.

Name of the factory.	No. of workers per day.
Dharasana	1,430
Maroli	95
Bassein	1,505
Rai	1,705
Wadala	516
Bhandup	154
Belapur	1,100
Trombay	501
Uran	1,330
Karanja	815
Shewa	2,616
Pen	900
Shiroda	200
Total (excluding Sanikatta)	12,867

*In view of the fact that the salt pans at Kharaghoda and Dharasana are owned by the Government of India and not worked by hired labour the committee did not consider it necessary to include these areas within the purview of its recommendations.

CONDITIONS OF WORK

10. As the industry depends heavily on climatic conditions, the regulation of working hours is rendered rather difficult. It was found that at the beginning of the season the workers are required to put in between six to seven hours' work while, when the production is in its full swing, an average working day may consist of between ten or twelve hours. Apart from weekly holidays workers were found to receive a few religious holidays also. Housing accommodation in the form of temporary sheds is provided by the employers to the workers. The employers generally provide to imported labour cooking and eating utensils as well as rice and fuel in addition to the wages paid.

WAGES

11. Methods of wage payment prevalent in the salt pan industry are (i) payment on a piece-work basis, (ii) on a daily basis, and (iii) on a monthly basis. The first one is adopted in the case of contract labour. The daily wage system is applied to miscellaneous types of labour which is employed temporarily on daily wage basis while the monthly wage system is more common to the manufacturing labour, boatmen and crew. The employment and payment of Agri workers who are a sort of contract labour, more prevalent in Uran, Shewa, Karanja and Pen of the Kolaba District are at present regulated by the award given by Shri R. D. Shinde in May 1948. In other places, the method of monthly payment is more common. The time wages are paid either on a monthly or seasonal basis to all Agris and Kharwas in Thana District. In Kolaba District Agris are generally paid on a piece-rate basis linked to their production while Kharwas are paid on a time-rate basis. The method of wage payment differs from one part of the District to another as well as for local labour and imported labour. The Agris at Juichandra and the Warlis at Bassein were found to be earning about Rs. 70 (Rs. 40 basic and Rs. 30 dearness allowance) per month during the salt season while the earnings in Belapur were between Rs. 60 and Rs. 62. The Hamals at Bhayander, Mira Road and Bassein were found to receive about Rs. 20 per wagon load, i.e., 500 Bengali Maunds of salt. At Bhandup, Hamals were found to have received Rs. 30 for loading 560 maunds. The boatmen received about Rs. 25 per month as basic wages and a dearness allowance of Rs. 22 per month.

12. In the Kolaba District also, considerable variations both in the methods of payments as well as in earnings were noticed. In Uran, Kharwas were paid either on a monthly or on a seasonal basis and their cash wages varied between Rs. 25 and Rs. 30 per month. Where the employers also provide food articles such as rice, dal, condiments, and fuel such as firewood, and kerosene, a deduction from cash wages corresponding to the cash value of such payments in kind is usually made. The Agris are paid either on a contract basis or on a piece-rate basis. It is quite usual for families of Agris to take up a number of pans and sell the salt produced to the owner of the salt pans at the rate of Rs. 2 to Rs. 3 per 20 annas according to the Shinde Award. The average monthly earnings of a local worker's family during the salt season in the Thana District were found to be Rs. 86-12-0, while his off-season

earnings were Rs. 94-6-0 in addition to payments in kind consisting of about eight maunds of rice. The following table gives the average earnings of local and imported labour in Thana and Kolaba Districts:—

AVERAGE INCOME

District.	Classification	During season cash Earn- ings.	Off Season		
			Earnings in Cash.	Earnings in kind (Rice in maunds).	Earnings in kind (Jowar in maunds).
1	2	3	4	5	6
		Rs. a. p.	Rs. a. p.	Mds.	Mds.
Thana	{ Local ..	.. 86 11 11	94 6 5	8.40	..
	{ Imported	.. 68 14 11	175 11 10	3.06	..
Kolaba	{ Local ..	.. 47 3 5	....	14.08	..
	{ Imported	.. 64 9 5	59 8 0	4.97	.84

13. The latest position regarding wages in salt pan industry as supplied by the Deputy Salt Controller, Bombay, is given in Appendix A.

DEARNESS ALLOWANCE

14. Except at Uran, the workers in Thana and Kolaba Districts do not receive dearness allowance on the basis of the cost of living index. The amount of dearness allowance is fixed in advance on a seasonal basis and is generally combined with the total wages agreed upon for the whole season. It is only at Uran that the payment of dearness allowance is on a systematic basis under the terms of Shri Shinde's Award under which the dearness allowance varies directly by Rs. 9 for every change of ten points in the cost of living index. For this purpose Shri Shinde took the monthly average figures published by Government during the season commencing from 1st October and ending 15th June as the base for calculating the amount of dearness allowance. The average monthly income of workers at the various centres at Kolaba and Thana are given in Appendix B.

CHAPTER III

Purposes of Minimum Wage Legislation

15. Since the essential purpose of Minimum Wage Legislation is to protect workers from exploitation by employers, the Committee, in making its detailed recommendations, has carefully analysed the implications of the various provisions of the *Minimum Wages Act, 1948*, and has also weighed some of the theoretical and practical considerations which should play an important part in the determination of a minimum wage level in general as also in the salt pan industry in particular. Unfortunately, the terms 'Minimum Wage' and 'Exploitation' are by no means so clearly defined as to offer a reliable and objective source of guidance to the wage-fixing authority. The difficulties in the former case arise largely out of the criteria that are to be laid down as the basis of a minimum wage viz. a minimum of subsistence, a minimum of requirements for the adequate maintenance of health or a minimum of comforts. An industry-wise fixation of minimum wages has in particular to face the difficulty of regional variations in the level of minima that are necessary for either subsistence or comforts. In the case of exploitation, the main difficulty is to decide objectively when exploitation in a particular industry does or does not exist. To say that exploitation exists when workers are paid less than their marginal revenue product i.e. less than what they are worth to their employers, is only to restate the problem if not to add to its complexity.

LEGAL IMPLICATIONS

16. The legal implications of the term 'Minimum Wage' are set out in the *Minimum Wages Act, 1948*, which may serve as a useful source of guidance in clearing up partly the uncertainty that surrounds the term. Section 2(h) of the Act defines 'Wages' as all remuneration capable of being expressed in terms of money which would be payable to a person employed in respect of his employment, excluding, however, housing or other amenities, contribution to pension or provident fund or gratuity and travelling or any other allowance paid by the employer to reimburse the employee for expenses incurred by him in connection with his employment. It would thus be seen that 'Wages' for purposes of this Act, include not only the so-called basic wage, but also dearness allowance that is paid by the employers to their employees in respect of the work done by the latter. Throughout our report we have used the word 'Wages' in this specific sense given to it by the Act under which the Committee have been appointed.

17. Section 12 enjoins on every employer the legal obligation to pay his employees at a rate not lower than the appropriate notified rate. Section 20 creates a legal claim in the employee if he has been paid less than the "Minimum" fixed under the Act, and Section 22 renders the defaulting employer criminally liable to prosecution. Apart, therefore, from any usage of language, popular or technical, the word "minimum" has, under the Act, this specific legal implication, viz. it is a rate of wages, payment below which will render an employer liable to civil as well as criminal action. This necessary implication and consequence of fixing a legal "minimum" throw on the Committee a very great responsibility.

18. By prescribing a legal minimum, the Minimum Wages Act minimizes the occurrence as also the extent of sweating of unorganised labour. In view, however, of the legal penalties involved, it is essential to assess very carefully the money equivalent of the average workers' contribution to industry. While under-estimation is likely to mean less than justice to the workers, over-estimation is calculated to lead to unemployment and evasion. If sweating is to be prevented without producing an adverse effect on employment, it is of the utmost importance that legal minima of wages are fixed at rates which reconcile the claims of the workers, based either on their contribution or needs, and the ability of employers to pay the prescribed minimum rates. Considering, however, the general state of under-employment in our country, and the relatively loose and inefficient organization among workers, especially in rural areas, the importance of minimum wage legislation in abolishing poverty and assuring the workers a minimum standard of subsistence needs hardly to be emphasised. For this purpose, it is desirable that the minimum wage rate should be fixed at as high a level as the industry can bear in *normal* times.

19. This is simplified in the concept of a legal minimum and in its purpose of supplying a more or less firm floor both to the bargaining between employers and employees and to the operations of the Industrial Court and Tribunals. As distinguished from legal minima of wages, fair wages are what the parties to an industrial dispute or the Industrial Court and Tribunals at any given point of time consider to be a just sharing of the earnings of the industry taking into account the workers' needs and productivity on the one hand and the wage-paying capacity of the industry on the other. Action taken under Minimum Wage Legislation is not intended to prejudice the normal working either of organized collective bargaining or of the Industrial Court and Tribunals set up by law.

20. Another concept of wages, namely, the living wage, which is often mentioned as a guide for fixing a minimum is unfortunately too elastic to furnish any real guidance. The level and content of living among human beings are determined more by social and economic conditions than by biological necessities. Except, therefore, on the very low level of mere subsistence, the concept of a living wage, apart from the conditions of the industry concerned, has little relevance to facts. Any general and lasting improvement in industry as a whole, or in a particular industry, ought to be reflected in the rising of legal minima of wages. At least for the present, however, we are so far away from the stage of a general movement of the economy to a point well above the standard of subsistence that no useful purpose will be served by trying to correlate the legal minimum with anything like a reasonable standard of living. Leaving this process of gradual improvement to be attended to by the normal machinery of wage fixation, we intend to adopt the cost of minimum subsistence as our guide for fixing minimum legal rates of payment of wages in the salt pan industry.

21. The purposes of the Act are further elaborated in some other sections to which it is necessary to allude before we record our own observations and recommendations. Section 3(1) (b) renders it obligatory on Government to review the minimum rates of wages at intervals

not exceeding five years, while leaving it open for a Government to do so earlier if it thinks fit. Sub-section (2) of section 3 permits the appropriate Government to fix minimum wages in any or all of the following forms: a minimum time-rate, a minimum piece-rate, a guaranteed time-rate, and an overtime rate. Sub-section (3) provides that different minimum rates may be fixed for different scheduled employments, different classes of work in the same scheduled employment, adults adolescents, children and apprentices and different localities. The same sub-section also permits the fixing of minimum rates by the hour, the day or any longer prescribed unit of time. Section 11 provides in exceptional cases for payment of minimum wages, either wholly or partly, in kind.

POLICY IMPLICATIONS

22. The most important consideration in fixing a particular level of minimum wages is to ensure that, in attempting to improve the economic well-being of workers, employment and output are not adversely affected. If a minimum wage is fixed at a relatively high level, this would raise the costs of production and prices and, unless aggregate demand remains unaffected, (and this is very unlikely to happen) would reduce output and employment in the industry. In such a case, the working classes as a whole would lose on the roundabouts what they have gained on the swings and the minimum wage legislation would defeat itself. In fixing a level of minimum wages, therefore, the following factors must be carefully considered:

1. The proportion of the wage costs to the total cost of production.
2. The nature of demand for the product of industry.
3. The capacity of the industry to pay.
4. The requirements of minimum standard of life of an average working class family.
5. The effects on the economy as a whole.
6. The degree of unionisation.

23. In industries where wages constitute a large part of the total costs, the choice of a minimum has to be made with the utmost care. For, a slight change in wage rates is likely to have a considerable effect on the cost of production. In the case of the salt pan industry, this may be said to be largely the case, so that this fact alone should throw a relatively heavier responsibility on the wage-fixing authority in choosing the correct level of minimum wage in this industry.

24. The nature of demand for the product of the industry is another factor of great significance in minimum wage fixation. In the case of salt, it is obvious that the demand for salt is relatively inelastic. That is to say, changes in demand will be less than proportionate to changes in prices, so that even if a relatively high level of minimum wages is fixed, the danger of any large reduction in output and employment is considerably less significant. A powerful argument in favour of erring on the side of a lower rather than a higher minimum in the case of most consumption goods, is that the final incidence of any rise in wages falls

on the larger mass of consumers in society, who are thus made to subsidise the improvement in the standard of life of the workers in a particular industry. This argument is considerably reinforced in the case of a daily household necessity like salt, where any increase in costs of production resulting from a relatively high minimum wage can be more successfully passed on to consumers in the form of higher prices. This argument, however, loses much of its force when it is considered that expenditure on salt forms a practically insignificant part of the total family expenditure. The consumption of salt per head per annum is only about 12 lbs. in this State. This implies that although a relatively high minimum wage would theoretically be financed out of the pockets of the consumers in general, the diminution in the real income of the latter class would be very small and would be more than offset by the rise in the real income of workers in the salt pan industry.

25. As regards the capacity of the industry to pay, the Committee regrets that as no reliable statistics of the profits in the salt pan industry were available, it was not possible to go into this question. The need to assess profits in the salt pan industry is very urgent at this stage because the wage regulating authority must know whether any rise in wages will be at the expense of profits or of consumers. The Committee therefore suggests that efforts should be made by Government to collect statistics of the level of profits in the salt pan industry for future guidance.

26. The consideration which has probably carried the greatest weight in the recommendation of the Committee is the requirement of a minimum standard of life of an average working-class family in the salt pan industry. The Committee feels that this is the most important basis for ensuring an effective fixation of minimum wages. In this connection, the Committee is of the opinion that the existing low standard of life of the workers cannot be taken as the norm for the fixation of minimum wages. The present level of low income among the workers in the salt pan industry is often the result of the relative bargaining strength of the employers and the workers and for any socially acceptable scheme of minimum wages it is necessary to consider the standard of life which the workers should attain apart from the operation of collective bargaining.

27. The effects on the economy as a whole of the fixation of minimum wages at a certain level is another consideration which the Committee examined in its various aspects. The immediate effect of minimum wage legislation would be to render idle the workers who are at present being paid less than the statutory minimum wage. Unless, therefore, these workers improve their productivity so that the employers find it profitable to pay them the statutory minimum wage or unless technological improvements take place in the industry, unemployment is likely to be the immediate result of minimum wage legislation. If minimum wages in the salt pan industry are fixed at a relatively high level, this is likely to result in a greater supply of labourers in this industry and may thus lead to shortages in the other sectors of the economy, especially the agricultural one. Apart from ensuring a reasonably correct distribution of labour amongst the various channels of employment, the minimum wage legislation must also consider the effects of such legislation upon the

pattern of income distribution in the economy as a whole. In choosing a certain level of minimum wages its effect on the aggregate consumption as a result of changes in profits, wages or prices must also be carefully examined.

28. The degree of unionisation in the salt pan industry has exerted considerable influence on the deliberations of the committee. The growth of trade unions in this industry is of a comparatively recent origin with the result that the workers do not have sufficient information or statistics to support their demand for changes in wage rates or other conditions of work. In view of the nascent stage of unionism in which the salt pan industry is to-day, the Committee feels that the natural repercussions of this on the wage level needs to be adequately compensated for by the Minimum Wage fixing authority. The need for this may however, be considerably less in years to come when unions may be expected to be more active and thus able to secure an improvement in the standard of life of their members by the normal process of collective bargaining.

CHAPTER IV

Detailed Recommendations

CLASSIFICATION OF OCCUPATIONS :

29. After examining carefully the various operations involved in the manufacture of salt the committee recommends that minimum wage in the salt pan industry, should be fixed for the following categories of workers :—

- (i) Workers manufacturing salt :
 - (a) Hired workers ; (b) Producers.
- (ii) Workers doing mud work.
- (iii) Workers doing work connected with weightment of salt :
 - (a) Dalals, (b) Shivnars, and (c) Hamals.
- (iv) Boatmen and crew :
 - (a) Boatmen, (b) Khalasis and (c) Tandels.

30. The Committee is of the opinion that different rates of minimum wages for the above categories of workers should be fixed. The Committee examined the question of recommending minimum wages on the basis of a zonal system. The Committee is, however, of the opinion that as the industry is almost entirely localised in parts of Thana and Kolaba Districts, it is not necessary to divide the State into zones for purposes of minimum wage fixation. The salt producing centres in Ratnagiri and Kanara Districts are insignificant parts of the salt pan industry in the State, while those at Kharagoda and Dharasana are owned by the Government of India and worked on a contract basis and not with the aid of hired labour. The Committee, therefore, does not recommend a system of zones as it would serve no useful purpose. The last two centres viz., Kharagoda and Dharasana have been excluded by the Committee from the purview of its recommendations for reasons stated on page 3.

Salt Manufacturers :

31. (a) *Hired Labour.*—As regards wages of workers engaged in the process of manufacturing salt, the Committee regrets that it has not been possible to arrive at a unanimous decision. Various alternative proposals were placed before the member-representatives of both employers and employees, but no unanimity could be arrived at. At one stage it was proposed that the basic wage and dearness allowance for this category of workers should be fixed on the lines of the cotton textile workers in Bombay City. While this proposal was generally accepted by the workers' representatives, those of the employers took strongly the position that the basic wage of Rs. 30 would be acceptable to them only if the dearness allowance was calculated according to the terms of the Shinde Award, while, if the dearness allowance was calculated on the cotton textile basis, the basic wage should be that prevailing in 1939 viz. about Rs. 15. The employees' representatives did not accept the figure of Rs. 15 as basic wage. Under the circumstances, the Committee had no other alternative but to leave the question to be decided by Government.

(b) *Salt Producers*.—As regards the wages of workers producing salt on a piece-rate basis, the Committee unanimously recommends a basic wage rate of Rs. 5 per *anna* of 72 maunds of salt produced.

32. *Mud Workers*.—For workers engaged in mud work, the Committee regrets that it has not been possible to arrive at an unanimous decision. For a standard brass of 10' × 10' × 1' and for carrying mud over a distance of not more than 30', the employers' representatives propose a basic wage of Rs. 3/4 while employees' representatives propose Rs. 4 as the basic wage. The question is therefore left to Government's decision.

33. *Hamals*.—The Committee unanimously recommends as follows:—

BASIC WAGES

Rs. 8/12 per wagon of 500 Bengal Maunds.	Hamals at Thana (unloading on the wharf, test weightment and loading into wagons).
Rs. 23 per 500 Bengal Maunds ...	Hamals at Bhayander : (Wagon rate) (taking empties to Salt works, sewing, loading into boats, landing at Bhayander, wharf, test weightment and loading into wagons).
Rs. 1/3 per <i>anna</i> of 80 Maunds. ...	Hamals at Trombay and Belapur. (Weighing in Salt Works, bagging, sewing and loading into boats).

As regards the Hamals in Uran group, there is a difference of opinion between the employees' and workers' representatives. The former propose a basic wage of Re. 1 while the latter Rs. 1-3-0 per *anna* of 72 maunds for a distance of less than 200', and two annas extra for every additional 100 ft. The question is therefore left to Government's decision.

34. *Dalals*.—For Dalals at Trombay, Belapur and Kolaba Salt Pans, the Committee unanimously recommends a basic wage of 0-12-0 per *anna* of 80 or 72 maunds. In Thana district, an *anna* of salt is equal to 80 Bengal maunds while in the Kolaba District it is equal to 72 Bengal maunds.

35. *Shivnars*.—For Shivnars at Trombay, Belapur, and Kolaba Salt Pans, the Committee unanimously recommends a basic wage of Rs. 0-4-0 per *anna*.

Except for the basic wages of Rs. 30 per month for Tandel at Bassein on which the Committee is unanimously agreed, the Committee regrets that, in view of the strong positions taken both by employers' and employees' representatives, it has not been possible to arrive at a unanimous decision.

36. *Boatmen*.—Except with regard to tandels at Bassein-Bhayandar for whom the Committee unanimously recommends a basic wage of Rs. 30 p.m.,

the Committee regrets that as regards wages of crew at Bassein-Bhayandar, Thana and Uran salt-workers, it has not been possible to arrive at a unanimous decision. The following statement gives the rates proposed by the representatives of employees and employers:—

	Basic wages proposed by the employers' representatives.	Basic wages proposed by employees' representatives.
(a) Boatmen-Uran (from salt works to Fattemari at Mora or Karanja).	Rs. 1-4-0 per <i>anna</i> of 72 maunds.	Rs. 4 per <i>anna</i> of 72 maunds.
(b) Boatmen-Uran (from salt works to Thana).		Rs. 5 per <i>anna</i> of 72 maunds.
(c) Boatmen-Thana (from salt works at Trombay and Belapur to Thana).	Rs. 2-4-0 per <i>anna</i> of 80 maunds.	Rs. 4 per <i>anna</i> of 80 maunds.
(d) Crew (excluding tandel) Bhayandar-Bassein.	Rs. 22 per month ...	Rs. 25 per month.

DEARNESS ALLOWANCE

37. Except with regard to hired labour manufacturing salt, the Committee unanimously recommends dearness allowance at a rate of Rs. 12 for every rise of 10 points over the figure for August 1939. In view of the fact that no separate cost of living indices for Thana and Kolaba districts are available, we recommend that the working class cost of living index for Bombay City, published by Government, may be taken as the basis for calculating the dearness allowance of salt workers at these centres.

38. As regards dearness allowance to be paid to piece-rate workers, the employees' representatives suggest the following scale:—

- (1) Hamals (Uran Group) Re. 0-1-9 per day per *anna* of 72 maunds for every rise of 10 points over August 1939 index figure.
- (2) Dalals ... Re. 0-0-8 per day per *anna* of 72 maunds for every rise of 10 points over August 1939 index figure.
- (3) Shivnars ... 2-5 pies per day per *anna* of 72 maunds for every rise of 10 points over August 1939 index figure.
- (4) Mud Workers. Re. 0-4-0 per standard brass of 10'×10'×1' per day for every rise of 10 points over August 1939 index figure.

The dearness allowance at the above rates should be calculated every month on the basis of the Cost of Living Index for the previous month published for Bombay City by Government. No suggestions were received on this question from the representatives of employers.

39. The salt pans at Shiroda in Ratnagiri district, Sanikatta in Kanara district and Maroli in Thana district are far away from Bombay City, and constitute practically an insignificant part of the industry in this State. For purposes of calculating dearness allowance for workers

at these centres, since no separate cost of living index numbers are available, the Committee is of the opinion that the working class cost of living index number for Bombay City should be taken as the basis, but the rate of such dearness allowance should be lower than that recommended for Thana and Kolaba districts. The Committee accordingly recommends as follows:—

	Basic wage	Dearness allowance
<i>Maroli:</i>		
(a) Salt workers	... Rs. 20 p.m.	... Rs. 10 for every rise of 10 points over the index figure for August 1939.
(b) Hamals	... Annas 8 per day.	Annas 8 per working day for every rise of 10 points over the index figure for August 1939.
<i>Shiroda and Sanikatta :</i>		
(a) Salt producers	... Rs. 20 p.m.	... Rs. 10 for every rise of 10 points over the index figure for August 1939.
(b) Mud workers	... Rs. 15 p.m.	... Do.

In conclusion we have great pleasure in acknowledging the valuable assistance given to us ungrudgingly by Shri S. A. Palekar, particularly in drafting the report. We would also like to record the help and courtesy extended to us by the staff working under him.

(Signed) MANEKLAL LALLUBHAI,
Chairman.

(Signed) T. H. WAJEKAR, *Member.*

(Signed) R. P. GAWDE, *Member.*

(Signed) S. A. PALEKAR,
Secretary

A NOTE BY THE CHAIRMAN

When the draft report was placed before the Committee, there was considerable difference of opinion between the employers' and employees' representatives in respect of minimum wage rates for certain categories of workers. The Chairman, however, had final discussion with the employees' representatives, who eventually accepted most of his suggestions. The employers' representatives, having been absent at the meeting at which the above discussion took place, were asked to send in their comments on the suggestions to the Committee. No communication has been received from the employers' representatives till the submission of the report and will be forwarded to Government as and when received.

The Chairman in his personal opinion considers the following rates as justified and reasonable:—

Salt Manufacturers (monthly wage earners). Rs. 30 p.m.

Salt Producers (piece work) ... Rs. 5 accepted by both parties.

Mud workers (Standard brass) ... Rs. 4.

Hamals at Bhayander (wagon rate). Rs. 23 per 500 Bengal maunds.

Hamals at Thana ... Rs. 8-12-0 per 500 Bengal maunds. } Accepted by both parties.

Hamals at Trombay and Belapur. Rs. 1-3-0 per *anna* of 80 maunds. }

Hamals, Uran Group ... Rs. 1-3-0 per *anna* of 72 maunds for a distance of less than 200 feet and two annas extra per *anna* for every additional 100 feet.

Dalals—Trombay, Belapur and Kolaba District, Salt Works. Annas 12 per *anna* of 80 or 72 maunds. } Accepted by both parties.

Shivnars—Trombay, Belapur and Kolaba District, Salt Works. Annas 4 per *anna* of 80 or 72 maunds. }

Boatmen—Uran from salt works to Fattermaris anchored at Mora or Karanja. Rs. 4 per *anna* of 72 maunds.

Boatmen—Uran from salt works to Thana. Rs. 5 per *anna* of 72 maunds.

Boatmen from Trombay and Belapur works to Thana. Rs. 3 per *anna* of 80 maunds.

Boatmen at Bhayandar and Bassein. Tindel Rs. 30 p.m.
Khalasis Rs. 25 p.m.

(Signed) MANEKLAL LALLUBHAI,
Chairman,

APPENDIX A

Statement showing prevailing rates of wages for different categories of workers for the current manufacturing season 1950-51 in each of the Salt Factory in Bombay Region.

M.C.3 P.M.R.31-3

Serial No.	Categories of workers	Ahmedabad District	Surat District	Thana District.			
		Kharaghoda.	Dharasana.	(i) Maroli.	(ii) Bassein.	(iii) Rai.	(iv) Belapur.
1	Agri. Salt Cultivators	Re. 0-7-0 per Bengal maund.	Re. 0-8-0 per Bengal maund.	....	Rs. 50 to Rs. 77 per mensem.	Men : Rs. 2 and Women : Rs. 1-8-0 per day.	....
2	(Kharavas) or Machhis.	....	....	Rs. 35 per mensem.	Rs. 45 to Rs. 54 per mensem.	Rs. 50 per mensem	Rs. 50 per mensem.
3	Penkars	....	....	....	Men : Rs. 1-8-0 to Rs. 2-2-0 per day. Women : Rs. 1-4-0 to Rs. 1-14-0 per day.	Rs. 2-8-0 to Rs. 3 per day Rs. 2-8-0 to Rs. 4 per brass.	....
4	Hamals	....	....	Re. 1 per day	Rs. 45 to Rs. 70 per 500 maunds of Salt produced.	Rs. 66 to Rs. 70 per wagon.	Rs. 3-12-0 for 80 maunds.
5	Dalals (Weighing party).	....	Rs. 40 per mensem.	....	Rs. 1-4-0 to Rs. 5 per day.	Rs. 6-4-0 per wagon. ..	....
6	Stitchers	....	....	....	Rs. 1-2-0 to Rs. 1-4-0 per 80 maunds.	Hamals do this work and no separate payment is made.	....
7	Boatman	....	....	....	Tindel : Rs. 70 Laskar : Rs. 60 per mensem.	Tindel : Rs. 70 Laskar : Rs. 60 per mensem.	Rs. 9-10-0 to Rs. 14-7-6.
8	Any other category	For dadias and labourers Rs. 1-8-0 to Rs. 1-12-0 per day and Sathis Rs. 40 to Rs. 45 per mensem.	Rs. 1-8-0 to Rs. 2 per day.	....	Cartmen : Rs. 1-4-0 to Rs. 2-12-0 per trip.	Agar Patels Rs. 900 to Rs. 1,400 a season and Khatedar : Rs. 52 per mensem.	Khatedar : Rs. 60 per mensem; Buriyas : Rs. 2 per 80 maunds; Powdawala : Rs. 52 per mensem.

APPENDIX A—*contd.*

Serial No.	Categories of workers.	Bombay Suburban Districts.			Ratragiri District.
		(1) Trombay	(2) Bhandup	(3) Dadar	Shiroda.
1	Agri Salt Cultivator .. .. .	.....	.....	.....	Skilled workers Rs. 60 per mensem and unskilled workers Rs. 45 per mensem.
2	(Kharavas) or Machhis ..	Rs. 55 per mensem ..	Rs. 55 per mensem ..	Rs. 53 per mensem.	
3	Pankars ..	Rs. 1-4 per day ..	Rs. 2-4 per day ..	Rs. 3 per day.	
4	Hamals ..	Rs. 25 to Rs. 35 per wagon of 500 maunds and free lodging and fuel.	Rs. 6 per 80 maunds	Rs. 31-4 for 500 maunds.	
5	Dalals (Weighing party).	A clerk from trader's office does this work.	Rs. 2-6 for 80 maunds	Rs. 1-4 for 500 maunds.	
6	Stitchers ..	Hamals do this work	Hamals do this work.	Hamals do this work.	
7	Boatman ..	Rs. 7 to Rs. 10 per 80 maunds.	.....	.....
8	Any other categories ..	Khatedar: Rs. 10 per mensem. Patel: Rs. 50 to 70 Clerk: Rs. 40 to 100 Manager: Rs. 100 to 150 Watchman: Rs. 55 Buriyas Rs. 2-4 per day Woman for water supply: Rs. 1-4 per day.	Khatedar: Rs. 80 per mensem. Patel: Rs. 60 per mensem. Manager: Rs. 1,000 to Rs. 1,500 per year.	Manager: Rs. 500 per mensem. Mehta: Rs. 100 per mensem. W. Clerk: Rs. 75 Poons: Rs. 50 per mensem. Cartage dalal: Rs. 30 per mensem.	

Serial No.	Categories of workers.	Kolaba District.				Kanara District.
		(1) Uran.	(2) Shewa.	(3) Karanja.	(4) Pen.	Sanikatta.
1	Agri. Salt Cultivator.	Rs. 5 + D.A.*	.. Rs. 253 on manufacturing 1,440 maunds of Salt.	Same as that of Uran range.	....	Rates for the current season not fixed as the season has not started.
2	(Kharavas) or Machhis.	Rs. 55 per mensem	.. Rs. 55 per mensem	.. Do.	....
3	Penkar*	....	Rs. 60 per mensem.	Do.	....
4	Hamals	.. Rs. 3-8 to Rs. 3-12 per 72 maunds.	Rs. 3-12 on weighment of 72 maunds.	Do.	.. Re. 0-13-3 per cart of 16 maunds.	
5	Delals (Weighing Party).	Rs. 1-11-6 per 72 maunds.	At Rs. 1-11-6 for 72 maunds.	Do.	.. Work done by hamals and tradersmen.	
6	Stitchers	.. Rs. 1-4 per 72 maunds	Rs. 1-8 per 72 maunds...	Do.	.. Do.	
7	Boatman	.. Rs. 8 to Rs. 12-8 per boat.	Rs. 8 to Rs. 14 according to distance per 72 maunds.	Do.	.. ....
8	Any other categories.	Rapers Rs. 30 Khatedar: Rs. 40 per mensem. Local workers engaged at Rs. 1-8 per day.	....	....	Do.	.. Cartman Rs. 2-8 to Rs. 10 according to the distance for 16 maunds. Lorry higher charges at Rs. 48 for 96 maunds. Patel: at 60 to Rs. 100 per mensem. Male Labourer: Rs. 1-4 per day Women: Re. 1 per day.

*D.A. that will be worked out at the end of the current year per 72 maunds.

APPENDIX B

Average monthly income

Centres.		Average number of Earners.	Average earnings during Salt season per mensem.	Average additional income during the rest of the year.	Total average monthly income of a family.
<i>Thana District.</i>					
			Rs. a. p.	Rs. a. p.	Rs. a. p.
Bassein	.. Local	.. 1	83 1 11	270 13 6	77 15 9
	.. Imported	.. 1	75 10 0	223 10 0	69 0 10
Belapur	.. Local	.. 1	83 11 0	377 12 6	87 4 5
	.. Imported	.. ..	....	....	....
Bhandup	.. Local	.. 1	61 12 0	....	41 2 8
	.. Imported	.. 1	63 0 0	458 8 0	80 3 4
Bhayander	.. Local	.. 1	72 4 4	267 10 2	70 7 9
	.. Imported	.. 1	67 5 9	197 7 0	61 5 9
Juichandra	.. Local	.. 2	136 4 11	386 4 11	123 1 0
	.. Imported	.. ..	....	....	....
Mira Road	.. Local	.. 2	83 5 4	220 0 0	73 14 3
	.. Imported	.. 1	69 12 0	129 14 0	57 5 2
<i>Colaba District.</i>					
Uran	.. Local (Seasonal Pay)	.. 1	451 2 4	441 0 0	67 4 3
	.. (Monthly Pay)	.. 1	541 4 0	281 8 6	60 0 9
	.. (Ardheli basis)	.. ..	....	....	....
	.. Imported (Living singly)	.. 1	57 1 4	234 4 4	57 9 3
	.. (Living with families).	.. 1	72 1 5	170 8 4	62 4 3
Pen	.. Daily paid Ardheli basis	.. 1	41 0 0	334 8 0	55 3 4

MINIMUM WAGE COMMITTEE

(Salt Pan Industry)

REPORT BY TWO REPRESENTATIVES OF THE EMPLOYERS ON THE
SAID COMMITTEE

	Page
CHAPTER I—Introduction	23
CHAPTER II—A Brief Survey of Employment and Wages in the Salt Pan Industry	24
CHAPTER III—Purposes and Scope of Minimum Wages Fixation ..	27
CHAPTER IV—Detailed Recommendations— Classification of Occupations	31

MINIMUM WAGE COMMITTEE

(Salt Pan Industry)

Report by two Representatives of the Employers on the said Committee

CHAPTER I

INTRODUCTION

This the report by and on behalf of representatives of the Employers on the Minimum Wage Committee appointed by the Government of Bombay by their Resolution, Labour and Housing Department, No. 2212/46, dated 30th October 1950, to inquire and advise Government on the Fixation of Minimum Rates of Wages in respect of employment in the Salt Pan Industry in the Bombay Province.

CHAPTER II

A BRIEF SURVEY OF EMPLOYMENT AND WAGES IN THE SALT PAN INDUSTRY

EMPLOYMENT

2. Leaving Dharasana and Shiroda, the two salt centres from the Bombay region, there are about 11,600 odd workers who are employed in the Salt Pan Industry in the Thana and Kolaba Districts. Out of the total strength nearly 70 per cent. of the labour is imported labour into the Thana and Kolaba districts from outside. The imported labour chiefly comes from places in Gujarat such as Surat, Navasari, Billimora and Bulsar and these men are called Kharwas and Maches according to the class to which they belong. This imported labour does not consist of same men or group of men but every year new men come and the old men may not return at all. At the end of the season, i.e. after 15th of June, they return to their native places. Men and women are found to be employed in the industry but children are not employed at all as the nature of the work is such which cannot be done by children.

METHOD OF RECRUITMENT OF LABOUR

3. The imported labour comes here in groups from 15th of October to 15th of June and each one or more of such groups are led by men who are called Patels. It is this Patel who brings these men from their places and it is his business to supply the labour to the manufacturer and employment to these labourers.

4. The Patel sometimes brings with him 50 to 70 men at a time and these patels pay the costs of all these men. The Patels make written agreements with the manufacturers and it is they who finally settle accounts for them. At the end of the season Patels pay the labour and take them home.

During the working season the labourers receive such monthly allowance from the manufacturers through the Patels as are required for their maintenance and requirements. Almost all amenities of life are given to them by the Manufacturers including their rations. At the end of the season the account is taken and the balance paid after deducting the amount already paid or expended on their behalf.

TERMS AND CONDITIONS OF EMPLOYMENT

5. The following are the terms and conditions of these Kharwas and Maches which are settled generally with their employers :—

- (1) Salary fixed every year before coming to work ;
- (2) Provision of a shed at the Salt Works at the cost of the Manufacturers.
- (3) Provision of Sweet water at the working place (This water is required to be purchased. In some cases the cost of this water alone for 7 months is more than Rs. 4,000.
- (4) Provision of one cook for every 10 workers at the cost of manufacturers.
- (5) Supply of cooking utensils, fuel and other miscellaneous articles by the manufacturers.
- (6) Supply of implements for salt manufacture.

It will be of interest to know why Juchandra Labourers are taken as basis for the supply of wages and why these workers accept Rs. 10 less than Juchandra workers.

TRADE UNIONS

6. The Juchandra workers are well organised and they have their unions working since 1942. Every year workers in the area (about 900) get their terms and conditions settled through their organisations. Their leaders and advisers study the situation and circumstances every year and negotiate with the representatives of the manufacturers. The terms and conditions therefore as settled by their leaders and advisers are taken as the basis by these Patels who bring labourers from outside places.

CONDITIONS OF WORK

7. The industry depends heavily on the climatic conditions and the regulation of working hours is rendered rather difficult. Still the hours of work have been fixed according to the factory system or the working of textile mill. The work in the salt fields is entirely dependant on the vagaries of nature such as rain, wind, sun, high and low tides, etc. These can in no way be regulated by man to suit the fixed hours of the workers. The hour of high tide advances every day by $\frac{3}{4}$ ths of an hour depending on the moon. There may be excessive heat one day and there may be clouds on the other. The wind velocity and humidity also vary from day to day. The formation of salt in beds is therefore an uncertain factor. These are not in the hands either of the manufacturers or of the workers. The work of the salt production is similar to the work in agriculture fields, where almost everything depends on the sweet will of Nature. Until the rise and organisation of Trade Unions there never were any fixed hours of work for salt labourers. The result of the factory hour working has been an increase in the cost of salt on labour account by nearly 30 per cent. The nature of the work requires the presence of the workers at odd hours. By the fixation of factory hours of working such odd labour has to be taken on daily wage system which is at present Rs. 2-8-0 per day, and this is an additional cost of labour over and above the one which is for the normal workers. It is therefore quite natural and necessary that a worker who engages in the salt production should accept the conditions of work as these are presented to him by nature. On several days in the season when evaporation is under process of nature the workers have no work, they are even not present in the fields. Extra work comes to them only towards the end of the season for 2 or 3 months. There is no night work in the industry except when the sea water is to be admitted in the reservoir at high tides and when such high tides happen to be at nights, there is no risk to life and limb of the workers. There is no work in the salt fields which brings in physical disabilities. The only work of importance is watching and ready doing. This work is not at all unhealthy. The men have to work in the open air and more during the early hours of the day in a peaceful, calm and quiet place. There are no disadvantages of a congested city life. All workers live and enjoy the benefits of a peaceful and healthy village life. The man who works in an atmosphere saturated with salt

steam is generally free from colds, rheumatism, neuralgia and similar troubles. The preservative qualities of salt account for long life amongst these workers. Workers have been found to live up to 103 years of age and many more who have lived above 90. The total number of working hours never exceeds 8 and the odd and extra work which is required to be done is paid for separately at the rate of Rs. 2-8-0 per day whether there may be whole-time or part-time work.

PAYMENT OF WAGES

8. The different methods of payment of wages that are prevalent in the Salt Pan Industry are as follows:—

- (1) Piece-work basis,
- (2) Daily basis,
- (3) Monthly basis.

The piece work basis is generally applied for all sort of piece-work, particularly the mud work and the bunding work. The daily wages are generally paid to workers who are required to do odd work and extra work such as taking water during nights or removing the manufactured salt from the drying beds to the platform. Piece work wages is also given for Hamals. All other people are generally paid on monthly basis. In 1946-47 labour disputes took place throughout the Thana and Kolaba districts and the matters were immediately referred by the then Government to Arbitration of Shri R. D. Shinde, the then District Judge of Thana. The awards were made separately in respect of two labourers, one on the Juchandra's side and the other on the Uran side. In the place of Juchandra side the following were the terms and conditions fixed up by the Award:—

(1) Monthly salary of Rs. 54 per head.

(2) Fixed 8-hour working as follows:—

6 a.m. to 10 a.m.	...	...	Work
10 a.m. to 12 noon	...	...	Rest Interval
12 noon to 2 p.m.	...	...	Work
2 p.m. to 2-30 p.m.	...	...	Rest Interval
2-30 p.m. to 4-30 p.m.	...	...	Work
Total 8 hours in a day.			

(3) One holiday in a week with full pay.

(4) An advance of Rs. 50 per worker at the beginning of the season's work. This amount is to be repaid by him in the subsequent months by instalments.

9. In the Kolaba District the Shinde Award fixed up similar remuneration, particularly for the Agris who manufacture salt on contract basis on a piece rate work. The payment to them was settled at Rs. 5 per anna of 72 maunds and dearness allowance was fixed at the rate of Rs. 9 for the rise of 10 points above 1939 level.

10. The following table will show the relative wages of the workers in the different years:—

Year	Bassein	Rai	Belapur	Trombay	Bhandup	Dadar	Uran	Shewa	Karanja	Pen
1950	77	50	50	55	55	55	55	55	55	55
1951	77	50	50	55	55	55	55	55	55	55

The present recommendations by the Chairman as the Minimum wages are Rs. 70 viz. Rs. 30 as basic wage and Rs. 39 as the D. A. or cost of living allowance.

CHAPTER III

PURPOSES AND SCOPE OF MINIMUM WAGES FIXATION

11. The purpose of the Minimum Wage Fixation is to protect the workers from exploitation by the manufacturers. It is really very hard to determine at what point of wage it can be said that the exploitation has been started and from what point it can be said that it has stopped. This fine line of demarkation has, therefore, to be drawn by sheer common sense and practical experience of the workers and wages in the particular industry. It was, therefore, on this account that at every point I was insisting on all the members of the Committee and the Chairman as well that our purpose should not be lost sight of. It should be distinctly understood that this is not an opportunity for bargaining whether singly or collectively and neither before a conciliating officer or an arbitrator wherein each one of us should be trying to draw the maximum out of the other. The proper function, therefore, of the committee was to advise the Government to fix up such an amount of wages which can be considered as a minimum limit, below which, wage level should not and must not go. It should, therefore, be understood that in fixing the minimum wages, we should be guided by our own experience in this matter rather than the promises given by other Industries or results of organised bargaining done in this Industry. Unfortunately, this very purpose we always lost sight of during the discussions and deliberations of this committee and I had every now and then to state and state emphatically that the following No's should be clearly understood :—

- (1) We are not here to fix up a fair wage in the salt industry.
- (2) We are not here to fix up a standard wage—a living wage for the industry.
- (3) We are not here for the bargaining of the maximum.
- (4) We are only to guide and advise the Government on the points and principles and procedure on which the minimum wages should be fixed by Government.

12. For these purposes I was always insisting upon the members that the proper way of approach to the question was, not by determining a certain amount in their mind as the amount required and then fix up the procedure to arrive at the same, but to lay down the principles and procedure by which we should approach this question and then leave to the Government to fix up the exact amount if we are not unanimous on such a point.

13. Instead of doing this, the members opposite viz., the employees' representatives began by saying that they would not accept anything less than what is fixed up in the Textile Industry and the Chairman began by saying that they must be given at least Rs. 70 a month. It will, therefore, be seen that the minimum wage which these gentlemen were fixing to-day was nearly Rs. 15 to Rs. 20 higher than the maximum which is prevailing to-day in the industry.

14. To judge whether in a particular industry exploitation does or does not exist, the only criterion would be to see a negotiated level at which the wage has been fixed by the collective bargaining by recognised trade unions. It will be seen that in 1942 the labour organisation has started to do the collective bargaining and the total emoluments then fixed by such collective bargaining was Rs. 19-8-0 per month in 1942 inclusive of basic and dearness allowance.

15. This standard is the only true and guiding factor regarding whether exploitation is existing or not. The fixing of wages by collective bargaining in the hands of trade unions is generally done by negotiations and taking into account all factors of business, trading profits and employment. It is, therefore, of significance and importance that whenever a particular wage has been fixed as such it has been so done by taking into account all these factors, not excluding the coercion by employees to agree to a certain wage level at the point of a strike.

16. To appreciate the importance of the fixation of minimum wages was all the more necessary because it actually gave a floor below which nobody can go. Section 12 enjoins on every employer the legal obligation to pay his employee at a rate not lower than the proper determined rate and section 22 provides a defaulting employer criminally liable to prosecution. The minimum wage, therefore, is that rate of wages, payment below which will render an employer liable to an action. Appreciating this position, the responsibilities of fixing a minimum wage is all the more important on the shoulders of those who have undertaken the work.

17. In fixing up such minimum wages, various factors have to be taken into account, the first and the foremost of which is that the employment in the Salt Pan Industry is only a seasonal employment extending to a maximum of 7 months. During the rest of the year the workers are engaging themselves in agricultural avocations, either their own or hired labour. The second important point that requires to be taken is the policy of the employers to pay the prescribed minimum rates, contribution of wages towards the cost of production and the capacity of the industry to bear the burden of enhanced wages. Thirdly, the fixing of minimum wages does not prohibit the capacity and ability of the workers for collective bargaining and the Industrial Courts and Tribunals to fix up higher than the one already settled. It is for these reasons that the responsibility is all the more heavier. It should also be taken into account that increase of wages should not affect employment, output and still should not affect adversely the quality and quantity of production. It should not raise the cost of production and the price of the consumer goods and if these points are lost sight of then the purpose of the fixation of minimum wages will be completely defeated.

18. It is argued that the minimum wages should be fixed as high as possible because the relative increase in the cost of the article to the consumer will not be more. This is exactly the argument of the layman who does not understand the trade, commerce and trading relations. It should be borne in mind that the article wherever it is produced has to be sold in a common market where articles are received from distances where articles are produced in different centres. If, therefore, an article produced in Bombay is going to be costlier than the article produced in Madras it is bound not to sell. It is not the case of an article which is in

scarcity or in short supply. Our country produces 50 per cent. more salt than what is required. If the Bombay salt would get dearer on account of its cost of production, it would not be saleable in the markets in competition with the cheaper salt coming from other manufacturing centres like Madras, Orisa, Saurashtra and other places. The capacity, therefore, of the industry to bear the wage, should therefore be taken into account. It is for these reasons that an examination of the cost of production and the percentage of cost of labour in it, needs to be examined.

19. A single worker in a season produces about 700 to 800 maunds of salt and this he does in 8 months. He, therefore, produces about 100 maunds of salt per month for which the salary alone is to be about Rs. 70. This works at approximately 12 annas a maund as the cost of labour for manufacturing salt alone. When it is seen that the F.O.R. cost price of salt in places like Saurashtra, Tuticorin and Madras is 6 to 8 annas, it will be a clear eye-opener to those who would like to fix Rs. 70 as monthly salary, as to how this salt will be able to sell in the market. It should be noted further that besides the cost of manufacture there are various other costs which are saddled on this poor article. These are briefly enumerated below:—

- (1) Monthly salary (of the labourers).
- (2) Repairs to the Salt Works (Labour charges).
- (3) Lease money to be paid to the owners.
- (4) Material and implements.
- (5) Supervision charges (Labour).
- (6) Government charges.
- (7) Transport charges, bullock carts, crew charges, boat hire, Hamal-lage and Transport (Labour).

20. So it will be seen that in all these costs, expecting the Government charges and the lease money, all charges are for labour, whether same is for manufacturing, for transporting or for any other purpose. It will, therefore, be seen that 12 annas in a rupee of the cost price of salt is represented by the cost of labour alone. Any increase, therefore, in the cost of labour is bound to be immediately reflected in the higher cost of the article produced. The idea, therefore, that the consumption of salt per head is only small and the relative price increase will be only theoretical and will be financed out of the pockets of the consumer in general and would be beneficial in so far as it gives more money to the workers, is only a fallacy founded on complete misapprehension of facts. The effect of a rise in the cost price of salt is reflected in the capacity to sell at competitive rates in common markets and this has been the fate of the Bombay salt ever since this cost of production has been steadily though surely rising. The balance of salt, therefore, in Bombay region is so high that perhaps within the next year or so the salt works will have to be closed on account of the fact that the entire year's crop is lying unsold. It is just like killing a hen that lays a golden egg.

21. It will, therefore, be seen that the capacity of the industry to pay any higher wages than is reasonable is dependant upon the relative prices of salt production in other centres and has always to cope up and keep pace with such prices operating in the same field and markets wherein it has to be competitively sold.

22. Already the higher cost of production and the higher level of wages has begun to reflect in the unemployment of labour. Year by year the area under salt production has been steadily though surely decreasing with the result that the employment is steadily and surely falling out. In the year 1950 experiments have been made by employers to reduce the strength of workers and produce less salt on account of inability to sell the produce at competitive rates. The tendency, therefore, of higher charges is going to be very suicidal ultimately to the labourers and the industry as a whole.

23. If the object of the minimum wage is one, the result of the fixation of the minimum wage at the level now determined in the majority report of this committee, will surely lead to the unemployment of labour, closing of salt factories and consequential ruin on the whole industry itself.

CHAPTER IV

DETAILED RECOMMENDATIONS

CLASSIFICATION OF OCCUPATIONS

24. On the subject of Classification of Occupation the members of the committee have been completely unanimous and they have, therefore, agreed to classify the workers in the following 5 groups which are un-animously agreed.*

The Classification is as follows:—

1. Workers doing mud work.
2. Workers doing manufacture of salt or salt production work.
3. Weighment workers, such as Dalals, Hamals and Shivnars.
4. Boatmen and Crew.
5. Miscellaneous labour.

25. After agreeing to the classification of occupation the committee has been again unanimous on the methods of payment or payment of wages. These are again unanimously agreed as follows :—

Piece Wage System. }
Daily Wage System. }
Monthly Wage System. }

26. Regarding the fixation of all these 3 methods of payment for all the workers in the above occupation list a method was suggested—it was suggested by me and unanimously agreed to by everybody. The resolution passed in the 11th Meeting of the Committee was as follows :—

“After a good deal of discussion over the question of wages of employees in the Salt Pan Industry, it was unanimously agreed that the employers’ representatives should be requested to produce written evidence in respect of the statement of wages paid to all workers in 1939 submitted by them to the Committee. It was unanimously agreed that the minimum wages should be fixed as equivalent to the 1939 wage level and proved to the satisfaction of the Chairman as basis and Dearness Allowance should be calculated according to the rate to be agreed upon with 1939 as the base. This should be applicable to all the categories of the Salt Pan Industry workers.”†

27. In spite of these unanimous resolutions it was really hard to believe why it would be reported that there was no agreement, regarding the fixation of wages. As earlier said by me I was insisting that the Committee should lay down certain principles and procedure by which the minimum wages should be arrived at by the Government, if not fixed by the Committee itself. This procedure and principle has been accepted by the Committee in the above resolution which are being unanimously carried out in the above meeting of the Committee. I, therefore, insist

*Minutes of the 6th Meeting—Resolution No. 2.

†Minutes of the 6th Meeting—Resolution No. 3.

‡Minutes of the 11th Meeting—Resolution No. 3.

and truly say that the principles and procedures regarding the fixation of minimum wages have been unanimously agreed by the Committee and is fully embodied in the resolution quoted above.

28. According to this resolution the responsibility of the employers' representative was to show by documentary evidence* proof of the basic wages prevailing in 1939 which would be accepted as the basic wage by the Committee. The Dearness Allowance was only a point on which the Committee was not unanimous and this may at the most be left to the Government by placing the recommendations of both the sides and the suggestion of the Chairman also.

29. I, therefore, continue to state below the basic wages prevailing in 1939 which have been accepted by the above-said resolutions as the minimum wages :—

Category of Workers.	Basic Wage as in 1939.
Salt Manufacturers—Monthly Wage Earners.	Rs. 15 per month.
Salt Producers—Piece Work ...	Rs. 5 per <i>anna</i> .
Mud Work ...	Rs. 1/4 to 1/6 per standard brass.
Hamals at Bhayander (Wagon load).	Rs. 23 per 500 maunds. †
Hamals at Thana ...	Rs. 8-12-0 per wagon of 500 Mds. ‡
Hamals at Trombay and Belapur.	Rs. 1-3-0 per one <i>anna</i> of 80 maunds §.
Hamals at Uran Group ...	Re. 0-12-0 per <i>anna</i> for 2 maund bags and Re. 1 per <i>anna</i> for 2½ maund bags. (Details of work as §)
Dalals at Trombay and Belapur.	Re. 0-12-0 per <i>anna</i> of 80 maunds.
Dalals at Uran Group ...	Re. 0-7-0 per <i>anna</i> of 72 maunds.
Shivnars in the Uran Group ...	Re. 0-7-0 for 4 annas and Re. 0-1-9 per one <i>anna</i> of 72 maunds.
Boatmen-Uran (from Salt Works to Fattermari).	Rs. 1-4-0 per <i>anna</i> of 72 maunds.
Boatmen-Uran (From Salt Works to Thana).	Rs. 2-4-0 per 80 maunds.
Khalasis (Bhayandar) ...	Rs. 22 per month.
Tindel (Bassein) ...	Rs. 30 per month.

These rates which were prevailing in 1939 have been accepted by the Committee as the basic wage to be awarded to different sorts of workers, either doing piece rate, time rate or monthly wage work.

30. On the point of Dearness Allowance there was no unanimity on both the sides. The employers' representatives have suggested the same Dearness Allowance as awarded by Justice Shinde in 1946-47 Award

* Minutes of the 11th Meeting—Resolution No. 4.

† Taking empties to the Salt Works, measuring salt, sewing the bags, loading them into boats, unloading them at Bhayandar, landing, making test weighments, piling and loading them into wagons.

‡ Unloading at the wharf from the boats, test weighments, piling and reloading them into wagons.

§ Weighing the salt, Taking out, sewing bags and loading them into the boats.

viz : Rs. 9 for the rise of 10 points in the cost of living index over 1939 level. As there was no unanimity on this point, the Chairman suggested by way of compromise that Rs. 12 for 10 points should be agreed. On behalf of employers, I said that if the basic wage is finally fixed up as recommended above on 1939 basis, then as a measure of compromise I would accept the Dearness Allowance at Rs. 12 for 10 points in the cost of living index in 1939, on the same terms and conditions as awarded in the Shinde Award.

31. It was finally decided that this rate should be communicated to the Government and the Secretary was requested to draft out the necessary report and put it up for the Committee's approval at the next meeting*

32. In spite of these resolutions of the Committee which I have quoted from time to time above and which still hold good for all purposes both in law and in fact, we were very much surprised to see the detailed recommendations given in Chapter 4 of the Majority Report from page 16 onwards up to page 19.

33. I am constrained to remark that having made the unanimous resolution regarding the principle and procedure of determining the minimum wages my submission is that this cannot be resiled from and these are binding on all the members of the Committee. My surprise is still the more greater when I find the Chairman making his own remarks and suggestions in a separate note wherein he suggests certain rates as justified and reasonable as a matter of his personal opinion.

34. I have, therefore, to submit that these personal recommendations have no place in a statutory report which is only to be drawn out in consonance and in conformity with the resolutions that have been passed at the Committee's meetings from time to time. I therefore suggest that the principle and procedure laid down by the Committee for the determination of minimum wages as laid down in Resolution No. 3 of the Minutes of the 11th Meeting and finally confirmed by Resolution 5 of the Minutes of the 12th Meeting should be accepted by Government and put into force.

35. In view of the difference of opinion on the Dearness Allowance Question the Government shall be pleased to fix up such amount as Dearness Allowance as they may think fit. Lastly but not of least importance is the gratitude of all the members to the Secretary and his Assistant Mr. Bhosle for the untiring energy with which they have placed all their services at the disposal of the Committee.

(Signed) K. K. SHENDE,
Member.

(Signed) J. TRIBHOVANDAS,
Member.

Submitted to Government on:—

Bombay, dated 5th November 1951.

*7. Vide Resolution No. 5—Minutes of the 12th Meeting of the Committee.