

**Government of Hyderabad**  
**DEPARTMENT OF LABOUR**

**Report of**  
**the**  
**Labour (Factory) Investigation Committee**

**1949**



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## RESOLUTION OF THE GOVERNMENT OF HYDERABAD

*Dated 15th February, 1950*

1. The Rege Committee appointed by the Government of Hyderabad to enquire into certain questions relating to Industrial Labour in the State submitted its report on 31st December, 1949. The Government of Hyderabad have examined the Committee's recommendations and have taken the following decisions in regard to these recommendations.

2. *Working Conditions.*—The Committee has observed certain defects in the lay-out of factories, their cleanliness, protection against dust inhalation, ventilation, overcrowding, provision of water for drinking and washing purposes, sanitary conveniences, safety arrangements, medical facilities, regulations about hours of work and employment of children, provision of meals of the right type in canteens and of creches where a large number of women are employed. Many of the points noticed by the Committee are covered by existing legislation and steps are being taken by Government to tighten up the administrative machinery in order to avoid such defects.

3. *Housing.*—The Committee observes: "As Government cannot take up the responsibility of building houses only for industrial workers and as no progress is likely to be made if the matter is left to the initiative of the employers, it is necessary to create a fund for housing of industrial workers of low income engaged in organised industries. Every employer concerned should be required to contribute a certain amount of money per employee to the fund per annum and Government contribution will be in the shape of interest-free loans. The fund should be administered by a housing corporation which should have representatives of Government, employers and employees on it." This recommendation is under examination.

4. *Basic Wage.*—The Committee recommends (1) that the minimum basic wage of an unskilled worker in

Hyderabad City should be Rs. 26 per mensem of 26 working days ; (2) that it should apply to all industrial workers throughout the State ; (3) that men and women should get the same basic wage ; and (4) that children may be paid two-thirds the basic wage of an adult. "For semi-skilled and skilled workers" the Committee observes, "factors such as degree of skill, strain of work, experience involved, training required, responsibility undertaken, disagreeableness of the task, etc., should be taken into consideration in fixing wage differentials." Government accept the recommendation that the basic wage for an unskilled male factory worker throughout the State should be Rs. 26. Government cannot, however, accept the recommendation that it should apply to men and women alike. Women in Hyderabad and elsewhere have been paid and are still being paid 2 to 4 annas less per day as compared to men, as they are generally employed on lighter work. The basic wage in the case of women will, therefore, be fixed at Rs. 20 and the basic wage for children at Rs. 17 per mensem. But where men and women are engaged on the same kind of work, they will receive the same basic wage.

5. *Dearness Allowance.*—The Committee also recommends that, subject to paying capacity, the workers in all concerns should be paid Rs. 26 per month as dearness allowance or Rs. 52 in all per mensem including basic wage. Government have carefully considered this recommendation. It is well known that the cost of living is more in some cities and towns than elsewhere. It is for this reason that a house rent allowance of Rs. 5 is paid by Government in Hyderabad City and Rs. 3 in some other towns. The dearness allowance includes house rent allowance as recognised by the Committee when it states "the minimum earning of a lowest employee of any concern in Hyderabad City is now Rs. 43" as this is made up of—basic wage Rs. 20, dearness allowance Rs. 18 and house rent Rs. 5. Government accept the recommendation that the minimum dearness allowance should be Rs. 26 including the house rent of Rs. 5 for Hyderabad City. It will be Rs. 24 in towns where the house rent allowance is now Rs. 3 and it will be Rs. 21 in the rest of the State. There will be no distinction among men, women and children in the matter of dearness allowance but children will not receive any house rent allowance. The minimum earning of a male un-

skilled worker in Hyderabad City will, therefore, be Rs. 52 as recommended by the Committee including house rent allowance and at least Rs. 47 elsewhere. Women workers in Hyderabad City will get at least Rs. 46 and children at least Rs. 38.

6. The Committee recommends that the rate of dearness allowance should be adjusted to variations in price levels. Government have carefully considered this recommendation ; but in view of the fact that statistics in the matter of cost of living indices are not complete in Hyderabad and it will take some time before complete statistics can be obtained, Government regret their inability to accept the recommendation.

7. The Committee observes: "If the Government accepts our proposal, the minimum earning of a lowest paid industrial employee in Hyderabad State will be raised from Rs. 43 to Rs. 52. At present very few concerns in the State pay more than Rs. 52 in all and we feel that the Government's decision will influence private employers and that there will be a general levelling up of labour earnings." The amount of dearness allowance paid in any factory will depend upon its capacity to pay. Only 10 per cent. of the concerns in the State are now paying any dearness allowance at all and it ranges between Rs. 7-8-0 and Rs. 40 per mensem. It is not likely that factories which are not paying any dearness allowance at all, or which are paying very much less, can afford to pay Rs. 26. This will have to be left to private negotiations between employers and employees. Government can only set an example as to what would be a fair basic wage and fair dearness allowance for other employers to follow, if they can afford to do so. The decision of the Government about basic wage and dearness allowance will take effect from the 1st February, 1950 and will affect only those whose basic wage and dearness allowance are below the scales now sanctioned. Interim relief, if any, in Government departments in respect of these persons will cease to be effective from 1st February, 1950.

8. *Statistics.*—The Committee recommends that the draft model rules and forms for the collection of statistics regarding factories circulated by the Government of India when finalised should be adopted in the State. The responsibility for the collection of statistical data

about labour matters will rest with the Labour Commissioner and the collection of family budgets and compilation of cost of living index figures will continue to be the responsibility of the Director of Statistics. For this purpose the Labour Commissioner will have to be authorised by Government under section 3 (1) of the Hyderabad Collection of Statistics Act to exercise all the powers of the Director of Statistics under the Act. Agreeing with the Director of Statistics, the Committee recommends that the number of investigators for collecting the cost of living indices should be reduced to eight and the post of Chief Labour Investigator should be created to supervise their work. The Committee also recommends that the cost of living indices prepared by the Statistics Department should be publicised every month after the indices are approved by a Board consisting of the Economic Adviser to Government, the Labour Commissioner and the Director of Statistics not only by publication in the official Gazette but also through the Director of Information and Public Relations. These recommendations of the Committee have been accepted by Government.

9. *Legislation.*—In the matter of legislation, the recommendations of the Committee are: (1) The Indian Factories Act, 1948, should be adopted in toto and necessary new rules framed; (2) It is worthwhile awaiting revision by the Government of India of the Payment of Wages Act before amending the Act in the State; (3) The Workmen's Compensation Act, 1940, may be amended so that payment of compensation may be provided for from the first day where the disability continues beyond 7 days and it must be made obligatory on the employers to report all accidents to the Commissioner; (4) Maternity benefit may be provided at the rate of annas 12 a day for a period of 12 weeks, 6 weeks before and 6 weeks after confinement as provided in the Employees State Insurance Act, 1948, and notice of dismissal of three months before delivery which now deprives women workers under the Hyderabad Act of this benefit may be extended to five months; (5) The Industrial Disputes Act, 1947, may be adopted in Hyderabad State: (a) To ensure that no strike or lock-out takes place especially in public utility services without exploring avenues of peaceful settlement; and (b) Providing for the establishment of Labour Courts on the lines of the Labour Rela-

tions Bill which will have power to decide minor industrial disputes—the major ones being reserved for adjudication by the Industrial Tribunal—and also power to decide whether a strike or lock-out is illegal; (6) The restriction in the number of the executives of a Trade Union under the Hyderabad Trade Unions Act, 1945, should be removed and the proportion of outsiders should not exceed four in number or one-fourth of the total number of workers, whichever is less. An appeal against the decision of the Registrar refusing to register the Trade Union may lie to the principal civil court of original jurisdiction in the mofussil areas as in India instead of to the High Court as at present and Government should lay down special rules for the recognition of Unions for employees in Government-industrial concerns; (7) The passing of the Relief of Indebted Workmen's Regulation and the Hyderabad Children (Pledging of Labour) Regulation; and (8) The adoption of the State Insurance Act of 1948.

10. Bills are already under the consideration of Government which cover some of the recommendations of the Committee. Necessary legislation will be undertaken without delay on such other recommendations as Government decide to accept. It is also probable that the Indian Parliament may extend shortly the labour legislation in force in Part A States to Part B States including Hyderabad, in which case it would be unnecessary to enact separate labour legislation for Hyderabad State.

11. The Committee has also recommended in the last portion of its report certain improvements in the Administrative machinery. These are receiving the attention of Government.

12. Government wish to invite the attention of all concerned to the concluding remarks of the Committee "Industrial peace and efficiency cannot be obtained by legislation or even by satisfying the growing demands of labour for more wages and dearness allowance. Labour legislation has undoubtedly minimized exploitation of labour and has improved its bargaining position *vis-a-vis* the employers. But the attainment of industrial peace lies in the hands of employers, workers and their representatives. The employers have to change their attitude towards workers and their Unions and realise that

sympathetic handling of labour is not only their duty but is also a good business. The surest way to avoid labour trouble is for an employer to take his workers into confidence and to prove to them that they are getting a fair share of the wealth which they are helping to produce. It is more important to satisfy them on this point than to pay them a high wage. Mutual trust and co-operation are essential to industrial progress and are an antidote to revolution. The golden rule of human conduct which means that whatever we do to or for another, we do to and for ourselves holds good in industrial relations as in other spheres of human activities. The labour too must give up its traditional attitude of suspicion and hostility towards the employer. Though it has, on the whole, observed industrial truce, it must be admitted that it has not yet realised its dignity as an equal partner in the production of wealth. Political freedom is not of much value without economic independence and it should be the proud privilege of labour to maximise production and to have no truck with anti-national and anti-working class activities, such as lightning strikes, indiscipline and go-slow movements. This will be in its own interest too, as better wages and social securities can spring only out of more production. Though trade unionism will be necessary for strengthening collective bargaining and for safeguarding labour interests, the time has come when, in view of social security, minimum wages and other beneficent measures assured to the workers, it should concentrate on efficiency and stepping up production on which, in the final analysis, conditions of labour depend.”

13. Government desire to place on record their appreciation of the valuable work of the Committee in reviewing existing labour conditions in Hyderabad and making recommendations for their improvement.

L. C. JAIN, I.C.S.,  
*Chief Secretary.*

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## CHAPTER I

### INTRODUCTION

The Hyderabad Government announced in their Press Note No. 582 dated 24-6-1949 the appointment of a Committee to inquire into the conditions of factory labour in the State. The Committee was also formally appointed by Labour Department Notification No. 11 dated 16-7-1949. The Committee consisted of :

- |  |    |                          |
|--|----|--------------------------|
| 1. Mr. D. V. Rege, I.C.S.  | .. | <i>Chairman.</i>         |
| 2. Mr. M. Krishnaswami Ayyar,<br>Retired Inspector of Factories,<br>Madras | .. | <i>Member.</i>           |
| 3. Mr. Syed Abdul Latif Razvi,<br>Labour Commissioner,<br>Hyderabad        | .. | <i>Member—Secretary.</i> |

2. The terms of reference of the Committee were as follows :—

1. To examine the conditions of factory labour with particular reference to basic wage rates and the scale and adjustment of dearness allowance ; and make recommendations regarding the fixation and adjustment of basic rates of wages and dearness allowance.

2. To examine the method and scope of collection of statistics in relation to wages, family budgets, cost of living index, industrial disputes, absenteeism and labour turnover, and suggest measures for their improvement.

3. To examine the existing labour legislation in the State and to suggest lines on which further legislation should be undertaken with particular reference to :

- (a) Recognition of registered Trade Unions ;
- (b) Association of employees with the management in an advisory capacity, especially with regard to labour welfare schemes such as the establishment of Canteens, Creches, etc.;

- (c) Prevention of industrial disputes, and setting up of machinery for conciliation, adjudication and arbitration of industrial disputes ;
- (d) Schemes for social insurance, Provident Fund, etc.

3. Two panels, one of employers and the other of employees, were appointed by Government to assist the Committee in its work. The panel of employers consisted of Messrs. Purshottam Naraanji, S. V. Naik and C. S. Tyabjee while the other panel consisted of Messrs. H. C. Heda, K. Somayajulu and V. B. Raju.

4. The Committee started work on 4-7-1949. It was asked to submit its report within three months but the period was subsequently extended to six months. On a reference made by the Committee, Government stated that the Committee's investigation should be confined to labour employed in factories including Government factories and that the labour employed in the mines and railways was not included in the scope of the Committee's investigation as an enquiry had been recently held into the conditions of mines labour and as the conditions of employment of railway labour were determined with reference to all-India decisions. Further, they requested the Committee to give priority to item 3 of the terms of reference, namely, labour legislation. The Committee, therefore, submitted an interim report on this item on 31-10-1949.

5. The Committee prepared, in consultation with the panel members, a comprehensive questionnaire to collect factual and statistical data with regard to all labour matters covered by the terms of reference. This questionnaire is given in Appendix I. The Committee also issued a supplementary questionnaire for textile mills which is given in Appendix II. About 750 copies of the main questionnaire were sent to employers and workers and their organisations and to other institutions and persons who were interested in labour matters and they were asked to submit their replies by 31st August 1949. As very few replies were received in time, the date was extended to 15th September, 1949. In spite of this extension, not more than 41 replies were received. No reply was received from any trade unions, except one, or from their federations. Replies to the supplementary

questionnaire were received from all the six textile mills. Majority of the replies were unhelpful and dealt with the questions in a haphazard and perfunctory manner. A list of the persons and institutions who replied to the questionnaire is given in Appendix III.

6. With a view to examining actual working conditions and enforcement of labour legislation, the Committee selected certain representative factories including Government factories in the industrial areas of the State for inspection. Some of our visits had to be made as late as in November as important seasonal factories like the Nizam Sugar Factory at Bodhan and cotton ginning and pressing factories did not start functioning almost till then. A list of factories visited by us is given in Appendix IV. Some of the panel members accompanied us in our tours and gave useful information.

7. No factual survey of labour conditions in the State was done before. The Labour Investigation Committee, appointed by the Government of India in 1944 in pursuance of a resolution of the Tripartite Labour Conference to collect factual data relating, *inter alia*, to wages and earnings, employment, housing and social conditions of industrial labour in India including States, did not visit Hyderabad as the Hyderabad Government preferred to have its own Labour Investigation Committee with exactly identical terms of reference. For some reason or another, this Committee did not settle down to work and was ultimately dissolved. The terms of our Committee are more extensive than those of the Central Labour Investigation Committee as, in addition to factual survey of labour conditions, we have been asked to make recommendations regarding basic wage rates and dearness allowance, improvement of collection of labour statistics and labour legislation. As, however, the period prescribed for the Committee's work was short and as there was no trained field staff available for collection of statistics on the spot, we contented ourselves by collecting whatever information we could from our visits to factories, replies to our questionnaires and from the offices of the Labour Commissioner and the Chief Inspector of Factories and Boilers.

8. During our visits to factories, we held informal discussions with the managements and subsequently

examined representatives of the trade unions concerned. In addition, we formally examined some witnesses, official as well as non-official, who had special knowledge of the labour problems in the State. A list of these witnesses and trade unions is given in Appendix V. Their evidence was of considerable help to us. The Chairman and the Member-Secretary also visited Bombay and Shri Krishnaswami Ayyar visited Madras to ascertain the position about basic wages, dearness allowance, collection of statistics, working of labour Acts, etc., by discussion with the officials of the Labour Department and these discussions were also very useful.

9. The Committee held a general discussion with the panel members about its findings and proposals and submitted its final report to Government on 31-12-1949.

## CHAPTER II

### WORKING CONDITIONS

10. As required by the first term of our reference, we visited 73 factories detailed in Appendix IV to examine the conditions of factory labour with particular reference to basic wage rates and the scale and adjustment of dearness allowance. We shall deal in this chapter with working conditions in factories and leave the question of basic rates of wages and dearness allowance to the next chapter.

11. According to the latest report of the Chief Inspector of Factories and Boilers for the year 1948, the total number of factories in the State are 765 out of which 617 are working. Of these, 486 are perennial and the remaining 131 are seasonal factories. Important perennial factories are textile mills, engineering works, button, glass, paper, cement, cigarette and bidi factories, oil mills, tanneries and printing presses while seasonal factories consist mainly of ginning and pressing factories, rice mills and sugar factories. The total number of industrial workers in the State, excluding those in railway and mines, is 55,593 composed of 41,497 men, 13,080 women and 1,016 children. Perennial factories employ 44,071 workers while their number is 11,522 in seasonal factories. It may be mentioned here that some of the big industrial concerns in the State like Osmanshahi and Azamjahi Mills, Nizam Sugar Factory, Praga Tools Corporation, Sirpur Paper Mills, etc., are managed by the Industrial Trust Fund on behalf of Government which has also given financial help to several other industrial concerns either directly or through the Trust Fund.

12. A large number of factories in Hyderabad city are located in an industrial area known as Mushirabad. Another smaller industrial area known as Sanatnagar has recently sprung up in the suburbs. Buildings and layouts of machinery of the factories started during the last decade in these areas are fairly in accordance with the requirements of the Factories Regulation, but the

factories in other parts of the city and in the mofussil are built without proper consideration for the safety and health of the workers. Permission has to be obtained in the State from the Commerce and Industries Department for establishing new factories or making alterations in the existing factories. Before giving permission, the Department consults the Industrial Engineer to Government and the Municipal Committees concerned, but it appears that no serious efforts are made to see that the buildings and lay-outs of factories conform to the requirements prescribed under the law. We also understand that in many cases Municipal Committees have issued licences even before the plans of the factories were approved by the Commerce and Industries Department. No certificate of stability is demanded before manufacturing process is started as required by section 33 (3) of the Factories Regulation, as no rules have been framed under it. As defective buildings and lay-outs considerably affect working conditions, we suggest that Government should take action to set the matters right as far as possible, especially where they are very defective. There will be no difficulty about new factories coming into existence after the Indian Factories Act, 1948, is adopted, as suggested elsewhere, as it contains strict provisions on the subject of approval, licensing and registration of factories.

#### CLEANLINESS

13. Most of the big factories have paid fairly adequate attention to cleanliness, but in other factories inside walls, partitions, ceilings or tops of rooms, passages and staircases were not lime-washed as required by rules. Rubbish was heaped here and there in the Marwadi Moulding factory in Hyderabad city. In the Vijay Cardboard factory, oily rags and street refuse which are used as raw material were stored in the compound close to the machine hall and, apart from bad smell, they are also likely to catch fire. The tanneries are the worst offenders in respect of cleanliness. The floor around the vats and lime-pits were very slippery and drainage and disposal of effluent were not at all satisfactory.

#### VENTILATION AND LIGHTING

14. Work-places are very dark in oil mills and button and bidi factories. Ventilation is very defective in the warping and winding sections of the Hyderabad (Deccan)

Spinning and Weaving Mills. The Government Central Printing Press which is located in an old building also suffers from bad ventilation. The finishing hall is stuffy in Sirpur Paper Mills.

#### DUST AND FUME

15. In glass factories there is no mechanical contrivance in the batch processing room to prevent dust inhalation by workers. In the Asbestos Cement Works, though a cyclone dust-separating apparatus is provided in the mixing section, it was not found in working order at the time of our visit. In the Brooke Bond Tea Factory, no dust-removing contrivance is installed where the tea chests are emptied and repacked in small packets. In the type casting department of the Government Central Printing Press, two ovens were found working without exhaust fans. In the Allwyn Metal Works where spray painting of buses is done, no arrangement is made for the removal of dust and fume generated in the painting process. In almost all the decorticating factories, no arrangement for the provision of dust-proof chamber with proper enclosure for collection of chaff and dust has been made. In factories where dust is generated, some contrivance to prevent stagnation of air and to drive out vitiated air is essential, especially as respirators are not used by the workers even where they are provided in a few cases.

#### OVERCROWDING

16. Overcrowding of workplaces is mainly found in the button, bidi, and cigarette factories and in some sections of the engineering works. The packing department of the Vazir Sultan Tobacco Company (Charminar Cigarette factory) is very overcrowded. There is also overcrowding in the composing, machine and binding sections of the Government Central Printing Press and in the moulding sections of glass factories. The register in form 'H' showing particulars of each room in which workers are employed is hardly maintained by any factory.

#### DRINKING WATER

17. Drinking water was not adequately provided in many of the factories visited by us. Empty pots were noticed in certain factories and in others no attempt was made even to provide pots for storage of water. A



sufficient supply of water suitable for washing has to be provided under section 19 (3) of the Regulation for the use of workers at suitable places in factories in which any process involving contact by workers with injurious or obnoxious substances is carried on. But this provision has been totally ignored. Workers in the sizing and bleaching sections of textile mills and in the acid section of chemical factories, compositors in the printing presses, furnace workers in the Mint and workers in tanneries badly require such facilities. The importance of providing clean and cool drinking water and adequate washing facilities in a hot country like India needs to be hardly emphasised.

#### LATRINES AND URINALS

18. The sanitary conveniences provided in factories are either inadequate or out of date and do not conform to public health requirements. Flush latrines were seen only in two or three factories in Hyderabad city. Water-borne sewage system was found in a few places and even there it was not functioning properly. Latrines of dry earth system are usually provided but they are not kept in a clean and sanitary condition. They will never be clean unless some one in authority visits them daily. Tin and bamboo sheds have been erected as a temporary measure mostly in seasonal factories and there seems to be no intention of converting them into pucca latrines. The number of latrines provided even in several big factories such as Vazir Sultan Tobacco Company, Nizam Sugar Factory and Osmanshahi Mills is also not in accordance with the scale laid down in rule 35. The provision about lime-washing the walls of latrines at least twice a year unless made of corrugated iron is also not observed.

#### SAFETY

19. Arrangements for fencing and guarding of machinery are not in conformity with the standards laid down in rule 44. In textile mills, except in Warangal and Nanded, cotton openers, scutchers, lap machines, hard waste breakers, card machines, speed frames, lifter rack wheels, calender machines, etc., are not adequately protected. It was urged by some managements that guards were not supplied by the makers in the case of very old machinery. This contention is not correct as they can even now obtain the guards from the makers by

quoting the year of the manufacture of the machine. In Government Central Printing Press none of the platen machines was guarded. In the engineering workshops the back gears, change wheels and cog drives of lathe machines were not guarded except in the Praga Tools Corporation and Allwyn Metal Works. In the wood working machinery, circular saws were not guarded. In the oil mills the tempering apparatus of the expellers worked under steam pressure was not fitted with pressure gauge and safety valve as required by rule 63. Feed mouths of decorticators were not protected nor were their drives properly guarded. In the potteries and porcelain factories, steps leading to the feeding platform of the pug-mill were not provided with hand-railings and its feed mouth was not guarded. It was stated by the Chief Inspector of Factories and Boilers that fencing and guards were not up to the required standard as the factories did not easily get iron and other materials required for this purpose. But the fencings and guards need not be necessarily made of iron as wood can serve the purpose equally well. All that is required under the law is that every fencing and guard shall be made of strong material and fixed in such a way as not to be easily removed by hands without the aid of tools. In match factories the dipping section should be separate from the main building as chloride of potash and phosphorus used for head composition are explosive substances. No 'Safety First' Committees have been formed in any of the factories. Formation of such committees and posting of pictures on the walls showing how accidents take place will go a long way in reducing the number of accidents. 'One picture is worth a million words' as a Chinese proverb says and pictures will be most useful as a part of safety programme in view of the appalling illiteracy among workers. Such pictures have been recently prepared by the Ministry of Labour.

20. Goggles are not generally provided to workers in processes which involve risk of injury to the eyes by flying particles and fragments, or by exposure to glaring light in processes such as welding, melting and annealing. Suitable footwear and hand-gloves are not also provided to workers in tanneries and in furnaces of glass factories and Mint and also in the lime mixing sections of glass factories. It was urged by several managements that workers did not use such protective appliances even when

supplied, but it appears to us that this is a lame excuse as such appliances were not actually supplied in most of the factories. It is clear that managements are not serious in their attempts to educate workers into the use of such appliances. It may be added that except in a few cases no tight trousers were provided by the managements free of cost to persons attending to machinery in motion as required by rule 59.

21. In almost all the factories where means of escape from fire were provided, such exits were either bolted, kept under lock or nailed in such a way that the purpose for which they were provided was defeated. The Hyderabad (Deccan) Spinning and Weaving Mills has no proper provision for escape on the first floor. Most of the ginning factories have wooden staircases to serve as escapes, though under rule 43 they must have two flights of stairs of brick-work or other fire resisting material.

#### MEDICAL FACILITIES

22. Only three factories in the State have got hospitals with indoor accommodation, namely, Nizam Sugar Factory (40 beds), Shahabad Cement Factory (7 beds) and Aurangabad Mills (6 beds). A hospital is under construction in Sirpur Paper Mills. Dispensaries in charge of qualified medical men, generally working part-time, are provided only in a few factories. Some of the small concerns did keep first-aid boxes but they were generally found empty.

#### HOURS OF WORK

23. Textile mills in the State, except Azamjahi and Osmanshahi Mills which have three shifts, have two shifts of eight hours each with an interval ranging from half an hour to one hour. Continuous process factories such as the electricity generating station, chemical factories, paper mills, etc., work in three shifts of eight hours each. Glass factories and the Vijay Cardboard factory work two shifts. The Vazir Sultan Tobacco Company also works two relays with overlapping shifts. The first relay works from 7 a.m. to 4 p.m. with an hour's interval while the other relay starts from 11 a.m. to 8 p.m. with half an hour's interval. In Azamjahi Mills workers in the spinning section are employed in three relays and each relay is divided into five sub-relays to keep the machinery working continuously and to enable the workers to avail

themselves of the rest interval by rotation. The remaining factories have one relay working eight hours a day in two shifts. The system of relays is not satisfactory in the continuous process factories as workers in such factories get a holiday after 13 days and not after six days as required by the Regulation. In order to rectify this defect, we suggest the adoption of the enclosed scheme of shifts on the Bombay model in such factories which will ensure that each worker will get the same day in each week as holiday and that no person works for more than 48 hours in a week. Due to the absence of rest places in factories and poor transport arrangements, it is desirable that shift hours should not end after midnight as far as possible as very few factories have provided housing accommodation to their workers near the factory premises. Provisions contained in Chapters IV and V of the Regulation about restrictions on working hours of adults and children were not properly observed by almost all the factories visited by us. The notice of periods of work in form C was neither properly displayed nor correctly maintained and the register of workers in form D did not show all the particulars required. The hours of work mentioned in the register of workers did not also correspond with the hours of work displayed in the notice. Inspectors should insist on strict compliance with these provisions as enforcement of hours of work is rightly held as a turning point in the observance of the Factories Act. It was also noticed that the registers were not maintained by several factories in the official or the regional language as prescribed under the rules. The Marwad Moulding factory maintains the registers in Marwadi, the tanneries in Tamil and most of the Oil mills in Gujarati.

24. Children and adolescents are mostly employed in button, bidi and glass factories and they are also found in the binding section of the Government Central Printing Press. Certificates of the Certifying Surgeons were not obtained in a majority of the cases. In the button factory, on the premises of the Marwadi Moulding factory, a large number of children were employed without the necessary certificates. 20 to 25 children were employed in the binding section of the Government Central Printing Press and some of them had no certificates. Even if the children were engaged by contractors, as alleged, they come under the definition of worker under the Factories Regulation. Very few children in the factories visited by us carried

tokens as required by section 51(b). The issuing of certificates is not also apparently done with as much care as it should be. No distinctive marks were often mentioned in the certificates and the certificates were also signed by somebody for the Certifying Surgeon in many cases. The hours prescribed for the working of children, namely, 5 are also not observed by many factories.

25. We noticed that all the monthly-paid staff in seasonal factories and oil mills were classified as supervisory staff and were exempted from the operation of Chapter IV relating to restriction of working hours. The power given to an Inspector of Factories by rule 71 (c) to classify any persons other than the managers and assistant managers as holding position of supervision or management has not been properly used. Register in form J showing the persons exempted was not also maintained in these concerns.

#### HOLIDAYS WITH PAY

26. Section 49-B (1) of the Factories Regulation prescribes that every worker who has completed 12 months continuous service in a factory shall get during the subsequent period of 12 months, holidays for a period of 10 consecutive days or 14 in the case of a child. None of the factories in the State except the six textile mills, Allwyn Metal Works, Taj Glass Works, Brooke Bond India Ltd., Vazir Sultan Tobacco Company, Shahabad Cement Factory and Deccan Button Factory observes this provision and it appears that it has not been enforced in the absence of rules giving effect to it. But the absence of rules cannot take away from workers the right to holidays given to them by the statute. It may, however, be mentioned that a few factories such as Praga Tools Corporation, Iron and Steel Works, Sirpur Paper Mills, Azam Steam Press, Chemical and Pharmaceutical Works, etc., give more than 10 days leave with pay to their workers in the shape of privilege leave, casual leave and festival holidays, but it is necessary for them to obtain exemption from this chapter from Government under section 49-G. Even those factories which give the statutory holidays allow them to be taken in two or three instalments which is against the provisions of section 49-B (1), though any holidays not taken in a year are allowed to be added to the holidays in the next year under section 49-B (2). Though the Indian Factories Act, 1948, allows the holidays

to be taken in instalments not exceeding three, we feel that the object of giving rest and recreation to workers after a year's continuous service is largely defeated by allowing the holidays to be taken in instalments. Some instances were brought to our notice in which workers asked and obtained 10 days wages in lieu of the holidays. This practice must, of course, be discontinued. No leave register has been maintained by any of the factories visited by us on the ground that no such register has been prescribed. In a few concerns personal files have been maintained in which leave with pay granted to workers has been entered.

#### CANTEENS

27. Under section 33-A (1), Government may make rules requiring that in any specified factory ordinarily employing more than 200 workers, an adequate canteen shall be provided for the use of the workers but no rules have been framed. Most of the big factories, however, maintain canteens though only a few of them are properly managed. It appears that most of these canteens were originally organised by the Central Tea Board, Hyderabad Branch, at the request of the managements and were handed over to them after two or three months. Some canteens have been transferred to contractors by the managements without retaining any control with the result that complaints were common regarding quantity, quality and prices of articles supplied in them. Except Osmanshahi Mills which gives cooked meals all the canteens supply tea and snacks only. A few concerns such as Azamjahi and Osmanshahi Mills, Dewan Bahadur Ramgopal Mills and Vazir Sultan Tobacco Company have also subsidised canteens to a considerable extent. Most of the canteens are located in small rooms or even in tinsheds and no dining halls have been provided except in the Osmanshahi Mills, Vazir Sultan Tobacco Company and Praga Tools Corporation. Though it is difficult in these days of food scarcity to supply cooked meals in canteens, we suggest that at least all factories employing more than 200 workers should endeavour to provide meals of sufficient quantity and of the right kind at a reasonable price to their workers as it is a well-known fact that good manual work cannot be done without good food.

## CRECHES

28. Though section 33 (2) empowers Government to make rules requiring any specified factory wherein 50 or more women are ordinarily employed to reserve a suitable room for the use of children under the age of six years belonging to such women and to prescribe the standards for such rooms and the nature of the supervision to be exercised over the children therein, no rules have been framed by Government in this connection. Several big concerns, however, maintain creches, the best one being found in the Azamjahi Mills at Warangal. Several creches visited by us were an apology for a children's room as pieces of gunny bags were spread on the floor to serve as beds for children, and no arrangements were made for giving food or bath to them. We suggest that the enforcement of the provision about creches should not be delayed for want of rules.

## EDUCATION AND RECREATION FACILITIES

29. Primary schools for children of the employees are maintained by six concerns, namely, Sirpur Paper Mills, Azamjahi Mills, Osmanshahi Mills, Aurangabad Mills, Shahabad Cement Factory and Nizam Sugar Factory. The Sirpur Paper Mills has also a Middle School and the Osmanshahi Mills provide vocational training facilities for workers and their relations. Most of the above concerns have also provided clubs for their workers with facilities for playing outdoor games like hockey, football, in addition to indoor games like table tennis, carom, etc. Though the clubs are open to all workers on payment of a nominal monthly subscription of eight annas, we found that unskilled workers seldom joined them.

## LABOUR OFFICERS IN FACTORIES

30. About a dozen big concerns in the State maintain their own Labour Officers who are under the direct control of the managers. The so-called Labour Officer practically does nothing to assist the workers or to promote their welfare and they also, therefore, do not look upon him as their friend. In the position in which he is placed, he has to care more for the wishes of the management than for the interests of workers. Unless a Labour Officer is given the necessary status and powers, he will not be in a position to win the confidence of the workers

or to do any useful work for them. When the Indian Factories Act, 1948, will be adopted in the State, these Labour Officers will be called Welfare Officers, as section 49 (1) of that Act requires every factory ordinarily employing 500 or more workers to employ one or more Welfare Officers as may be prescribed. The main duties of these Officers should be to represent the management to the workers and *vice versa*, to promote harmonious relations between them, to organise and supervise labour welfare work, to have the grievances of the workers redressed as expeditiously as possible, to bring the breaches of labour laws and rules to the notice of the management and to assist the management in the maintenance of discipline and in the promotion of all measures calculated to improve the lot of the workers. They should have nothing to do with recruitment. Their duties, qualifications and conditions of service can be prescribed by making rules under section 49 (2).

#### HOUSING

31. Most of the big concerns have provided housing whether good, bad or indifferent, to a small percentage of their workers. The best effort in this direction made so far in the State is by the Azamjahi Mills which has started construction of workers' colony consisting of 600 quarters at an estimated cost of Rs. 30 lakhs. The house for the lowest paid worker has, in addition to a small verandah, a living room, a kitchen, a store room, a bath room and a latrine. More than half of the colony is complete but quarters have not been allotted as no arrangements for water supply and conservancy have been made so far by the local authorities concerned. When the colony is completed, it will provide housing to about 20 per cent. of the workers. The Osmanshahi Mills, which has a similar scheme, has actually provided accommodation excluding tin chawls to about eight per cent. of its workers, the rent charged varying from nil for tin chawls of one room to Rs. 8 for a double-storied block. The Shahabad Cement Factory provides fairly good housing to 17 per cent of its workers and proposes to provide in all for 35 per cent. of its workers. No rent is charged and water and electricity are free. The Sirpur Paper Mills provides five different types of housing to its workers according to their pay up to Rs. 120 per month and the percentage of the workers housed is 27. The management intends to build hundred quarters per



year and house all its labour eventually. About 23 per cent. of its workers are housed free by the Allwyn Metal Works which has put up 19 blocks with 204 tenements. The quarters consist of one room and a verandah and are of the condemned back-to-back type. The Nizam Sugar Factory has 108 one-room tenements, 230 two-room tenements and 264 larger tenements and thus provides free housing accommodation to 14 per cent. of its factory workers. 200 two-room tenements and 50 larger tenements are under construction. The Praga Tools Corporation has put up 24 single tenements for its workers and the rent varies from Rs. 6 to Rs. 6-8-0 which is exorbitant. Quarters of one room provided by the Aurangabad Mills to about 10 per cent. of its workers are no better than huts though a rent of Rs. 2 per quarter is charged. The quarters are overcrowded and the sanitation is deplorable. 32 quarters provided by the Kohinoor Glass Factory are also equally bad but no rent is at least charged for them. Besides the pucca quarters, huts have been provided to the workers by most of the concerns and in some cases tatties and bamboos are supplied to enable the workers to put up their own huts. These huts are unhygienic and are unfit for human habitation. Some big concerns like the Dewan Bahadur Ramgopal Mills, M.S.K. Mills and the Vazir Sultan Tobacco Company have proposals for construction of labour colonies but could not make any headway so far due to non-availability of building materials and suitable building sites.

32. It appears that there was a proposal to build a workers' colony near the Mushirabad industrial area in the Hyderabad city and that it was also proposed to have recreational facilities, market place, school and other amenities in the colony but the proposal has been kept in abeyance. It would be desirable to revive it as the employers concerned seem to be willing to co-operate with Government in the matter.

33. The problem of housing of industrial workers has become acute in post-war years with the growth of urban population and has to be tackled in right earnest if their health and happiness is to be safeguarded. Housing of workers has been the responsibility of the employers alone in the State so far, as Government have not yet decided their housing policy and as the local bodies are not in a position to help in the matter. The minimum

housing standard proposed by the Government of India is two living rooms, a kitchen, a bathroom, a latrine and a front and back verandah. In view of the paramount need for economy and the scarcity of building materials, it may not be possible to build such houses and in large numbers. It would, therefore, be enough, we feel, even if cheaper types of houses consisting of one room, kitchen and a verandah with good floor, roof and ventilation are constructed in sufficient numbers to meet the insistent demand of the workers. The service quarters recently constructed at Uppal near Hyderabad for the P.W.D. road gangs can serve as a model. Each quarter consists of a room 12' × 10' with a verandah 5½' × 6' and a kitchen 6' × 6' at one end of the verandah. The walls, roofing and flooring are all pucca. The quarters are provided with open shelves in the walls, wooden attic, clothes rail, kitchen with a HERL (draught) chimney, shelf and a sink. The cost is said to have been cut down to about Rs. 900 including contractor's profit per quarter by using stabilised soil in the manufacture of bricks, roofing and flooring tiles and substitution of pre-cast reinforced cement for timber for the roof trusses and door and window frames instead of the costly conventional building materials. The quarters should be good for about 50 years. Provision of community bathrooms and latrines will add to the cost. Even if the total cost per quarter comes to Rs. 1,500 the rent would be less than Rs. 4. per month on the basis of 3 per cent. return on capital outlay and would not be beyond the paying capacity of workers. As Government cannot take up the responsibility of building houses only for industrial workers and as no progress is likely to be made if the matter is left to the initiative of the employers, it is necessary to create a fund for the housing of industrial workers of low income engaged in organised industries. Every employer concerned should be required to contribute a certain amount of money per employee to the fund per annum and Government contribution will be in the shape of interest-free loans. Workers of low income cannot be expected to contribute anything towards the fund. The fund should be administered by a Housing Corporation which should have representatives of Government, employers and employees on it. In order to expedite construction of houses, Government will have to give a special quota of cement and other building materials to the Corporation.

## CHAPTER III

### WAGES AND DEARNESS ALLOWANCE

34. In this chapter, we propose to examine the basic wage rates and the scale and adjustment of dearness allowance as found in the various industries in the State and make recommendations regarding the fixation and adjustment of basic rates of wages and dearness allowance.

35. Wages are the pivot round which most of the labour problems revolve. It is now commonly agreed that twice as many labour disputes relate to the question of wages and dearness allowance as to any other single cause. The reason for this is not far to seek. While a rise or diminution in the worker's standard of living depends entirely on his earnings, payment to labour constitutes a very important item of the employer's cost of production. The worker's attempts to raise his standard of living by obtaining higher remuneration are, therefore, resisted by the employer to keep down his cost of production. In order to obtain as much information as possible on this vital issue, our questionnaire contained 25 questions on existing wages and other earnings in the form of allowances, bonus, etc., but it was extremely disappointing that even the few replies received gave no satisfactory information either about variations in the wage structure since 1939 or the principles underlying the fixation of basic wages in different industries. In common with the rest of India, Hyderabad also shows a deplorable lack of labour statistics. It has a "Collection of Statistics Act" and a Department of Statistics and Census for collection of statistics on labour and other subjects, but apart from compiling cost of living indices for working classes, it has not collected any statistics on employment, wages, absenteeism, labour turnover, etc. The Labour Commissioner collects certain information on a voluntary basis relating to prevalent wage rates and dearness allowance in industrial concerns. This information together with such other information as was contained in replies to our questionnaire and as we could gather in our investigations were

alone available to us. It would thus be seen that we were very poorly served with statistics indispensable for any inquiry of this nature.

36. We shall now briefly examine the basic wages, dearness allowance, as well as bonus paid to factory workers in the State. For this purpose we have divided industrial establishments into two broad categories, *viz.*, organised industries and others. The former include electricity, distilleries, mint, printing presses, textile mills, general engineering, cement, cigarette, paper, glass, chemical and sugar; while the latter consist of bidi-making, tanneries, match and button factories, oil and rice mills, ginning and pressing and miscellaneous factories. A number of organised industries like electricity, distilleries, mint and Government Printing Press are, however, owned and managed by Government.

#### ORGANISED INDUSTRIES

##### *Establishments owned by Government*

37. Establishments owned and managed by Government employ about 3,500 workmen. The Technical Employees Wages Committee was appointed by Government in 1946 to bring about uniformity in the scales of pay and other conditions of service in these establishments. Their recommendations regarding pay and allowances were later modified in some respects by the Hyderabad Pay and Service Commission in 1947. The rates of basic salary fixed by the Commission for various categories of employees in all Government establishments are noted below :—

<i>Categories.</i>	<i>Scales of pay.</i>	
		Rs.
Supervisory	I ..	170-5-205-7½-250-10-360
„	II ..	125-4-165
„	III ..	105-4-125
„	IV ..	75-3-105
Skilled class	I ..	60-2½-75
„	II ..	50-2-60 (To be shifted to the grade of 60-2½-75 on reaching the stage of 60).

Semi-skilled class I or skilled class III	40-2-60
Semi-skilled class II	30-1½-45
Unskilled	20-1-30 (To be shifted to the grade of 30-1½-45 on reaching the stage of 30).

38. The minimum basic salary for unskilled workers employed in establishments owned by Government is thus Rs. 20. Payment of dearness allowance in these establishments was started in September 1940 to peons and persons drawing up to Rs. 50 per month and was subsequently extended to other categories. The Pay and Service Commission adopted the reasoning of the Central Pay Commission in this matter but proposed a lesser graduated rate for adjustment of the allowance to the cost of living. As it assumed that the cost of living index was in the vicinity of 260 at the time of making its recommendation, it proposed payment of dearness allowance as follows :

Pay	Dearness allowance
	Rs.
Up to Rs. 50	15
51-100	25
101-200	35
201-500	17½%

These amounts have not been revised except recently in the case of Government servants drawing salaries not exceeding Rs. 100 per month who were given an increase of Rs. 3 per month though the index figure has gone up by about 40 points since then.

39. The workers, however, started agitating for an increase in wages and dearness allowance on the ground that the cost of living index had definitely gone up as compared to 1947, when the rate was fixed on the assumed figure of 260. The Electricity Department Workers' Union and P.W.D. Workshop Workers' Union submitted a memorandum of grievances and demanded, *inter alia*, an increase in dearness allowance and subsequently threatened to go on strike. The dispute was referred to the Industrial Court which gave an interim relief of Rs. 8-8-0 per month. This relief has not so far been extended to the employees in other Government establishments.

40. No annual bonus is paid to workmen employed in Government establishments on the ground that these are not run on profit basis. According to a recent award of the Industrial Court, however, workers in the Electricity and Public Works Departments are being paid one month's wages as bonus in lieu of curtailed leave and holiday facilities.

41. *Textile Mills.*—The textile industry is the oldest industry in the State as elsewhere in India. Up to the end of 1946, basic wages in textile industry in India were generally very low and standardization of wages was brought about only in 1947 even in highly industrialised centres like Bombay, Ahmedabad, Nagpur and Madras. But Hyderabad even now presents a gloomy picture of wage rates in this industry. In the absence of wage rates in 1939, basic monthly wage of certain categories of workers in the textile centres of the State in 1942 and 1949 are compared below, averages being taken for piece-workers.

[*Statement.*

Category of Workers	Piece or time rate	AURANGABAD		GULBARGA		WARANGAL		NANDED		D. B. RAMGOPAL MILLS		HYDERABAD SPINNING & WEAVING MILLS	
		1942	1949	1942	1949	1942	1949	1942	1949	1942	1949	1942	1949
		Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
Doffers	.. T	8 0 0	15 7 0	6 8 0	22 12 0	15 0 0	29 0 0	12 0 0	29 0 0	6 12 4	20 0 0	7 0 0	12 0 0
Ring Siders	.. T	11 0 0	20 11 6	12 8 0	25 0 0	13 0 0	32 0 0	17 0 0	34 8 0	13 0 0	31 0 0	13 0 0	16 0 0
Drawing tenters	.. P	18 0 0	29 4 6	13 8 0	35 12 0	15 0 0	33 0 0	21 7 0	39 8 0	16 0 0	29 8 0	14 0 0	24 0 0
Inter tenters	.. P	20 0 0	26 12 0	14 12 0	23 2 0	20 5 0	43 7 0	18 0 0	42 0 0	12 0 0	30 14 0	16 0 0	25 0 0
Grey Winders	.. P	6 0 0	15 15 8	6 8 0	18 2 0	15 0 0	42 15 0 (M) 24 3 0 (W)	15 0 0	30 0 0	9 0 0	20 0 0	12 12 0	24 0 0
Unskilled workers	.. T	10 0 0	17 14 0 (M) 16 4 0 (W)	12 0 0	24 12 0 (M) 20 12 0 (W)	12 0 0	30 0 0	12 0 0	30 0 0	10 4 0	20 0 0	9 0 0	16 0 0
Weavers	.. P	12 to 22 (single loom).	38 0 0	20 0 0	55 0 0	23 0 0	56 5 0	35 0 0	58 0 0	25 0 0	42 8 0	18 0 0	28 0 0

42. In view of the small number and importance of the textile mills in the State, it will not be out of place to discuss briefly wage rates and dearness allowance prevailing in them.

*Aurangabad Mills.*—Owing to very low wages prevailing during the war years, the workers put forward their demands in 1946 and again in 1948. The question was referred to a Board of Conciliation which gave an increase in dearness allowance on the first occasion and consolidated a portion of the allowance in the wages on the other. There has been no change in wage rates at this centre since then and they continue to be low.

*Gulbarga.*—The rates of wage in this centre have been equally low. The demand of the workers for an increase in wages was referred in 1946 to a Board of Conciliation which granted a small increase in basic wages. The subsequent dispute about wages in 1948 was referred for adjudication to the Industrial Court which prescribed a monthly basic wage of Rs. 24-12-0 for men and Rs. 20-12-0 for women.

*Warangal and Nanded.*—The two mills at Warangal and Nanded are under one management. It will be seen that the rates prevailing in these mills in 1942 were higher than those paid by any other textile mill in the State. This may be due partly to the later establishment of these mills with modern machinery and partly to their better financial position. The dearness allowance which was being paid at the rate of 50 per cent. of basic wages was consolidated with wages in 1946, thus raising the general level of wages. At present, the basic wage is Rs. 30 a month, with the exception of doffer boys and sweepers who get Rs. 29 and Rs. 27 respectively.

*Hyderabad.*—Up to 1948, the rates prevailing in both the mills were exceedingly low. The monthly wage of Rs. 6-12-4 paid to doffer boys for 26 days' work in 1942 in Dewan Bahadur Ramgopal Mills was raised to Rs. 20 in 1949 only as a result of conciliation proceedings. But the most appallingly low rates of wages paid to textile workers are found in the other mill where even today a wage of Rs. 12 is paid to doffer boys. This mill which was founded in 1877 has antiquated machinery and the management has on various occasions pleaded its inability



to pay higher wages on account of the alleged continuous losses since 1943. But the argument of the capacity of the industry to pay cannot be stretched to such an extent as actually to starve the workers. No industrial concern has a right to exist if it cannot provide a minimum subsistence to its workers.

43. The Aurangabad Mills started payment of dearness allowance in April 1942 and the rates were revised in 1945, 1946 and 1948 and the present rates per month are as follows :—

Basic Wage Rs.		Dearness Allowance Rs.
1 to 30	..	14
30 to 50	..	15-8-0
50 to 300	..	17

In Gulbarga, a War allowance of  $12\frac{1}{2}$  per cent. of the wage was granted in 1942. It was discontinued and dearness allowance at  $33\frac{1}{3}$  per cent. of the basic wage, subject, to minimum dearness allowance of Rs. 8, was paid. The rate was subsequently revised and the present rate was fixed in 1949 at one rupee per working day. Warangal and Nanded Mills started payment of dearness allowance from March 1940 at the rate of  $6\frac{1}{4}$  per cent. of basic wage. The percentage was subsequently increased on three occasions and the dearness allowance was consolidated with wages in April 1946. As the cost of living was rising, the allowance was reintroduced from June 1946. It was again revised and continued till February 1948, when, as a measure of compromise, it was agreed between the Managing Agents and the workers' representatives that a monthly statement showing variations in local prices of certain articles should be prepared to serve as a basis for payment of the dearness allowance. This was an unscientific method of calculating the cost of living index for these centres, but there was no alternative as the index figures prepared by the Department of Statistics were not sufficiently publicised. This procedure, however, brought about an appreciable increase in the amount of the dearness allowance which rose from Rs. 11 in February 1948 to Rs. 26 and Rs. 29 in the month of December 1948 for Warangal and Nanded Mills, respectively. As the workers were not willing to accept a reduction in the

allowance consequent on the fall in prices, a further compromise was reached in January 1949 between the parties and a flat rate of dearness allowance of Rs. 30 was fixed for all the workers in both the mills.

The textile mills situated in Hyderabad city also gave the allowance from 1942. While Dewan Bahadur Ramgopal Mills now pays a minimum dearness allowance of Rs. 24, the other mill continues to pay 33 per cent. of basic wages, which in themselves being low, the allowance paid does not in majority of cases amount to more than Rs. 13 per month which has been fixed as the minimum by the Conciliator.

44. While mills at Gulbarga, Nanded and Warangal paid  $4\frac{1}{2}$  months' wages, Aurangabad Mills and Dewan Bahadur Ramgopal Mills paid 3 months' wages and the Hyderabad (Deccan) Spinning and Weaving Mills paid 2 months' wages as bonus for 1948. Prior to 1948, annual bonus ranging from one to two and a half months' wages was generally paid by the textile mills.

#### GENERAL ENGINEERING

45. This industry in the State includes general iron and steel works, machine tool and other metal factories. Apart from small workshops and repair shops, there are only three establishments, *viz.*, Allwyn Metal Works, Praga Tools Corporation and Hyderabad Iron and Steel Works, which can be classified as organised industry. There is no standard designation for various categories of workers and the nature of task entrusted to workers having the same designation often varies from place to place.

46. In Allwyn Metal Works which was started in 1942, rates of basic wages up to 1946 ranged from annas 6 for unskilled workers to Rs. 4 per day for skilled men. These rates were, however, revised in 1947 and again in January, 1949. The present daily rates are as follows :—

Unskilled	1-2-0 to 1-6-0
Category III	1-6-0 and 1-10-0 to 1-15-0.
„ II	1-15-0 to 2-3-0 ; 2-8-0 to 2-14-0
„ I	2-14-0 to 3-3-0 ; 3-9-0 to 4-0-0

The management of Hyderabad Iron and Steel Works entered into an agreement with their workers in 1946 to pay the following basic wages per day :—

Unskilled	.. 1-6-0 to 1-8-0.
Skilled	.. 2-15-0.

The agreement also provided for an annual increment of Rs. 10 to skilled and of Rs. 2 to unskilled workers, but does not seem to have been implemented.

Praga Tools Corporation, started in 1946, pays the following daily wages :—

Unskilled	.. 1-8-0 to 1-10-0
Semi-skilled:	
Grade A	.. 2-4-0 to 2-12-0
,, B	.. 2-0-0 to 2-2-0
,, C	.. 1-12-0 to 1-14-0
Skilled :	
Grade A	.. 5-8-0 to 7-0-0
,, B	.. 4-0-0 to 5-0-0
,, C	.. 3-0-0 to 3-12-0

47. The first two concerns pay a flat dearness allowance of Rs. 27 and Rs. 20 per month respectively, while Praga Tools Corporation claims to have included the allowance in the wage rates.

48. Allwyn Metal Works and Hyderabad Iron and Steel Works paid one month's wages as bonus for 1948, but Praga Tools Corporation did not give any bonus.

#### CEMENT AND ALLIED FACTORIES

49. The only cement factory in the State is a unit of the Associated Cement Company group situated at Shahabad, employing in all 2,823 persons, of whom 2,726 are daily-rated—1,923 at the factory and 803 in quarries. The wage structure in this concern is governed by the policy of Associated Cement Company for all its units throughout India and the rates in Hyderabad also are paid in Indian currency. The daily rates of basic

wage paid by the Shahabad Cement Factory in 1942 and 1949 are given below :

	1942	1949
Unskilled :		
Men	0-8-0 to 0-10-0	0-12-0 to 1-0-0.
Women	0-6-0 to 0-7-0	0-10-0 to 0-12-0.
Semi-skilled and skilled	0-12-0 to 3-0-0	1-4-0 to 4-0-0.

Analysis of the distribution of workers in income groups shows that the largest number of workers, *viz.*, 2,077 were in the income group drawing between annas 10 and 12 as basic wage per day. The factory has a system of paid apprentices who are given an allowance of annas 8 a day.

Asbestos Cement Factory, Hyderabad, which started work in 1948 uses cement as one of its raw materials for manufacturing asbestos sheets for roofing, etc. The basic wage in this factory has been fixed at Rs. 21 per month as a result of conciliation. The branches of Indian Hume Pipe Company at Hyderabad and Parbhani are of recent origin and are mobile factories, mainly dependant on Government patronage. These concerns use cement as the raw material for their pipes. The basic wages paid are annas 10 for men in Hyderabad and Rs. 1-4-0 for men and annas 12 for women in Parbhani.

50. Shahabad Cement Factory gives a dearness allowance of annas 14 per day to all employees drawing a basic wage up to annas 13 per day. An additional 12½ per cent. of the basic wage is given to those getting above annas 13. This rate of dearness allowance is in force from June, 1949. In the Asbestos Cement Factory, a flat rate of Rs. 24 per month is paid as dearness allowance since February 1949. In Indian Hume Pipe Company a flat rate of dearness allowance is given; annas 15 in Hyderabad and annas 3 in Parbhani per day.

51. Annual bonus equivalent to two months wages is paid to all employees in the Shahabad Cement Factory.

#### CIGARETTE FACTORIES

52. There are two cigarette factories in Hyderabad city and employ 2,217 workers, Vazir Sultan Tobacco Company alone employing 2,018. The daily basic wages

in this Company in 1939 and at present are compared below :—

	1939		1949	
	Minimum	Maximum	Minimum	Maximum
	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
Skilled ..	0 14 0	2 8 0	1 12 0	4 8 0
Semi-skilled .	0 10 0	1 2 0	1 2 0	3 8 0
<i>Unskilled.</i>				
Men ..	0 7 0	0 8 0	1 0 0	1 14 0
Women ..	0 6 0	0 7 0	0 14 0	1 4 0

In the other factory, *viz.*, Hyderabad Deccan Cigarette Factory, which is a proprietary concern, following monthly wages are paid :

Skilled .. 50-2/8-65-E.B.-5-75.

Semi-skilled .. 35-1/8-45-2-50

Unskilled :

Men .. 27-1-35

Women and helpers .. 20-1-25.

On the basis of 26 working days, the present daily wages in these two cigarette factories for different categories of workers are :—

	MINIMUM		MAXIMUM	
	Vazir Sultan Tobacco Co.	Hyderabad (Dn.) Cigarette Factory	Vazir Sultan Tobacco Co.	Hyderabad Deccan Cigarette Factory
	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
Skilled ..	1 12 0	1 14 9	4 8 0	2 14 2
Semi-skilled	1 2 0	1 5 6	3 8 0	1 14 9
<i>Unskilled.</i>				
Men ..	1 0 0	1 0 7	1 14 0	1 5 6
Women ..	0 14 0	0 12 4	1 4 0	0 15 5

53. Vazir Sultan Tobacco Company introduced payment of dearness allowance in 1940. The allowance varied from time to time and at present a minimum of Rs. 40 is paid to all workers drawing a basic wage up to and including Rs. 42 per month while the maximum rate of Rs. 48-2-0 is earned by workers getting Rs. 75 and over. Up to 1948, no separate dearness allowance was paid to the workers in the other factory. From January, 1949, however, a flat allowance of Rs. 20 per month is being paid.

54. Annual bonus equivalent to one month's wages is usually paid to workers in these factories.

#### PAPER FACTORY

55. There is only one paper factory in the State situated at Kagaznagar (Sirpur) in Adilabad district. Monthly wages paid to different categories of workers in 1939 and now are compared below, the daily wages of 1939 being converted into monthly wages for 26 days.

	UNSKILLED		Mukadams	Fitters	Carpenters	Black-smiths	Engine drivers	Mistries
	Men	Women						
	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
1939	4 14 0	3 4 0	9 12 0 to 13 0 0	19 8 0 to 32 8 0	26 0 0 to 32 8 0	26 0 0	26 0 0	19 8 0
1949	25 0 0		20 0 0 to 50 0 0	30 0 0 to 120 0 0	45 0 0 to 80 0 0	35 0 0 to 120 0 0	45 0 0 to 80 0 0	80 0 0 to 120 0 0

Vijay Cardboard Factory started in Hyderabad city in 1946 pays basic wage of 0-13-0 and 0-10-0 to men and women respectively as against 0-12-0 and 0-8-0 in 1946.

56. Sirpur Paper Mills paid dearness allowance to workers at the rate of  $66\frac{2}{3}$  per cent. of the basic wages subject to a minimum of Rs. 13-5-4 up to July 1949. Since then a flat rate of Rs. 22-8-0 and Rs. 15 per month is paid to all unskilled men and women workers respectively. No allowance is paid to workers in the Cardboard factory.

57. In Sirpur Paper Mills bonus paid to workers varied from year to year, *e.g.*, only one month's wages were paid in 1947 as against three months' in 1948. No bonus is paid in the other factory.

## GLASS FACTORIES

58. There are only two glass factories in the State, *viz.*, Taj Glass Works and Kohinoor Glass Factory at Sanatnagar. The following table gives the present daily basic wage of certain categories of workers in this industry :—

Occupation	BASIC WAGE					
	Taj Glass Works			Kohinoor Glass Factory		
	Rs.	a.	p.	Rs.	a.	p.
Blowers .. ..	5	6	2	3	1	3
Moulders .. ..	0	12	11	0	12	3
Fireman (Head) ..	2	14	2	..	..	..
Do (Furnace) ..	2	4	11	1	8	7
Do (Helper) ..	1	2	5	..	..	..
Coal Men .. ..	0	14	0	..	..	..
Potters .. ..	3	10	4	..	..	..
Carpenters .. ..	2	1	10	1	14	0
<i>Unskilled</i>						
Men .. ..	0	12	11	0	12	11
Women .. ..	0	9	3	0	9	3
Boys .. ..	0	6	2	..	..	..

59. No dearness allowance was paid in these concerns up to May 1949, but they agreed in a conciliation proceeding to pay an allowance at the rate of Rs. 24 and Rs. 20 to men and women respectively. But during the course of our investigation, it came to our knowledge that the management of the Kohinoor Glass Factory has not yet implemented the above rates on one pretext or another and was paying allowance to the workers at the old low rates, *viz.*, Rs. 14 for men and Rs. 10 for women. Boys employed in the Taj Glass Works are paid a dearness allowance of Rs. 15,

60. Only the Taj Glass Works pays annual bonu to its workers equivalent to one month's basic wage

### CHEMICAL FACTORIES

61. There are two chemical factories working at present in the State, *viz.*, Hyderabad Chemicals & Fertilizers Ltd. Bellampally and Hyderabad Chemicals & Pharmaceutica Works, Hyderabad. The factory at Bellampally which employs 264 workers is engaged in the manufacture of heavy chemicals like sulphuric acid, nitric acid, hydrochloric acid, sodium sulphate, bone and mineral super phosphate and mixed fertilizers; while the factory in Hyderabad which employs 120 workers is primarily a pharmaceutical concern. The daily wage rates in the factory at Bellampally as a result of an agreement between the management and workers in February, 1949 are as follows :—

Category of workers		Rate			
		Rs.	a.	p.	
I. Women and boys	..	..	0	10	0
II. Apprentices	..	..	1	0	0
III. Unskilled					
Grade A	..	..	1	3	0
Grade B	..	..	1	2	0
IV. Semi-skilled	..	..			
Grade A	..	..	1	6	0
Grade B	..	..	1	4	0
V. Skilled					
Grade A	..	..	1	14	0
Grade B	..	..	1	10	0
Grade C	..	..	1	8	0
VI. Artisans					
Grade A	..	..	2	2	0
Grade B	..	..	2	0	0

(Workers in all groups are entitled to a 10 per cent. annual increment).



The basic monthly wages in the Hyderabad factory appear to be as follows:—

		Rs.
Unskilled	..	.. 15
Semi-skilled	..	.. 25
Skilled	..	.. 65

62. A flat dearness allowance of Rs. 10 per month is given to all categories of workers at Bellampally. In addition, increase in grain prices since November, 1948, is borne by the management. The factory in Hyderabad City pays the allowance at rates varying from Rs. 15 to Rs. 22.

63. Bonus is related to period of service in Bellampally. Employees with less than three years' service get one month's wages as bonus while others get 1½ months' wages. The factory at Hyderabad gives a bonus equivalent to one month's wage, but it gave two months' wages in 1948 only.

#### SUGAR FACTORY

64. The only sugar factory of importance in the State is at Shakarnagar (Bodhan) and is known as the Nizam Sugar Factory. It started production in December, 1938, and employs about 2,300 factory workers. Majority of them are unskilled and are mostly drawn from agricultural labour.

Monthly wage rates in this factory in 1939 and 1949 are compared below:—

		1939			1949		
		Rs.	a.	p.	Rs.		
Unskilled	..	.. 10	0	0	25- 1	35	
Semi-skilled	..	.. 11	4	0	35-2	-65	
Skilled	..	..	..		45-2½	-80	
					80-4	-120	
					124-6	-160	

65. This concern has been paying dearness allowance since 1942. The allowance was increased in 1943,

1945 and 1946 and the rates based on basic wage for the last two years were as follows :—

- |                             |    |  |
|-----------------------------|----|--|
| (a) Up to Rs. 30            | .. | 66 $\frac{2}{3}$ per cent.             |
| (b) From Rs. 31 to Rs. 65.. |    | 55 per cent. with a minimum of Rs. 20. |
| (c) From Rs. 66 to Rs. 100  |    | 50 per cent. with a minimum of Rs. 36. |
| (d) From Rs. 101 to Rs. 160 |    | 40 per cent. with a minimum of Rs. 50. |

From April, 1949, a flat rate of Rs. 22-8-0 is being given to categories (a) and (b).

66. One month's bonus was paid in 1942 to only such permanent employees as had joined the Provident Fund and the amount was credited as their contribution to the Fund. In the next year, one month's wages were paid to all permanent employees, excluding seasonal staff. After 1943, bonus at the rate of one month's wages was paid every year up to 1947 and two months' wages were paid in 1948.

#### OTHER INDUSTRIES

##### *Bidi Factories*

67. Important areas for bidi-making in the State are Nizamabad, Aurangabad and Warangal districts. Workers are paid on piece rate system and the rate which is generally fixed for thousand bidis is the same for both men and women working in the factory. The highest rate paid is Rs. 1-12-0 per thousand bidis in Aurangabad town, while it is only Rs. 1-4-0 at Jalna in the same district. The rate is only Rs. 1-2-0 in Nizamabad and Warangal districts. A worker generally makes about 700 to 800 bidis per day, though some workers alleged that they could prepare 1,200 to 1,500 bidis but were not supplied with sufficient quantity of leaves and tobacco. The supply of leaf varies according to the season and less number of leaves are supplied in rainy season when stocks of bidis cannot be kept in a good condition. Thus, the actual daily wages of bidi-makers range from Rs. 1-5-0 in Aurangabad to Re. 0-13-6 in Nizamabad and Warangal districts. In addition to factory workers,

a large number of workers, mostly women, make bidis in their own houses. This is known as *Ghar-Khata*, and the rate for this type of work is generally less by two to four annas for thousand bidis.

68. No separate dearness allowance is paid to workers in bidi factories. The general practice is to grant a slight increase in wage rates whenever there is a pressure from workers for increase in wages or for payment of dearness allowance owing to rise in prices. No bonus is paid anywhere.

#### TANNERIES

69. This industry is practically confined to Warangal district and is run on indigenous lines. A peculiarity of this industry is that it is mostly owned by persons coming from Madras Province. They generally obtain the factory buildings or premises on hire from local persons for a definite period ranging from one to five years and go away making room for another management. There has thus been always a discontinuity in the wage policy of the industry, resulting in frequent disputes. The Labour Welfare Officer makes an attempt to bring about uniformity in rates of wages prevailing in different factories by securing agreement between the parties. Most of the work in the tanneries is done on task basis and the rates are so fixed as to give a basic monthly wage of Rs. 20 for men. The wages in this industry are generally low everywhere as most of the workers are *chamars* or depressed classes.

70. In Warangal, some tanneries pay a flat rate of Rs. 18 as dearness allowance while others seem to have consolidated dearness allowance with basic wage. No bonus is paid by any tannery.

#### MATCH FACTORIES

71. This industry comprises in all 16 establishments providing employment to about 700 workers. Of these only two, *viz.*, Mahboobia Match Factory at Mahboobabad (Warangal district) and Deccan Match Factory at Vaijapur (Aurangabad district) are proper factories. The factory at Mahboobabad now employs 329 workers as against 492 in 1939, while the other factory has 130

workers only. The remaining concerns which are situated in Hyderabad city are cottage industries having only dipping section and employ, on an average, 25 to 30 workers. The small concerns depend on imported chemicals, veneers and splints, while all are at present experiencing great hardship as the primary raw material, viz., chlorate of potash is not readily available owing to licence and transport difficulties. Most factories had closed down during the period of our enquiry and only a few were partially working with reduced complement of workers. The daily basic wage paid to workers in the two important factories in 1939 and 1949 is compared below :

		MAHBOOBABAD			VAIJAPUR	
		Men	Women	Children	Mini- mum	Maxi- mum
		Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
Time rate	1939..	0 8 0	0 4 0	0 3 0	0 8 0	0 10 0
	1949..	1 0 0	0 10 0	0 10 0	0 12 0	1 8 0
Piecerate	1949..	0 14 0	0 11 0	0 11 0	0 8 0	0 12 0

72. The Mahboobabad Factory pays a flat dearness allowance of Rs. 7-8-0 to men and Rs. 5 to women and children, whereas the Deccan Match Factory pays it at the rate of 40 per cent. of basic wages. No bonus is paid in this industry.

### BUTTON FACTORIES

73. This industry is confined to Hyderabad city where practically all the factories are situated. In 1939, there were about twelve factories manufacturing buttons and employing nearly 1,500 workers. The number of factories increased to 27 in 1945, but it declined considerably by 1948 and now stands at 8, employing about 400 workers. At present, this industry is facing many difficulties owing to a fall in the demand for its products, and competition from outside centres manufacturing plastic buttons at cheaper rates. The basic wages in

button factories range from Re. 0-12-6 per day to Rs. 1-8-0 for men and from Re. 0-6-0 to Re. 0-9-0 for children.

74. Dearness allowance is paid separately only in a few factories and ranges from Rs. 10 per month for men to Rs. 3-4-0 for children. Bonus is not paid in this industry.

*Rice and oil mills, decorticating, ginning and pressing factories*

75. There are 579 factories in the State engaged in one or more of the above processes of manufacture and employ 19,540 workers in all. The following table gives the number of various factories and the workers engaged therein :

		No. of facto- ries	No. of work- ers
1. Combined factories	..	331	10,768
2. Oil mills	.. ..	8	330
3. Rice mills	.. ..	51	612
4. Ginning	.. ..	116	1,357
5. Pressing	.. ..	7	334
6. Ginning and Pressing	..	60	5,972
7. Decorticating	..	5	87
8. Pressing and Decorticating		1	80
	Total.	579	19,540

76. The rice mills at present work by fits and starts as they cannot obtain paddy direct from the producers and have to depend for their supplies on the Supply Department. Though these mills are found in almost all the districts, they are mainly concentrated in the rice growing districts of Telangana. The oil crushing process is carried on throughout the year and oil mills are, therefore, considered as perennial factories. A predominantly large number of ginning and pressing factories are situated in the cotton growing area of Marathwada. The employment in this industry, is purely seasonal and depends on the supply of cotton.

77. Basic daily wages of unskilled workers in rice and oil mills, prevailing in the districts visited by us are given below :

	Aurang- abad	Parbhani	Nizam- abad	Warangal	Raichur	Hyder- abad City
	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
Men ..	1 2 0	1 2 0	1 4 0	1 2 0	1 9 0	1 5 0
Women ..	0 13 0	0 12 0	0 14 0	0 9 0	1 4 4	0 12 0

Basic daily wages in ginning factories where bulk of the work is done by women are as follows :

	Aurangabad	Jalna	Nanded	Parbhani
	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
Men ..	1 4 0	1 9 0	2 3 0	1 8 0
Women ..	0 13 0	0 14 0	1 0 0	0 14 0

In pressing factories, workers, except the cotton cleaners who are women getting the same wages as for ginning, are on task work and the wages earned by them range from Rs. 1-12-0 to Rs. 2-8-0 in these places. In all these factories, skilled workers who form a small minority are engaged only in machine and boiler sections on monthly wages which are mainly regulated by the paying capacity of the concerns.

78. No dearness allowance is paid in these concerns and is said to be included in the basic wages. Only permanent workers in most of the factories are paid an allowance of Rs. 8 to Rs. 10 per month. No bonus is usually paid. Even where it is paid, it is paid only to the permanent workers and ranges from 15 days' to one month's wage.

#### MISCELLANEOUS FACTORIES

79. Besides the important industries mentioned in the preceding paragraphs, there are certain minor industries like flour mills, biscuit factories, surgical and

dressings works, hosiery works, power looms, potteries, etc. These concerns are about 60 in number and employ about 2,500 workers in all. Most of these concerns are situated in Hyderabad city and were not working at the time of our enquiry either for want of raw materials or due to financial instability. The level of basic wage generally paid to unskilled workers in these industries is low and ranges from Re. 0-12-0 to Re. 0-14-0 per day.

80. Generally, no separate dearness allowance is paid and wages are inclusive of the allowance. Where it is paid separately, it ranges from annas 3 to 14 per day.

#### BASIC WAGE

81. Of the 765 registered factories in Hyderabad, only 109 employ 100 or more workers and may be classed as large industrial establishments. Others, which constitute the large majority, employ, on an average, 20 to 30 persons each. Even in organised industries, there is no uniformity in nomenclature of occupations or in wage rates. Wage rates differ from factory to factory in the same region for the same class or category of workers. In other parts of India, too, there is considerable disparity in wage rates except in certain industries like cotton textile, engineering, transport, etc., where minimum basic wages have been fixed as a result of awards of Industrial Tribunals.

82. The question of wages to industrial labour has assumed prominence in recent years as there had been an insistent and vociferous demand from labour that their earnings which were low in all conscience in pre-war years have not risen in proportion to the rise in the cost of living. In industrially advanced countries wages are generally settled by collective bargaining between employers and employees and not by an outside authority like Government. But this has not yet been possible in this country where labour is not well organised. Minimum Wages Act was the first enactment in India to regulate wages in certain scheduled 'sweated' industries, but the necessary enquiries are in progress and no minimum wages in any such industries have been fixed anywhere so far, except in C.P. which has fixed them in certain industries under section 5(1)(b) of the Act. The Industrial Truce Resolution passed in December 1947 postulates payment of fair wages to labour and the recommendations of the Committee on Fair Wages are engaging the attention of the Government of India. When a Fair Wages Act will

be passed, it will supersede the Minimum Wages Act and wages in specified industries will in future be regulated by Regional Boards and the Provincial Wages Board. The same procedure will apply here also, as we are proposing in a subsequent chapter adoption of the Indian Labour Laws in the State. But in the meanwhile, we have to make recommendation about fixation of basic wages in the State.

83. The question of basic wage has been the subject of recent awards by Industrial Tribunals in the neighbouring provinces and a minimum basic wage of Rs. 26 per month on the basis of the pre-war price level has been fixed for workers in the textile industry in Nagpur, Sholapur, Khandesh, Madras and Indore. The figure is higher in Ahmedabad and Bombay where it is fixed at Rs. 28 and Rs. 30 respectively. From our enquiries, it appears that the wage of an unskilled worker in 1939 in the State was about annas 8 a day or Rs. 13 per month. But it is a matter of common knowledge that this wage was not enough even for their mere subsistence and that they were always incurring debts to continue to live. In order to arrive at the basic wage figure in the Hyderabad city on pre-war price level, we must compare the price levels in Bombay and other centres in 1939 with the price level in that very year in Hyderabad of food, fuel and light, clothing, etc., which make up the working class family's budget. But such comparison is not possible in the absence of the requisite data for Hyderabad. In its Awards No. IX dated the 26th June, 1948, the Industrial Tribunal, Nagpur, has made such a comparison between pre-war price levels of Nagpur and Bombay and come to the conclusion that the total expenditure of a working class family in Nagpur would be roughly Rs. 22 per month on the basis of a wage of Rs. 30 in Bombay. The Central Pay Commission recommended a basic wage of Rs. 30 at a price level 60 per cent. higher than the pre-war level. This works out to Rs. 18-12-0 as a basic wage per month on pre-war price level. In view of these figures, it would be safe to assume that the basic wage in Hyderabad city on the pre-war price level would be Rs. 20 per month. This figure would, however, provide for the barest needs of existence as stated in the Bombay and other awards. But we cannot afford to ignore the increasing desire on the part of labour to improve its standard of living and the actual improvement that has taken place since 1939.



The Nagpur Tribunal also raised the deduced figure of Rs. 22 to Rs. 26. We, therefore, propose that as in the neighbouring areas which have a close connection with the economy and trade of the State, the minimum basic wage of an unskilled industrial worker in the State should be Rs. 26 per month on the pre-war price level.

84. Most of the witnesses examined by us on this point and the panel members representing the employers agree that this is a reasonable figure, but the labour representatives on the panel think it rather low. One member wanted it to be fixed at Rs. 26 Indian currency or at Rs. 30 O.S. on the ground of the impending financial integration of the State with the Indian Union. We do not think it necessary to go into the question of the effect of the integration on wages and it is obvious that the figure we consider reasonable should be fixed in the local currency. Another member wanted the basic wage to be fixed at Rs. 42 on the analogy of the Central Pay Commission's proposal that the basic wage should be fixed in respect of a cost of living index number of 160, taking the cost of living index number of 1939 as 100. The general practice in India about fixation of basic wages in industries has been not to consolidate a portion of the dearness allowance with them and we do not see any reason to depart from it. Again, as we consider that the basic wage must be paid by all concerns, fixing it at a higher figure than Rs. 26 as a result of partial consolidation of dearness allowance might lead to unemployment as a result of several concerns going out of existence owing to their inability to pay it.

85. On the whole, we think that the figure of Rs. 26 as basic wage is very reasonable and fair to both the employers and labour. It may be argued by some employers that the ever-increasing bill of wages would hamper industrial development and lead to a vicious spiral of wages and prices chasing each other and would not ultimately benefit the labour. This contention has been adequately dealt with by the Central Pay Commission which observed as follows :

“ The familiar argument that increase in salaries and wages may itself lead to an increase in prices and thus start the vicious spiral of increasing prices and increasing wages cannot be allowed to support a

claim to keep a large section of people below the minimum level of subsistence. If even a small measure of improvement in their position will itself tend to produce the effects of inflation, the State must find other ways of counteracting such effects.” (*Report, p. 13*).

86. The next point to consider is whether this wage should differ from industry to industry or should be uniform throughout the State. The basic wage, as distinguished from dearness allowance which is meant to cover fully or partly the increase in the cost of living, only provides for the barest needs of existence and we are strongly of the opinion that all the industrial concerns in the State must give this wage to their workers and that those who cannot afford to give it have no right to exist and to continue to exploit their workers. The following observations of the Australian Court are worth quoting in this connection :

“ First of all, is an employer who is poor to be ordered to pay as high wages as an employer who is rich ? Now without laying down a rule absolute and unconditional under all circumstances, I strongly hold the view that, unless the circumstances are very exceptional, the needy employer should, under an award, pay at the same rate as his rich rival. It would not otherwise be possible to prevent the sweating of employees, the growth of parasitic industries, the spread of industrial unrest—unrest which it is the function of the Court to allay. If a man cannot maintain his enterprise without cutting down the wages which are proper to be paid to his employees—at all events the wages which are essential for their living—it would be better that he should abandon the enterprise.”

87. Another point which has to be considered in this connection is whether the basic wage should be different in urban and rural areas or should be the same throughout the State. We have given anxious consideration to this matter and come to the conclusion that in view of the fact that the differences in the relative expensiveness of living between urban and rural areas have been more or less evened out as a result of war-time conditions, the basic wage should be the same throughout the State. The

Central Pay Commission too proposed the same basic wage and rates of dearness allowance throughout the country.

88. The basic wage of Rs. 26 is for all unskilled workers, men or women, and children may be paid two-thirds of the basic wage. For other categories of workers such as semi-skilled, skilled, etc., we agree with the Committee on Fair Wages that factors such as degree of skill, strain of work, experience involved, training required, responsibility undertaken, disagreeableness of the task, etc., should be taken into consideration in fixing wage differentials.

#### DEARNESS ALLOWANCE

89. As regards dearness allowance, only 77 or about 10 per cent of the factories in the State pay it specifically while others claim to have increased the wages to allow for a portion of the increase in the cost of living since 1939. Even where the allowance is paid, there is no uniformity either in principle or the amount paid. In most cases, the amount has been fixed by agreement between the parties while a flat rate has been fixed in about half a dozen factories by the Conciliator early in 1949. Though the Hyderabad Pay and Service Commission recommended linking of dearness allowance granted to Government employees to cost of living indices, it did not link it to the indices prepared for certain centres in the State, but merely adopted the assumption of the Central Pay Commission that the index was in the vicinity of 260 at that time, with the result that the dearness allowance cannot be automatically adjusted to variations in price levels from time to time in these centres.

90. In Hyderabad city, the highest rate of dearness allowance is paid by the Vazir Sultan Tobacco Company which gives a minimum of Rs. 40, while the rate generally prevalent is Rs. 15 per month of 26 working days excepting in one textile mill which gives only Rs. 10. In Warangal, oil mills pay Rs. 8 to their permanent skilled staff only. At present, the grant as well as the amount of dearness allowance entirely depend on the bargaining power of the parties. In fact, one employer described the basis on which it is granted as that of "public auction in permanent session." We feel that payment of dearness allowance should be systematised and the allowance made adjustable to fluctuations in the price level. This

can be done by linking the payment of dearness allowance to the cost of living index of the centre concerned as is generally done elsewhere in India. But as the indices prepared for six centres in the State have August 1943 to July 1944 as their base, they do not reflect the increase in the cost of living as compared to pre-war price level on which our basic wage has been proposed. We have, therefore, to rely, as in the case of basic wage, on the general conditions obtaining in the country. With August 1939=100, the latest available cost of living indices in August 1949 for Bombay, Nagpur and Madras centres were 291, 378 and 327 respectively (*vide* Indian Labour Gazette for October 1949, p. 285). We shall, therefore, be quite justified in holding that the index has gone up to at least 300 in Hyderabad city also. All the panel members and the witnesses examined by us are also unanimous on this point.

91. We have now to consider the extent to which the increase in the cost of living should be neutralised. The percentage of neutralisation in the cotton textile mills in the case of lowest paid workers is 90 in Bombay city and Nagpur, 100 in Ahmedabad, 60 to 72 in the various centres in Madras Province and 66 $\frac{2}{3}$  in Sholapur. With Rs. 26 as the minimum basic wage on the pre-war price level, a lowest paid worker should get Rs. 52 as dearness allowance if he is to be fully compensated for the increase in the cost of living since 1939. But in determining the quantum of the allowance to be paid, the ruling consideration must always be the paying capacity of the industry concerned. Majority of the big factories in the State came into existence during the last 10 years when war-time conditions offered high rate of profit on even uneconomic management. With the cessation of hostilities, they are finding it difficult to adjust themselves to peace-time conditions. Most of the small concerns do not pay any dearness allowance at all. The high percentages of neutralisation mentioned above are also found mainly in one industry, *viz.*, the cotton textile. As we desire that the allowance proposed by us should be paid by as many employers as possible, we recommend that the increase in the cost of living should be neutralised at least to the extent of 50 per cent. This would mean that, subject to paying capacity, the lowest paid worker in any concern should get Rs. 26 as dearness allowance in addition to Rs. 26 as basic wage, *i.e.*, Rs. 52 in all per month

of 26 working days. Those few concerns which are already paying a higher wage or a higher dearness allowance will of course continue to do so and where workers consider that their concern can afford to pay them dearness allowance at a higher rate of neutralisation, they can ask for adjudication by the Industrial Tribunal.

92. While the panel members representing employers consider our proposal fair, one panel member representing labour wanted the percentage of neutralisation to be fixed at 75 on the basis of Rs. 26 as a basic wage, while the remaining two wanted it to be so fixed as would yield a dearness allowance of Rs. 40 to Rs. 45. As it is essential under the present circumstances to maximise production and maintain employment, we have suggested a figure which will achieve this object and probably avoid considerable industrial unrest. In this State, Government is a big employer of industrial labour and if our proposals are accepted by Government, the minimum earning of the lowest paid industrial employee of Government in Hyderabad city would rise from Rs. 43 to Rs. 52. At present very few concerns in the State pay more than Rs. 52 in all, and we feel that Government's decision will influence private employers and that there will be a general levelling up of labour earnings.

93. We shall now consider the question of adjustment of the rate of dearness allowance to variations in price levels. As already observed, the recognised method for such adjustment is the linking of dearness allowance with the cost of living index. This should not present any difficulty, as cost of living indices are already prepared for various centres in Hyderabad. We have recommended dearness allowance at the rate of Rs. 26 per month assuming an increase of 200 points over 1939. In August, 1949, the index figure for Hyderabad city on 1943-44 base was 153. To work out the rate of dearness allowance per point per day, it will be necessary to find out roughly what the cost of living index would have been in Hyderabad in August, 1939. As the average of the cost of living index numbers for Bombay, Sholapur, Jalgaon, Nagpur and Madras in 1944 works out to about 250, the deduced index figure for Hyderabad in 1939 would be 40. This method may not be statistically unexceptionable, but yields sufficiently reliable figure for all practical purposes. This is also the opinion of the local and outside Statisti

cians consulted by us on the point. As the Hyderabad index has gone up from 40 to 153 since 1939, the rate of dearness allowance per point per day would be Rs.  $26/113 \times 1/26 \times 192 = 1.7$  pies taking 26 working days in a month. Working days in the previous month and the index figure of one month earlier should be taken for calculation of dearness allowance to be paid in a month. Thus, the dearness allowance paid in the month of October should be based on the working days in September and the index figure of August.

94. As there is rationing in Hyderabad city and as the collection of prices of articles which make up the workmen's budget is subject to better check there, we are of the opinion that the Hyderabad index figure should be taken as the norm for working out the dearness allowance throughout the State and any variation from it in other centres should be compensated at the rate of 1.7 pies per point per day as in Hyderabad. For example, the index figure for Warangal in August 1949 was 156 when the Hyderabad figure was 153. The worker in Warangal should, therefore, get in October 5.1 pies more per day than a worker in Hyderabad. In Nanded, where the index in August was 249, a worker should get Rs. 23-1-6 more, *i.e.*, Rs. 48-1-6 as dearness allowance in October for 26 working days. As Nanded was cheaper than Hyderabad during the base period, and as the difference in the cost of living in cheap and dear places is now more or less evened out as a result of war-time conditions, the index figure in Nanded would show a steeper rise than in Hyderabad, but this will not mainly account for the wide variation of 96 points in the two places and the explanation is to be found in the fact that there is no rationing in Nanded. We, therefore, strongly urge that rationing should be immediately introduced in Nanded and other industrial centres such as Gulbarga and Aurangabad, as has been done in the mining areas. As soon as this is done, the disparity between the index figures and consequently the dearness allowance in Nanded and Hyderabad will largely disappear.

## CHAPTER IV

### COLLECTION OF LABOUR STATISTICS

95. The second item in our terms of reference desires us to examine the method and scope of collecting statistics in relation to wages, family budgets, cost of living index, industrial disputes, absenteeism and labour turnover and to suggest measures for their improvement.

96. "The Collection of Statistics Act, 1357 F. (1948)" provides for the collection of statistics relating to all matters mentioned in the Indian Industrial Statistics Act, 1942, and, in addition, to several other matters, such as cost of living, labour turnover, trade unions, banking, financial and commercial returns, industrial production, export and import, agriculture, agricultural implements, improved seeds and manure, live-stock, acreage and out-turn of crops and the stocks of grain held by any person. The Act is administered by the Director of Statistics who is the Head of the Department of Statistics and Census and works under the Revenue Department. Practically no statistics are actually collected under the Act so far as no rules have been yet framed, but a beginning has been made to collect trade statistics about cotton. Draft rules and forms for collection of general statistics were printed in the Gazette some years ago for inviting comments, but no further action was taken. Census of Manufacturing Industries Rules have been recently framed under the Act and published in the Gazette for eliciting public opinion. The Director is also trying to bring within the purview of the Act the agricultural census (acreage and production) which he has been conducting twice a year since 1944. The Department of Statistics and Census publishes a Statistical Year Book containing statistical information, collected on a voluntary basis, on various subjects including such matters of labour interest as industries, trade unions, employment and unemployment, wages and labour. The eighth issue of the Book published in 1949 is a consolidated volume for the period 1941-1942 to 1944-1945. The Year Books for the subsequent years are under compilation. The information contained in the Year Book is very useful. But much

of its utility is lost by the three or four years' delay in publishing it. As compilation and printing of the omnibus volume takes considerable time, it would be better if booklets on the different subjects included in the Year Book are punctually published every year. This would also enable the public to buy only those booklets in which they are interested. The Department has also published two quinquennial reports on Labour Census, the last report being for the quinquennium ending in 1940. The report for the next quinquennium is still under compilation. It gives some information about labour population, labour wages (district averages), labour legislation and labour welfare work in factories which was not of much value to us.

97. The only statistical information relating to labour matters which is collected on a statutory basis in the State is by the Labour Commissioner under the Payment of Wages Act, the Workmen's Compensation Act and the Trade Unions Act and by the Chief Inspector of factories and boilers about number of workers, hours of work and maternity benefit. Even this collection is most unsatisfactory as the returns are not carefully filled in by the managements, especially of small concerns, as well as by trade unions. The Labour Commissioner collects statistics relating to wages and industrial disputes on a voluntary basis through Labour Welfare Officers who are supplied with prescribed forms for the purpose. The form of wages asks for maximum and minimum monthly rates of basic wages and dearness allowance of skilled, semi-skilled and unskilled workers of both sexes in all factories. The form relating to the industrial disputes requires information regarding the number of strikes and lock-outs as well as of go-slow movements in textile, railway, engineering, mining and other concerns on an annual basis. The form also asks for information regarding the number of workers involved and the number of work-days lost. There is another fortnightly statement on strikes and lock-outs which asks for information on similar lines. Certain organised industries like textile mills, etc., furnish monthly statements on absenteeism.

98. The virtual absence of statistical information on labour matters in India was commented upon by the Royal Commission on Labour which remarked "It



is on facts that policy must be built and so long as there is uncertainty as to the facts, there must be confusion and conflict regarding the aim. The absence of accurate statistics regarding the life of workers constitutes a serious handicap to intelligent efforts to better their condition." (*Report* p. 445). Eventually the Government of India passed the Industrial Statistics Act in 1942 but it was left to Provincial Governments to enforce it in their areas by notification in their gazettes and to make rules for carrying out the purposes of the Act with the result that very little progress has been made in the matter and that the only industrial statistics that are being collected at present on a statutory basis in some Provinces are under the Census of Manufacturing Industries Rules framed under the Act. Government of India have now made a beginning to implement in the Provinces some of the matters relating to conditions of labour mentioned in section 3 (1) (b) of the Act and have forwarded a set of draft model rules and forms to Provincial Governments and Administrations for adoption under section 12 (1) for collection of quarterly statistics relating to (i) employment, (ii) attendance, (iii) wages and earnings, and (iv) hours of work in respect of labour employed in (a) factories other than railway workshops, (b) plantations, (c) tramways (other than workshops), and (d) port labour (not covered by the Factories Act), with the main object of securing uniformity in the matter of labour statistics. These rules and forms have been published in the Provincial Gazettes for inviting comments and will be finalised in due course. The draft form for factories with which alone we are concerned in Hyderabad consists of two parts. Part I which deals with employment and attendance provides for monthly collection of basic data on employment in order to facilitate the examination of employment trends in the country. It also provides for the collection of data on absenteeism classified on the basis of the main causes. Part II which deals with hours of work and earnings calls for information in respect of one wage period in each quarter in order to facilitate the compilation and publication of quarterly data on average weekly and hourly earnings. When returns are received in this form, voluntary returns on absenteeism, employment and earnings will be, of course, discontinued. Statistics on industrial disputes are now being collected on a voluntary basis and it is proposed by the Government

of India to collect this information also on a statutory basis. As an interim measure, however, provision has been made in the above model form for the collection of data on the man-days lost due to industrial disputes.

99. As it is essential that statistics relating to wages, industrial disputes and absenteeism should be prepared on uniform lines throughout the country including Hyderabad, we suggest that the draft model rules and form for factories, when finalised, should be adopted in the State. The Government of India consider it desirable that the statistics under the Act should be collected in the Provinces by an officer connected with the Labour Department, and we suggest that the collection of all statistical data about labour matters should, in future, be the responsibility of the Labour Commissioner, except that the collection of family budgets and compilation of cost of living index figures should continue with the Director of Statistics. For this purpose, the Labour Commissioner will have to be authorised by Government under section 3 (i) of the Hyderabad Collection of Statistics Act to exercise all the powers of the Director under the Act. We understand that no extra staff will be needed by the Labour Commissioner if this work is transferred to him as the staff recently sanctioned for the statistical work that is at present done in his office can easily undertake it.

100. No statistics are collected for labour turnover whether on a voluntary or statutory basis either in India or in the State. Labour turnover in a concern is usually calculated by either taking into consideration the total separation rate or the total accession rate during a definite period. For example, if the separations (S) amounted to 100 and the average monthly working force (F) is 200, the annual turnover in the concern would be 50 per cent. ( $T=S \div F$ ). Figures about labour turnover in factories may be collected in the State by the Labour Commissioner by prescribing under the Act a suitable form on the above lines or, as the matter is not urgent, it may be worthwhile to wait till the question is tackled on a uniform basis in India.

#### COST OF LIVING INDEX

101. The Director of Statistics has been preparing monthly cost of living indices for working classes in the

State since August 1945. The base period taken is August 1943 to July 1944 and the centres selected are Hyderabad (including Secunderabad), Warangal, Gulbarga, Aurangabad, Nanded and Nizamabad. A proposal is under consideration to prepare the indices only for four centres, namely, Hyderabad, Warangal, Gulbarga and Nanded as they are sufficiently representative of the different industrial regions in the State, and we endorse it. The price data collected for Aurangabad and Nizamabad centres in the base period and in the present family budget enquiry should, however, be preserved as they may be useful in future. During the base period, 6,447 family budgets were collected in the six centres, but 4,400 budgets were finally analysed to find out the "weights" to be attached to the various commodities which go to make up the workman's budget. Families were selected by the Tippet method of random sampling to eliminate any bias and schedules of families earning more than Rs. 175 per month were ignored. Though the maximum income limit was fixed at Rs. 300 in Bombay, the limit fixed here is suitable at present in view of the comparatively lower earnings of workmen in the State. Fisher and Yates' method of random sampling is, however, an improvement on Tippet's and should be followed in future family budget enquiries as in Bombay. The enquiry schedule used in collection of family budgets included 260 items of income and expenditure, but 74 items only were selected out of them for constructing the cost of living index numbers and the remaining items were omitted as they were not either generally used by the workers or as it was not practicable to work out their relatives, *e.g.*, medicine, litigation, home remittances, etc. The actual number of items taken in each centre varied from 64 in Gulbarga and Nizamabad to 73 in Hyderabad city. These items were compiled under six main groups of consumption, *viz.*, (1) food, (2) fuel and light, (3) clothing, (4) rent, (5) miscellaneous, and (6) intoxicants. The original enquiry revealed the following proportional expenditure

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on these groups for the different centres :

Centre	Food	Fuel and light	Clothing	Rent	Miscellaneous	Intoxicants	Total
Hyderabad ..	62.25	6.87	11.03	5.31	10.66	3.88	100
Warangal ..	68.43	7.50	8.70	3.21	8.04	4.12	100
Nanded ..	62.89	6.73	13.85	4.29	8.49	3.75	100
Gulbarga ..	66.50	6.05	13.15	3.32	8.50	2.48	100
Aurangabad ..	58.67	6.32	18.46	4.15	11.46	0.94	100
Nizamabad ..	64.38	8.55	13.66	3.74	5.73	3.94	100

The proportional expenditure on food is higher in these centres than in Bombay, Ahmedabad and Sholapur where it is 52.74, 52 and 49 respectively, as the majority of workers in the State belong to lower income groups.

102. The method adopted in compiling the cost of living index number is the same as in Bombay which in turn is very similar to that used by the British Ministry of Labour. Price quotations are obtained for the various items in the index for the base period and the current period and price relatives for the different items worked out. These price relatives are multiplied by weights which show the relative importance of each of the items in the group. The group weights are arrived at by equating the actual expenditure on the items included to 100 and working out the percentage of the expenditure on each item. For arriving at the group index number the sum of the products of the price relatives and the weights is taken and divided by 100. For arriving at the final index number, the group index numbers are again weighted by the percentage distribution of the expenditure on each of the groups and then divided by the sum of the weights. These percentages are those arrived at as a result of 1943-44 family budget inquiries.

103. We have scrutinised the articles included in the lists for the different centres and think that all the articles which are usually consumed by the workpeople have been taken into account and that there is no necessity of making any changes. Local habits have been taken into consideration while preparing the list for

different centres. The Hyderabad index covers items which account for 83.08 per cent. as against 86.80 in Bombay of the total average expenditure of a working class family. Remittances to home, litigation, interest on debt, debt repayment, etc., have been correctly omitted in calculating total expenditure of a working class family as they cannot be considered a part of the consumption structure. These items form the bulk of the remaining expenditure and the accuracy of the index is thus not really affected. The retail prices taken into account are the market prices, except in the case of rationed articles in Hyderabad and Warangal where the control prices are taken into consideration. There is no rationing elsewhere so far in the State and if it is introduced, the control prices should be taken into account. A few concerns have been giving subsidised grain to their workers but apart from the fact that the number of such concerns is small and subsidised grain is very often not available, at least in sufficient quantity, this factor has not been rightly taken into consideration as the index number is for all the workpeople living in the centre and not only for those working in particular concerns. If a particular quality of foodgrain or cloth which was taken into consideration at the time of the original family budget collection is not available now, the nearest quality showing the same or almost the same variation in price levels is substituted in its place, as is done elsewhere.

104. The reliability of the cost of living index numbers depends on two factors, *viz.*, the relative weights assigned to different commodities and the current price collection. The Hyderabad and the other five index numbers in the State were based on the enquiry into family budgets in 1943-44 and a fresh enquiry has been undertaken to see if any changes have taken place in the relative weights of different commodities and already about 4,000 budgets have been collected so far. Though the method followed in the State of collection of family budgets and of compilation of index figures is sound, it is necessary to ensure that the current price collection is done in a very reliable manner as this factor is of much greater importance than the weights in calculating the indices. In addition to a Market Reporter for Hyderabad city who collects wholesale and retail prices, there are ten Labour Investigators—four for Hyderabad city, two

for Warangal and one each for the remaining four centres. They collect retail prices daily of articles taken into account in compiling the cost of living index numbers in a printed form by making enquiries from shopkeepers and give average price of each of the commodities. We do not think that it is at all necessary to prescribe daily collection of prices and it would be enough if they are collected weekly as in Bombay. The prices should also be collected on a fixed day from fixed shops as far as possible to maintain comparability. As in Bombay, prices of clothing are collected once a week and changes in house rent since the base period are not taken into consideration in view of the various difficulties involved.

105. The Investigators are also subject to practically no supervision and almost the only scrutiny done of their figures is comparison of the prices submitted by the various Investigators and the Market Reporter. We agree with the Director of Statistics that the number of Investigators be reduced to eight with the abolition of the Aurangabad and Nizamabad centres and that the post of a Chief Labour Investigator created to supervise their work. The Labour Statistician attached to the Office of the Director should also check their work regularly. About 10 per cent. check of the prices collected should be adequate as in Bombay. The staff in this branch is also temporary for the last six or seven years and cannot be expected to put its heart into the work. It is, therefore, necessary to make the staff permanent and to confirm such of the present incumbents as are found suitable and properly qualified, preference being given to graduates in mathematics or economics. In addition to the price collection work, the Investigators can be utilised for collection of other statistics under the Act or for any socio-economic enquiries when necessary. They should also be sent to Bombay in turns to study the system of collection of family budgets and preparation of index numbers, as none has been sent out for training since 1942. Unless the personnel responsible for the collection of family budgets and preparation of index figures is properly trained and does its work carefully, the correctness of the index numbers cannot be guaranteed.

106. The cost of living index numbers for August in the various centres in the State from the time they

have been prepared are as follows :—

Centre	(Base period August 1943 to July 1944)				
	1945	1946	1947	1948	1949
Hyderabad ..	108	119	140	154	153
Nanded .. ..	116	135	163	242	249
Warangal .. ..	114	128	154	162	156
Gulbarga .. ..	91	118	133	194	147
Aurangabad ..	112	122	146	198	165
Nizamabad ..	106	120	136	202	169

It will be seen that the relative rise in the cost of living has been more or less the same in all centres, except Nanded. The index numbers are influenced mainly by the food group and rice and jawar constitute the major portion in this group. There has been rationing of cereals in Hyderabad city and Warangal from the base period. The following base period and current prices per seer of rice (which is important only in Nizamabad) and jawar in the other four centres will show why the Nanded index has been showing an abnormal rise, especially during the last three years :—

Centre	RICE		JAWAR	
	Base period	Current	Base period	Current
	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
Nanded ..	0 5 3	1 0 5	0 2 0	0 10 8
Gulbarga ..	0 6 6	0 10 6	0 4 7	0 4 3
Aurangabad ..	0 6 8	1 6 10	0 3 0	0 4 4
Nizamabad ..	0 4 8	0 8 3	0 2 11	0 6 1

107. The cost of living indices prepared by the Statistics Department are not published anywhere except in the Hyderabad Bulletin on Economic Affairs and are practically unknown to the public. After being approved by Government, they are sent to a few local officers, such as the Director of Information Bureau and to the Labour Bureau of the Government of India. Originally, the indices were published in the official Gazette in some of the Indian Provinces but it now appears that this practice has been discontinued except in Bihar. The Director of Labour Bureau, Simla, issues a press note containing cost of living indices and we endorse the proposal of the Director of Statistics that he should be authorised to issue a similar note every month after the indices are approved by a Board consisting of the Economic Adviser to Government, the Labour Commissioner and himself as this will ensure a better reception of the figures at the hands of the employers, workers and the general public. The note should be publicised also through the Director, Information and Public Relations.

108. As the indices are not at present properly published in the State and are not practically available to the public, neither the employers nor the employees were in a position to offer any comments on the index figures or on the method of their preparation. Also, neither the employers nor the workmen are much interested in the indices at present as they are not used in the State for regulating dearness allowance which is fixed arbitrarily in different concerns at different levels.



CHAPTER V  
LABOUR LEGISLATION

109. The third item in the terms of reference reads as follows :

“ To examine the existing labour legislation in the State and to suggest lines on which further legislation should be undertaken with particular reference to :—

- (a) Recognition of registered Trade Unions ;
- (b) Association of employees with the management in an advisory capacity, especially with regard to labour welfare schemes such as the establishment of canteens, creches, etc.;
- (c) Prevention of industrial disputes and setting up of machinery for conciliation, adjudication and arbitration of industrial disputes.;
- (d) Schemes for Social Insurance and Provident Fund, etc.”

110. The following labour legislation is now in force in the State :—

- (i) The Hyderabad Factories Regulation, 1353 F. (1944).
- (ii) The Hyderabad Payment of Wages Regulation, 1351 F. (1942).
- (iii) The Hyderabad Workmen's Compensation Act, 1349 F. (1940).
- (iv) The Maternity Benefit Act, 1349 F. (1940).
- (v) The Trade Disputes Order, 1351 F. (1942).
- (vi) Standing Orders (Conditions of Employment) Regulation Order, 1354 F. (1945).
- (vii) The Hyderabad Trade Unions Act, 1354 F. (1945).
- (viii) The Hyderabad Employment of Children Act, 1357 F. (1948).

111. There is no difference between a Regulation and an Act in the State as far as their legal effect is concerned ; Regulation denotes a piece of legislation which is issued

under the authority of H.E.H. the Nizam and at present by the Military Governor and which is not passed in the State Legislature, while an Act means a piece of legislation which was passed in the State Legislature and has received the assent of the Ruler. The Rules under the Hyderabad Trade Unions Act are, however, called Regulations, as the Bombay model on which they are based are known as Regulations. Orders having the force of law were made by the President-in-Council in exercise of the powers conferred by Rule 72-A of the Defence of Hyderabad Rules which are still in force.

112. We shall now examine serially the above existing labour legislation.

(i) *The Hyderabad Factories Regulation, 1353 F. (1944).*

Factories legislation was first introduced in the State in 1928 and was amended in subsequent years. The Regulation in force at present was passed in 1944 in supersession of the previous law on the subject and is on the lines of the Government of India Factories Act, 1934. It also incorporates amendments to that Act passed up to 1946.

113. In pursuance of the five-year programme of the Government of India for the amelioration of labour conditions in the country, the Indian Factories Act, 1934, was thoroughly overhauled and a new Act (LXIII of 1948) was passed in 1948. This Act is a great improvement on the old Factories Act and makes adequate provisions for health, safety and welfare of the workers. It does away with the distinction between seasonal and non-seasonal factories and applies to all premises wherein 10 persons or more work with the aid of power, or 20 persons or more without the aid of power. It also gives power to Provincial Governments to notify premises employing even less than the above number as a factory. In fact, any premises, wherein even one person outside the family works can be now brought under the Factories Act. It also makes provision for approval, licensing and registration of factories. It has also removed the distinction between directly recruited and contract labour as a worker now means a person employed directly or through any agency. It has raised the employment age of children from 12 to 14 and has reduced their hours of work from 5 to 4½ per day.

It has also increased the number of annual holidays with pay. It makes provision for reporting occupational diseases by managers and by medical practitioners attending on persons suffering from such diseases. It also, for the first time, provides imprisonment for breaches of certain provisions of the Act. It makes the appointment of Welfare Officers in factories employing 500 or more workers compulsory and empowers Provincial Governments to make rules requiring the association of representatives of the workers with the management of welfare arrangements in any factory.

114. The above brief description of some of the important changes introduced by the Factories Act, 1948, will show the necessity of amending the Hyderabad Factories Regulation on the lines of that Act. The usual practice in the State has been to adopt Indian legislation in labour matters with a few modifications and we strongly recommend that the Factories Act, 1948, should be adopted in toto with the necessary verbal changes in this State as usual. In fact, the Labour Commissioner has already made such a proposal to Government. The representatives of employers and employees with whom we discussed this question are in entire agreement with our views. The Act will enable Government to secure association of employees with the management in an advisory capacity, especially with regard to labour welfare schemes such as the establishment of canteens, creches, etc., by framing rules under section 50 (b).

115. A question is often raised whether clerks, watch and ward, canteen, creche and dispensary staff, etc., fall within the definition of 'workers' under the Factories Act, 1948. The Ministry of Law to which the question was referred by the Ministry of Labour at the instance of one Provincial Government have advised as follows :

“ The definition of the term “ worker ” in the Factories Act, 1948, has been so framed as to include within its scope persons employed, whether in a clerical capacity or otherwise, in any kind of work incidental to, or connected with, the manufacturing process or the subject of the manufacturing process. Some connection must of course be established between the worker and the “ manufacturing ” process as defined in the Act. The question whether any

category of clerks in a factory come within the definition of the term "workers" will, therefore, depend on whether or not their work is incidental to, or connected with, the manufacturing process. This is a question of fact for ascertainment in each case."

116. The position about the rules under the Factories Regulation is very anomalous in the State. The rules now in use were framed under the superseded Hyderabad Factories Act, 1337 F. (1928) as those drafted under the current Factories Regulation and based on the Government of India rules under the 1934 Act have not yet been translated into Urdu, the official language of the State, for various reasons. It is, of course, necessary to frame new rules under the new Factories Act when it will be adopted in the State. The Government of India have framed model rules under the Factories Act, 1948, and we suggest that these rules should be adopted with such few changes as may be necessary to suit local conditions. The needs and requirements of labour whether in Hyderabad or in other parts of India are more or less the same, and we did not find any such local conditions as would warrant departure to any appreciable extent from the model rules. It was found by the Labour Investigation Committee (*Main Report*, p. 379) appointed by the Government of India that the rule-making power was exercised by different Provincial Governments in different ways and degrees and that the intentions of the legislature had not been always fully carried out. The Government of India have, therefore, framed these model rules to secure uniformity in the matter of factory regulations throughout the country and while asking the Provinces to adopt them have laid down that if any changes are considered absolutely essential, they should be suggested for their consideration.

(ii) *Payment of Wages Regulation, 1351 F. (1942)*

117. This Regulation is on the lines of the Indian Payment of Wages Act, 1936, and the rules thereunder are also based on the same model. Section 14 (1) of the Indian Act provides that an Inspector of Factories shall be an Inspector for purposes of this Act, but this provision was deleted in the State by the Payment of Wages (Amendment) Regulation (No. 1 of 1357 F.) and the administration of the Act is now entrusted to the officers of the Labour Department who have been notified as

Inspectors under section 14 (3). Government have, however, recently decided to cancel the amendment and when this is done, Inspectors of Factories will again be Inspectors for the purposes of this Act as elsewhere in India. The Labour Investigation Committee has mentioned some of the common evasions of the Act in India such as unauthorised deductions, delay in payment of wages, non-maintenance of registers, improper utilisation of fines funds, etc. (*Main Report*, pp. 49-51) and they were noticed by us in this State also. Most of the factories did not display the rates of wages, the wage period and the date of payment. Government of India propose, as an item in their five-year labour programme, to revise the Act with a view to removing the defects noticed in its working and it would be worthwhile to await the revision before amending the Act in the State, especially as most of the evasions can be controlled by proper enforcement of the present Act.

(iii) *The Hyderabad Workmen's Compensation Act, 1349 Fasli (1940)*

118. This Act and the rules thereunder have been framed on the lines of the Government of India Act, 1923 and its rules. The Act contains amendments to that Act up to 1946. The compensation payable under the Act in the State is, of course, in the State currency (O.S.).

119. While looking into the question of waiting period in the Hyderabad Act, we found that section 5 of the Hyderabad Act, which corresponds to section 3 of the Indian Act, did not correctly incorporate its provisions, both in its Urdu and English versions. Section 3 of the Indian Act lays down that the employer shall not be liable to pay compensation (a) in respect of any injury which does not result in the total or partial disablement of the workman for a period exceeding seven days; (b) in respect of any injury not resulting in death caused by an accident which is directly attributable to the workman having been at the time thereof under the influence of drinks or drugs, etc. The corresponding Hyderabad section 5 (5), however, states "the workman shall not be entitled to any compensation in respect of any injury which does not result in the total or partial disablement of the workman for a period exceeding seven

days, or does not result in death, if the accident is directly attributable to the workman having been at the time thereof under the influence of drinks or drugs," etc. The Hyderabad Act by amalgamating the two separate provisions, namely, (a) and (b) mentioned above, gives an impression that the waiting period of seven days is prescribed only if the accident is directly attributable to the workman having been under the influence of drinks or drugs, etc. Again, there is a clear mistake in section 6 D of the Urdu text, as though the section refers to amount of compensation payable, part D alone mentions *mazdoori* (wages). Schedule IV referred to in this part also mentions *mavaza* (compensation) even in the Urdu text. The English translation contains no such mistake

120. Various defects were noticed by the Labour Investigation Committee in the working of this Act. (*Main Report*, pp. 51-55). The main defects are due to the facts that the payment of compensation is a responsibility of the employer and that the workers are often either too weak or too ignorant to assert their rights. As remarked by Shri B. Shiva Rao in his book "The Industrial Workers in India" (p. 217), "beyond a point, it does not pay a worker in India to demand fulfilment of a legal right." This difficulty will, however, disappear as soon as the Employees' State Insurance Act, 1948, is adopted in the State, as recommended by us below; for then the compensation will be paid by the Employees' State Insurance Corporation and not by the employer. This Act will also supersede the Workmen's Compensation Act so far as factory labour is concerned; but the latter will continue in force for the large section of non-factory labour covered by it. Government of India propose to revise the Act, but as this is likely to take some time, we suggest that the Hyderabad Act may be, in the meanwhile, amended in two respects. Though we do not propose to reduce the waiting period of seven days, the Act may be amended to provide for payment of compensation from the first day where the disability continues beyond seven days, as this is only fair to the poor workman. Again, at present there is no obligation on the employer to report to the Commissioner non-fatal accidents even when they give rise to claims for compensation and he has also no power to initiate action *suo motu* on the basis of any information which may reach him in respect of such accidents. The Act may,

therefore, be further amended to make it obligatory on employers to report all accidents to the Commissioner under the Workmen's Compensation Act.

(iv) *The Maternity Benefit Act, 1349 F. (1940)*

121. As there is no Central Maternity Benefit Act, the State has followed the Madras Maternity Benefit Act, 1934, with some modifications. In the Hyderabad Act, a woman worker claiming the benefit should have been employed continuously in the factory for not less than nine months preceding the date on which she gives a written notice, while the Madras Act requires only a qualifying period of 240 days during the period of one year immediately preceding the date of notice. The notice of dismissal given three months before delivery does not deprive a woman worker of the benefit in the Hyderabad Act, while the notice period is five months in the other Act. The muster roll prescribed in rule 5 (1) of the Hyderabad Maternity Benefit Rules was not maintained in several factories and the annual returns of women workers required by rule 4 were not also submitted by several factory owners. A copy of the provisions of the Act and of the rules thereunder in Urdu and the local vernaculars was not exhibited in most of the factories. Failure to give a notice in writing to the employer before delivery seems to have cost the woman benefit for the prenatal period in a few cases in the State. The benefit of eight annas per day for three weeks before delivery and four weeks after delivery is also not adequate with the result that several women prefer to work almost up to the date of confinement. The Labour Commissioner has already proposed amendment of the Act to provide benefit for ten weeks, four weeks before and six weeks after delivery, at the rate of one rupee per day. The rate may be reduced to twelve annas but the period should be extended to 12 weeks, six weeks before and six weeks after confinement as provided in the Employees' State Insurance Act, 1948. Some concerns in the State already pay maternity benefit for this period. The notice period of three months mentioned in section 7 (2) should be extended to five months. The Provincial Maternity Benefit Acts will be superseded when the Employees' State Insurance Act is implemented, but as this is likely to take some time the Hyderabad Act may be amended on the lines suggested above. It

is true that at present women working in factories which work only for some months in a year do not, as a rule, get the benefit as they cannot fulfil the condition of the qualifying period. Reduction of the period to three or four months is not likely to help as a woman in an advanced state of pregnancy will not be employed. The Employees' State Insurance Act also does not cover women employed in seasonal factories as defined in the Act.

(v) *The Trade Disputes Order, 1351 F. (1942).*

122. There is no Act or Regulation for regulating industrial relations in the State and the only provision governing this vitally important subject is the Trade Disputes Order framed under Rule 72-A of the Defence of Hyderabad Rules which are still in force. The Order provides for the appointment of an *ad hoc* Conciliation Board or Industrial Court but not of Conciliation Officers in trade disputes. Officers of the Labour Department, however, try to mediate in actual or apprehended disputes and if there is no settlement, the dispute is either referred to a Conciliation Board or to the Industrial Court by Government according to its importance. The Order apparently applies to all industrial concerns but makes a strike or lock-out illegal only in undertakings employing not less than 200 persons if it is commenced or continued without giving 21 days notice which, in the case of strike, shall be signed or bear the thumb impression of at least 25 per cent. of the employees, or when conciliation or adjudication proceedings are pending before the Conciliation Board or Industrial Court as the case may be, or within two months of the completion of such proceedings.

123. The latest Government of India legislation on the subject is the Industrial Disputes Act, 1947, and it is already proposed to adopt that Act *in toto* in this State. This Act was the first legislative measure undertaken by the Central Government under the five-year labour programme to improve industrial relations in the country to ensure that no strike or lock-out takes place, especially in public utility services, without exploring all avenues of peaceful settlement. Government of India have recently framed an elaborate Labour Relations Bill which will supersede the Industrial Disputes Act, 1947, and also incorporate the Industrial Employment (Standing Orders



Act, 1946. This Bill, when enacted, may be adopted in the State in due course, but the present needs will be served by adopting the Industrial Disputes Act, 1947. The proposed Regulation should, however, provide for the establishment of Labour Courts on the lines of the Labour Relations Bill. Such Courts are necessary not only to amplify the structure of adjudication provisions, but also to decide disputes about non-recognition of registered trade unions by employers. A Labour Court will have power to decide minor industrial disputes, the major ones being reserved for adjudication by the Industrial Tribunal, and also whether a strike or lock-out is illegal under this Act. Appeals against the decision of the Certifying Officer (Labour Commissioner) under the Industrial Employment (Standing Orders) Act which has been proposed below for adoption should also lie to Labour Courts. There should be a Labour Court for Hyderabad city and suburbs and the four Sessions Judges in the State can be appointed as Labour Courts for their respective jurisdictions.

124. The Act provides all the three means of settling industrial disputes, namely, direct negotiation, conciliation and adjudication. Government can require an industrial establishment which employs 100 or more workmen to establish a Works Committee consisting of equal number of representatives of employer and workmen, the workmen's representatives being chosen in consultation with their registered trade union, if any. Where there is no such Union, workers' representatives should be elected, election being held by the Labour Officer concerned. Where there are more than one such Union, members of each Union should be allowed to elect at least one representative. It is the duty of the Committee to promote measures for securing and preserving amity and good relations between the employer and workmen and to endeavour to compose any material difference of opinion in matters of their common interest. As remarked by the Royal Commission on Labour, the attempt to deal with unrest must begin rather with the creation of an atmosphere unfavourable to disputes than with machinery for their settlement (*Report*, pp. 339-340). The Works Committees are meant for the creation of such an atmosphere and it is expected that many trivial grievances of workers which, if allowed to accumulate, lead to serious complications will be amicably settled by discussions in the Works Committees. There is no statutory provision

in the State for the creation of Works Committees and the Labour Department is trying, in pursuance of the resolution on Industrial Truce adopted at the Government of India Industrial Conference held in December 1947, to encourage formation of such Committees in important industrial establishments through persuasion.

125. There are no statutory Conciliation Officers at present in the State as stated above. The Trade Disputes Act provides for the appointment of such officers and the Labour Commissioner and the four Suba Labour Welfare Officers can be appointed as Conciliation Officers, the Labour Commissioner for the whole State and the others for specified areas. Though the Act does not make it obligatory on Conciliation Officers to hold conciliation proceedings when the dispute does not relate to a public utility service, rule 7 of the Industrial Disputes (Central) Rules, 1947 (which, of course, will have to be adopted with minor changes along with the Act as has been done in the Provinces) requires that the Conciliation Officer shall, on receipt of information about an existing or apprehended industrial dispute in any concern, forthwith arrange to interview the parties and endeavour to bring about a settlement of the dispute in question. This will ensure that generally there will be no strike or lock-out without an attempt at conciliation. A Conciliation Board which contains equal representatives of both the parties sometimes succeeds when a Conciliation Officer fails. It may, however, be added that provision for adjudication has often made negotiation and conciliation infructuous as the dissatisfied party hopes to have better luck at the hands of the Court or Tribunal and that there is a growing tendency among both the parties to have recourse to adjudication. If conciliation fails, a Court of Inquiry is useful in bringing out facts of the dispute and influencing public opinion on the case. When the efforts of the Conciliation Officer fail, a dispute can, of course, be referred to adjudication, without being referred to a Board of Conciliation or Court of Inquiry, as soon as he submits his report within 14 days of the commencement of the conciliation proceedings or within such shorter period as may be fixed by Government.

126. A reference to the Industrial Tribunal for adjudication is obligatory under the Act only when the dispute relates to a public utility service, or when the

parties apply for it. In other disputes a reference should be made, as contemplated in the Labour Relations Bill, to the Tribunal only in the important matters specified in Schedule II of the Bill, such as wages (including classification by grades), hours of work, leave with pay, reinstatement of discharged or dismissed workers, retrenchment of surplus staff, etc., which really form the core of the major industrial disputes. The Industrial Tribunal should be empowered to hear appeals against the decisions of Labour Courts. By this arrangement, the employees can take a large majority of their disputes to Labour Courts without the intervention of Government and can also appeal to the Industrial Tribunal against the decisions of these Courts. The right of approaching a Labour Court should not vest in an individual worker but only in a registered trade union or, when there is no such union, in an elected representative of workers, the election being held by the Labour Officer concerned.

127. There is no provision for arbitration, whether voluntary or compulsory, in the Trade Disputes Act, though it exists in the Bombay Industrial Relations Act, 1947 and also in the C.P. and Berar Industrial Disputes Settlement Act, 1947. Under both these Provincial Acts, parties may voluntarily submit any industrial dispute to arbitration and Government is also empowered to refer any such dispute to arbitration of the Industrial Court, if its continuance is likely to (a) cause serious disorder or a breach of the public peace; (b) cause serious or prolonged hardship to a large section of the community; and (c) affect seriously the industry concerned. Compulsory arbitration of industrial disputes has generally failed outside totalitarian countries as it works in effect one way only, *i.e.*, against the employers as it is difficult to enforce it against a large body of workers. This is true of compulsory adjudication in public utility services also and the only effective remedy is the state of public opinion on the merits of the dispute. We also do not find any practical difference between compulsory arbitration by the Industrial Court and Adjudication as provided in the Industrial Disputes Act, and a reference to the Tribunal can be made by Government in all such cases as are mentioned in the Bombay and C.P. Acts. Voluntary arbitration has, no doubt, its place in industrial disputes as it helps promote agreement without loss of prestige on either side, but we do not think it necessary to amend the proposed Regula-

tion with a view to including provisions for such arbitration in it. There is also no provision for arbitration in the proposed Labour Relations Bill.

128. Proviso to section 15 (2) of the Indian Industrial Disputes Act, 1947, lays down that where a Government is a party to a dispute and thinks it inexpedient on public grounds to give effect to the whole or any part of the award, it shall lay the award, together with the statement of its reasons for not making a declaration that the award is binding, before the Legislative Assembly of the Province and shall declare the award as confirmed or modified by the resolution of the Assembly to be binding unless the award is rejected by the Assembly. As there is no Legislative Assembly in the State, the question naturally arises as to what the State Government should do when it is a party to the industrial dispute, especially as there are several industrial concerns in the State which are owned or managed by Government. It can, of course, be provided in the proposed Industrial Disputes Regulation that in such cases Government shall by an order in writing declare the award not to be binding or to be binding with such modifications as may be specified in the declaration and shall specify the grounds on which it considers that it would be inexpedient to give effect to the award or to give effect to it without modification. But such a provision would undoubtedly evoke severe criticism from the public, especially as an award is binding on other employers and as Government should set an example to others in respecting the award of its own Industrial Tribunal. Some provision must, however, be made in the Regulation in the absence of a Legislative Assembly to cover cases in which Government thinks it inexpedient to observe the terms of the award on public grounds which consideration does not apply in the case of private employers. In the Labour Relations Bill, there is a provision for appeal against the award of the Labour Tribunal to the Appellate Tribunal which is the all-India co-ordinating appellate and review authority and if the Government is not satisfied with the appellate order it has to place the award before the legislature. We, therefore, think that so long as there is no legislature in Hyderabad State, there should be a provision in the Regulation to enable the State Government to appeal against the award to the High Court whose decision shall be binding. In that case, clause 15 (3) will have to be deleted and proviso to clause 15 (2) and clause

20 (3) will have to be suitably modified. When the State will have a legislature, the provision in the Indian Act about laying the award before the legislature may be incorporated in the Regulation in place of the above provision.

(vi) *Standing Orders (Conditions of Employment) Regulation Order, 1354 F. (1945).*

129. This Order was promulgated under Rule 72-A of the Defence of Hyderabad Rules. It only applies to such establishments employing 200 persons or more as have been notified in the *Jarida* (Gazette). Notified industrial establishments are required to submit Standing Orders defining conditions of employment under them to the Specified Officer (Labour Commissioner) who has got powers to settle them after making such enquiries as he deems fit and after consulting such interests as appear to him to be concerned in the employment. The appellate authority against his decisions is the Secretary to Government in the Labour Department. The Labour Commissioner has already proposed adoption of the Industrial Employment (Standing Orders) Act, 1946, which will cover all establishments employing 100 or more workmen. Section 4 of the Government of India Act states that it shall not be the function of the certifying officer or appellate authority to adjudicate upon the fairness or reasonableness of the provisions of any Standing Orders which has made the measure very unpopular among the workers in India. Again, if both the certifying officer and the appellate authority are merely to ensure that provision has been made for all matters mentioned in the schedule and that the Standing Orders are in conformity with the provisions of the Act, appeals have hardly any meaning. While adopting the Act, therefore, the existing procedure about settling the Standing Orders should be retained. Appellate authority will be the Labour Court concerned.

(vii) *The Hyderabad Trade Unions Act, 1354 F. (1945).*

130. The Act and the Regulations under it are based on the Indian Trade Unions Act, 1926, and the Regulations made thereunder in Bombay. But there are certain differences between the two Acts. Unlike in India, the separate fund for political purposes constituted under section 16 cannot be utilised in the State for holding political meetings or distributing political literature or

political documents of any kind. This difference need not continue now in the changed circumstances. The Indian Act requires that not less than one-half of the total number of officers of the trade union shall be actual workers whereas in Hyderabad the proportion of workers is fixed at two-thirds in the case of members of the Executive whose number also cannot exceed 12. We suggest that the restriction on the number of the Executive should be removed. The main point is to restrict the number of outsiders in the Executives of trade unions and we recommend that outsiders should not exceed four in number or one-fourth of the total number of workers whichever is less, as was agreed at the Seventh Session of the Labour Ministers' Conference held in January 1949. Appeal against the decision of the Registrar refusing to register a trade union lies only to the High Court in the State whereas it lies to an additional or assistant Judge of a Principal Civil Court of original jurisdiction in mofussil areas in India. The Indian procedure is more convenient and should be adopted. The Trade Unions (Amendment) Act of 1357 F. (1948) lays down that the rules under the Act should also provide for the determination of the rate of subscription payable by ordinary members and the circumstances including non-payment of subscription for a period not less than six months under which the name of an ordinary member shall be struck off from the list of members. It also requires every registered trade union to maintain (a) account books, documents and vouchers, (b) list of members showing particulars of subscription paid by every member from the date of membership, and (c) proceedings of the executive general body and other meetings. It also provides for the appointment of Inspectors for the purpose of carrying out the provisions of the Act. These provisions are not found in the Indian Act and the proposal to insert them is still under consideration in India. Though it is true that as Government does not control other private bodies, it should not, on principle, do so in the case of registered trade unions, these provisions may be retained as they are likely to help development of trade unions which are of very recent origin in the State on healthy lines. In fact, there were only 13 registered trade unions before the Police Action; now they are 95 and their number is steadily increasing.

131. There is no provision, however, in the Hyderabad Act for compulsory recognition of registered trade

unions which is now possible in India under the Indian Trade Unions (Amendment) Act, 1947. The Royal Commission on Labour was not in favour of compulsory recognition of trade unions on the ground that no law can secure that genuine and full recognition which it desired to see (*Report*, p. 324), but as a large majority of employers made no efforts to recognise even unions run on sound lines, Government of India thought it desirable to provide for compulsory recognition in the hope that this step would lead to better relations between the employers and the employees. The amendment provides for the creation of Labour Courts which can be approached by registered trade unions for securing recognition by employers who have not recognised them within three months of their application and also prescribes the conditions for recognition by order of a Labour Court. Where there are two or more unions in an industry which satisfy all the conditions, they will have to be given recognition as the law stands at present. But as it is eminently desirable in the interests of the workers themselves to have a single union, the Act should provide that the employer shall recognise only one of these unions declared by the Labour Court to be the most representative union. There should, however, be no objection to recognising one union for each class of workers in an industry, *e.g.*, one for clerks and the other for workers. The amendment also defines unfair practices both by employers and registered trade unions and has prescribed penalties for them. These provisions constitute a charter for labour and will remove some of the principal causes of industrial unrest. The amendment should be incorporated in the Hyderabad Act. Labour Courts proposed in the State under the Trade Disputes Act will serve the purpose under this Act also. Recognition of registered trade unions will present no difficulty when the Hyderabad Trade Unions Act is amended as proposed above. It may, however, be added that the amendment has not yet come into force in India as the necessary notification has not yet been issued by the Government of India. It is understood that it will be enforced when the proposed Labour Relations Bill is passed into law.

132. The representatives of labour on the panel raised the question of the formation of trade unions by industrial employees of Government. The Royal Com-

mission on Labour recommended that Government should take the lead both in making recognition of such unions easy and in encouraging them to secure registration. (*Report*, p. 326). Industrial employees of Government have so far been treated in India on a par with employees in private industry and there should be no objection to their forming trade unions and registering them in the State. The question of reconciling their privileges under the Trade Unions Act and their obligations under the Government Servants' Conduct Rules presents some difficulty, though these Rules are framed primarily to regulate the conduct of Government officials outside the ranks of labour. The difficulty can be largely overcome if Government lay down special Rules for the recognition of unions of their industrial employees.

(viii) *The Employment of Children Act, 1357 F. (1948)*

133. This Act is based on the Government of India Employment of Children Act, 1948, and contains modifications up to 1st December, 1948, to that Act, except the amendment to section 3 (3) substituting the word "fourteenth" for the word "twelfth." The schedule also contains one more industrial process, namely, enamel button-making which is necessary in view of the existence of such concerns in the State. We found a large number of children under 14 employed in and all round the furnaces in glass factories, but it is not necessary to include glass manufacture in the schedule in view of the provisions of the Factories Act, 1948, which prohibits the employment of children below the age of 14 in any factory. In fact, the Act has now become superfluous except for the provision contained in section 3 (1) which relates to the prohibition of employment of children below the age of 15 in any occupation connected with the transport of passengers, goods or mails by railway.

134. Drafts of the following labour legislation have been submitted by the Labour Commissioner :

- (i) The Minimum Wages Regulation.
- (ii) The Compulsory Provident Fund Regulation.
- (iii) The Hyderabad Trade Employees Regulation.
- (iv) The Employers' Liability Regulation.
- (v) The Adjustment and Liquidation of Industrial Workers' Debt Regulation.



(vi) The Hyderabad Children (Pledging of Labour) Regulation.

135. (i) The draft of the Minimum Wages Regulation is based on the Indian Minimum Wages Act, 1948, except that the definitions given in section 2 of that Act in alphabetical order have been given here in a jumbled manner. Also, in Schedule I, item 4, relating to plantations, is naturally deleted, as Hyderabad has no plantations; but employment in enamel button manufactory has been added, as the State has a number of such factories. Again, Part II of the schedule, relating to employment in agriculture, has been entirely deleted, but the Labour Commissioner has subsequently recommended its inclusion in the draft, as the State has agreed to carry out agricultural labour enquiry under the supervision and control of the Indian Government. The need for fixing minimum wages in sweated industries and in industries where the workers are not organised has been recognised in all modern States.

136. (ii) The draft "Compulsory Provident Fund Regulation" appears to be an independent measure as there is no such Act for industrial labour anywhere else in India, except the Central Coal Mines Provident Fund and Bonus Schemes Act, 1948. It applies, in the first instance, to all factories employing not less than 200 persons and provides for the extension of the Act to other factories by notification. Every employee who has worked for not less than 200 days during 12 consecutive months or for 300 days during 24 consecutive months shall subscribe to the fund  $6\frac{1}{4}$  per cent. of his monthly emoluments except when he is on leave without pay and the employer is also required to make an equal monthly contribution. If a subscriber leaves his employment except on medical grounds within three years, he gets nothing out of the employer's contribution; if he does so after three years but within six years, he gets 25 per cent. while he gets 50 per cent. if he leaves after six years but within 12 years. He gets the full share of the employer's contribution if he continues in service for 12 years. The fund is not attachable by any decree of a Court of Law. Old age pension is much better than provident fund for industrial workers but as there is no provision for such a pension in the Employees' State Insurance Act, the present measure should be

enacted as it may help the workers in their old age. If the provident fund scheme succeeds in coal fields, Government of India intend to introduce it in other industries. Most of the big concerns in the State already have provident fund schemes for the benefit of their employees, but they differ from one another as regards rates of subscription, method of payment of the fund, etc.

137. (iii) The proposed Hyderabad Trade Employees Regulation is a measure relating to workers in shops and commercial establishments and is on the lines of similar Provincial Acts, though it does not seem to have been based on any one of them. It provides for a weekly holiday and 14 days privilege leave with full pay after 12 months' continuous service. The minimum age of employment for children is 12 and their working hours are eight per day and 42 per week. They can be employed between 6 a.m. and 8 p.m. and are to be given half an hour's rest interval after four hours of work. The Regulation will apply to Hyderabad and Secunderabad cities in the first instance and can be extended to any other area having a population of 20,000 or more by a notification in the gazette. The enforcement of the Regulation is left in the hands of local authorities, though the Labour Commissioner will be the Chief Inspector for the State.

138. The draft will have to be amended in various ways. The minimum age of employment of children should be raised to 14 and their hours of work reduced to seven per day, the spread-over also being cut down from 14 to 13 hours, *i.e.*, from 6 a.m. to 7 p.m. Wages have also not been defined in the draft and there are no provisions for health and safety of the employees. It is also desirable to invest the Chief Inspector (Labour Commissioner) with appellate powers to decide appeals against the orders of Inspectors, and of employers in cases of dismissal. The draft Regulation has followed the Bombay Act in leaving the administration of the measure to the local authorities, though all other provinces in India which have enacted such legislation and Mysore State have put the responsibility of administering it on the Governments concerned. The Committee appointed in 1947 by the Bombay Government to enquire into the working of their Shops and Establishments Act found that the local bodies had neither taken nor worked the

Act seriously and that the provision of supervision by the Provincial Government had remained a dead letter. The majority of the Committee, however, recommended that the administration of the Act should continue to vest in the local authorities as they considered it to be a proper municipal function and as the local authorities have certain machinery, *e.g.*, licensing, which could be easily utilised for the administration of a legislation of this nature, while it might be very difficult and costly for Government to create such machinery so as to reach all areas which would be covered by this legislation. They further recommended that Government should institute an inspectorate of supervision with a Chief Supervisor to check the work of the inspectors of the local authorities. Shri R. R. Bakhale, however, did not agree with the majority view as he did not believe that instituting an inspectorate of supervision by Government would work in practice as it would prove to be a source of friction and irritation between the two sets of inspectors, as local influences were generally powerful in the local bodies and it was too much to expect the inspectors to rise above them in the administration of the Act, when their appointment, promotion and removal were in the hands of these bodies and as it would be useful and helpful, in the interest of economy and efficiency, if the whole inspectorate staff was pooled together for the whole province instead of having it separately under each piece of legislation, especially as the staff of inspectors was steadily increasing in number in view of the growth of social legislation. He, therefore, recommended that the administration of the Act should be taken over by Government irrespective of whether the provincial directorate of inspection became an accomplished fact or not. (*Report*, pp. 55-57). We agree with him and recommend that the administration of the Regulation should be the responsibility of Government if the objects of the Regulation are to be properly carried out. There is no Central legislation on the subject, but in the five-year labour programme the Government of India desire to have a Central legislation for regulating working conditions in shops and commercial establishments. The proposed Act is expected to be fairly comprehensive in its scope and will secure uniformity of provisions in the Provinces. The Act when framed should be adopted in the State, but as it is likely to take some time the present draft may be enacted with the modifications suggested above. The title of the proposed

Regulation should also be changed to the Hyderabad Shops and Establishments Regulation on the lines of similar Acts elsewhere as it does not convey a correct idea of the scope of the Regulation.

139. (iv) The draft Employers' Liability Regulation is based on the Indian Employers' Liability Act, 1938, but prohibits contracting out though there is no such provision in the Indian Act. It does not, however, appear necessary to enact this measure as the defence of common employment has never been put up so far by employers in the State and as it will be superfluous when the Employees' State Insurance Act, 1948, is adopted, as the employers will then have no interest in contesting the claims.

140. (v) The proposed "Adjustment and Liquidation of Industrial Workers' Debt Regulation" generally follows the lines of the C.P. Act on the subject, and is a necessary measure for enabling poor industrial workers whose wages do not exceed Rs. 50 per month to free themselves from debts which are beyond their capacity to repay. The necessity of such a measure was emphasised by the Royal Commission on Labour (*Report*, pp. 232-233). The Civil Procedure Code has been amended in India to prevent arrest and imprisonment of debtors for non-repayment of debts, but the Hyderabad Code still retains the old provision. The draft, therefore, prohibits arrest and imprisonment of industrial workers for non-repayment of debts. We suggest that the Civil Procedure Code in the State should be amended as in India. The draft also curiously contains a section penalising a creditor or his agent who worries or aids in worrying an industrial worker for recovery of a debt and the word "worrying" has been explained to include following the worker from place to place or going round or near the house or place where he resides or works or carries on business. This provision amounts to besetting or molesting an industrial worker and should have formed part of a separate Act as in Bengal and C.P. It does not, however, appear necessary to have a separate Act for this small provision which can be included in the proposed measure by changing its title to "Relief of Indebted Workmen Regulation." The necessity of preventing besetting was also emphasised by the Royal Commission on Labour (*Report*, p. 235). Though the Labour Investigation Committee found that

Acts for the adjustment and liquidation of industrial workers' debt and for preventing their besetting did not have much tangible result in the Provinces which had enacted them, they still recommended similar legislation in other Provinces as the very existence of such Acts is a source of protection to the workers who can have recourse to them whenever necessary. (*Main Report*, p. 67).

141. (vi) The draft Hyderabad Children (Pledging of Labour) Regulation is a copy of the Children (Pledging of Labour) Act, 1933 of India and may be enacted to complete the protective legislation of children as the practice of pledging the labour of children by guardians is common in bidi workshops, button factories and tanneries.

142. We have so far dealt with the existing and proposed labour legislation in the State. In order to make the Hyderabad Labour Code reasonably complete, we suggest the adoption of the Employees' State Insurance Act, 1948, in the State. As remarked by Hon'ble Shri Jagjiwan Ram, Minister of Labour, Government of India, while piloting the Bill, the Act opens a new chapter in the history of labour legislation in this country and is the beginning of social security measures. The Act applies in the first instance to all factories (including factories belonging to the Crown) other than seasonal factories and can be extended by Government to any industrial, commercial or agricultural establishment after complying with the procedure laid down in the Act. The Act covers all employees working in factories on a remuneration not exceeding Rs. 400 per month and provides for sickness benefit, maternity benefit, disablement benefit and dependents' benefit on a contributory basis. So far chapters I, II, III and VIII of the Act have been brought into force and it is intended to start a pilot scheme in the centrally administered areas of Delhi and Ajmer-Merwara as soon as possible. There is no reason whatever why the factory labour in Hyderabad State should not have the benefit of this social insurance legislation when it is going to be extended to such labour elsewhere in India. As it will not be, however, financially possible for the State to have its own Employees' State Insurance Corporation to pay the benefits, it will have to enter into an arrangement with the Government of India for using their

Corporation so long as it does not finally accede to the Indian Union.

#### ENFORCEMENT OF LABOUR LEGISLATION

143. It will be clear from the above that the State has, or is proposing to have, a fairly complete Labour Code, based on the Indian legislation, but the enforcement of the legislation, we must say, leaves much to be desired. The most important legislation which affects the factory labour is, of course, the Factories Regulation and it is being administered at present by two independent officers, namely, the Labour Commissioner and the Chief Inspector of factories and boilers; the former looks to the welfare side of the Regulation while the latter is responsible for the enforcement of the technical provisions. This divided control has led to considerable confusion, specially in matters which are on the border line of safety and welfare measures. In such cases, contradictory instructions have been given by Labour Welfare Officers who work under the Labour Commissioner and by Inspectors of factories. Again, though checking of the hours of work falls within the purview of the Labour Welfare Officer, copy of the notice of periods for work prescribed under section 41 of the Regulation is sent to the Inspector. From our visits to factories and also from the notes of inspection recorded by Inspectors, it is clear that the statutory provisions regarding fencing of machinery, maintenance of various registers such as register of workers, Payment of Wages register, Maternity Benefit register, etc., prohibition of overlapping shifts, submission of notice of accidents in form 'K,' etc., are not properly complied with. There is no prescribed form for factory inspection report with the result that many important items are lost sight of by Inspectors at the time of inspection, though certain forms have been prescribed by the Labour Commissioner for the use of Labour Welfare Officers while inspecting factories in their capacity as additional Inspectors. Madras has two forms, 'F' and 'G,' for this purpose. Form F is for first inspection of a new factory or of an old factory if there has been a change in the occupier and is very exhaustive, while form G is for second and subsequent inspections. We suggest adoption of these forms with necessary changes, if any, to put factory inspections on a sound basis. A form of ins-

pection is also being standardised in Bombay for the guidance of Inspectors. The rules under the old 1928 Act require maintenance of a diary in the prescribed form by Inspectors, but this provision is not strictly complied with, presumably for want of forms, and they mention the work done in a running monthly diary. The diaries also do not often state how far the defects previously noticed were set right. Most Labour Welfare Officers were also noticed recording a gratuitous certificate in their brief and purfunctory inspection notes that everything was found in order when many things were not. Several concerns did not have bound inspection books, though required by rules, and seemed to treat the inspection notes with scant courtesy.

144. There were 617 working factories—486 perennial and 131 seasonal—in 1948 and it was impossible for the Chief Inspector of factories and boilers, two Inspectors of factories and boilers, and one Inspector of factories (Government have recently sanctioned increase in the number of Inspectors of factories to four with a view to relieving Inspectors of boilers of factory inspections) to carry out adequate inspections. Figures of inspection which are available only for 1947 and 1948 show that 50 per cent. and 33 per cent. respectively of the working factories were not inspected even once during these years. It is essential that all factories should be inspected thoroughly once a year to ensure that all the requirements of the Act and Rules are effectively complied with, important factories being visited more than once as may be necessary.

145. Another reason why the enforcement of the Factories Regulation is defective is the cumbrous procedure laid down for the prosecution of cases. Inspectors and additional Inspectors generally give one, two and even three warnings to occupiers before prosecuting them and no prosecution is ever launched for infringement of what is considered as minor provisions of the Factories Regulation, such as provisions of drinking water. The idea underlying this procedure seems to be that Factories Regulation is not a police measure and that occupiers should be educated in complying with its provisions and should be prosecuted only when warnings do not have the desired effect. This is no doubt a sound principle but it should not be carried too far as seems to have

been done in the State. If an Inspector detects any serious violation of, or wilful neglect to observe, any provisions of the Act or Rules, he should generally launch prosecution against the offender without giving any previous warning. If, however, it is not proposed to prosecute in view of the nature of the offence, the Inspector should serve a written notice on the manager as soon as possible after the visit, in addition to any verbal instructions given at the time. This discretion should be exercised by the Inspector in consultation with the Chief Inspector. Again, when an Inspector or Labour Welfare Officer decides to take action to prosecute, he is required to record a *panchnama* with the aid of five local influential persons. Elaborate instructions have been issued by the Labour Commissioner as to how a *panchnama* is to be done. The *panchnama* is sent to the Labour Commissioner with the request to obtain sanction for the prosecution of the occupier concerned. If the Labour Commissioner thinks that there is a good case, he sends it to the Chief Inspector for sanction. When the sanction is obtained, the Labour Welfare Officer concerned applies for the services of a legal practitioner to conduct the proceedings and files the complaint. The Labour Department sanction the proposal in consultation with the Finance Department. The legal practitioner is helped by the Labour Welfare Officer in conducting the prosecution and if the evidence of the Inspector concerned is required on technical matters by the Magistrate, he is also sent for and examined. In view of the fact that there were up till recently very few Inspectors in the whole State, even prosecution for breach of technical matters were handed over by Inspectors to Labour Welfare Officers for taking further action. The above procedure is very complicated and there is no wonder that only three cases were prosecuted during the years 1946 to 1949. The chief drawback in the procedure is the insistence by the Courts on holding a *panchnama*, as it is always difficult to procure the services of influential *panchas*, especially in surprise inspections and they also occasionally turn hostile. As far as we are aware, nowhere in India is a *panchnama* necessary for prosecution under the Factories Act, and we suggest that the formality of a *panchnama* should be done away with. It is not necessary to have the services of a legal practitioner in a large majority of cases which involve no legal points and Inspectors should conduct prosecu-



tions themselves. Draft model rule 13 of Government of India lays down that an Inspector shall have power to prosecute, conduct or defend any complaint or other proceedings arising under the Act, but, to put the matter beyond doubt, it is desirable to gazette Inspectors as Public Prosecutors to enable them to conduct the prosecutions in contested cases. Ordinarily, it should not be necessary for an Inspector to attend the court, except while filing the complaint, if the inspection note is self-contained. In India, it is not usually necessary for an Inspector even to file the complaint in person as the usual examination of a complainant by the Magistrate is waived under proviso (aa) to section 200 of the Criminal Procedure Code, but the Asafia Code has no such provision.

146. Still another reason which hampers the proper enforcement of the Factories Regulation is the light punishment given to the offenders by Magistrates. This is an old complaint in India too and the Royal Commission on Labour observed in 1931 "In the majority of Provinces, there are numerous cases of inadequate fines, particularly for repeated offences; not infrequently the fine is smaller than the profit made by the offender out of the offence" (*Report*, pp. 73-74). That these observations still hold good in the State will be clear from the fact that in the two cases which have been decided out of the three filed in court during the last four years, a fine of Rs. 20 was imposed in one for double employment of adult workers and of Rs. 200 in the other for failure to give notice of a serious accident.

147. Abnormal delays also take place in trial of these cases; for example, the two simple cases mentioned above took about a year in the trial court. Time of Inspectors, which can be much more profitably used elsewhere, is often wasted in attending courts which insist on their presence and often adjourn cases on flimsy grounds. The presence of the Inspector concerned should not be required by Magistrates as a matter of course but only when absolutely necessary. The enforcement of the provisions of the Factories Regulation will never be effective unless the Magistracy co-operates and awards suitable punishments. The new Factories Act provides for imprisonment also for breaches of certain provisions. We suggest that Government should issue a circular to the Magistrates concerned on the subject.

148. It has been recently decided by Government that the entire work connected with this Regulation should be transferred to the Chief Inspector of factories and boilers. We endorse this decision which will, no doubt, help remove the existing confusion. But with a view to securing control of all labour matters in one hand for the sake of efficiency, we suggest that as in Bombay, the post of Chief Inspector of factories and boilers should be split up into two Chief Inspectors, one of factories and the other of boilers, and that the Chief Inspector of factories should be under the administrative control of the Labour Commissioner. The Royal Commission recommended long ago that these two classes of inspection should invariably be distinct (*Report*, p. 72). It was suggested in November 1948 by the present Chief Inspector of factories and boilers in his report to Government on the labour administration in the Bombay Province that in view of the fact that the Factories Act was now becoming more a Welfare Act, the Labour Commissioner should also be the Chief Inspector of factories. It is not desirable that a Labour Commissioner should be *ex officio* Chief Inspector of factories as he need not possess the necessary technical qualifications. In Madras, where the Labour Commissioner is *ex officio* Chief Inspector, all the technical work is done by the Deputy Chief Inspector of factories. This arrangement has not apparently proved satisfactory and the revival of the post of the Chief Inspector is under consideration. The present Chief Inspector of factories can continue as Chief Inspector of boilers and to work directly under the Labour Department. He and his Inspectors will have enough work as there are 682 boilers in the State at present. The question of bringing the road rollers (which are about 200) under the Boilers Act is under consideration.

149. Four Inspectors of factories as recently sanctioned are adequate at present. After they have gained some experience of the work, we suggest that instead of congregating them at headquarters, they should be spread out at different important industrial centres. One Inspector should be at Hyderabad, another at Nanded, the third at Warangal and the fourth at Gulbarga. There

[*Statement.*

are at present 765 factories in the State and distribution of work among the Inspectors may be made as follows :

<i>Headquarters</i>	<i>Jurisdiction</i>			<i>No. of factories</i>
Hyderabad	.. Hyderabad city and suburbs	..	...	138
	Medak	..	...	36
	Nizamabad	..	...	43
				<hr/> 217
Nanded	.. Nanded	..	..	47
	Parbhani	..	..	74
	Aurangabad	..	..	86
	Bhir	..	..	22
			<hr/> 229	
Warangal	.. Warangal	..	..	70
	Nalgonda	..	..	26
	Karimnagar	..	..	20
	Adilabad	..	..	17
	Mahboobnagar	..	..	38
			<hr/> 171	
Gulbarga	.. Gulbarga	..	..	55
	Osmanabad	..	..	16
	Bidar	..	..	7
	Raichur	..	..	70
			<hr/> 148	
	Grand Total	..	..	<hr/> 765

Though Hyderabad circle will have a large number of factories, mostly perennial, the work will not be unmanageable as besides the Inspector, there will be two Labour Officers for Hyderabad city and suburbs. Nanded circle will have a considerable number of seasonal factories, chiefly cotton ginning and pressing.

150. The number of factories will considerably increase when the Factories Act, 1948, which covers all premises whereon ten workers work with the aid of power and 20 without the aid of power is adopted, and when that happens the inspecting staff will have also to be increased, roughly on the basis of one Inspector for 200 factories. Increase in the cadre of regular Inspectors will not, however, be necessary for some time to come as the existing Labour Welfare Officers will, in their capacity as additional Inspectors, continue to enforce, within the limits of their jurisdiction, the non-technical or welfare provisions contained in sections 18, 19, 20, 42, 43, 46, 49, 51-63, 66, 67-74 and 108 of the new Factories Act. Though both these agencies will, under our proposals, work under the same departmental head, namely, the Labour Commissioner, it is necessary to impose a condition that the defects found and remedies suggested for enforcing compliance with the requirements of the above sections shall be reported by these additional Inspectors to the Chief Inspector who will pass final orders in each case. This procedure which is working smoothly in the Bombay Province will eliminate the present confusion and ensure uniformity in the administration of the Act and Rules.

151. The appointment of a Medical Inspector was suggested by the Royal Commission on Labour to complete the proper inspection of factories, specially of the larger ones where the need of inspection from a medical point of view is greatest (*Report*, p. 70). But no Province except Bombay has made such an appointment and we do not think that it is necessary here also. It would be enough if this work is entrusted to an assistant of the Director of Public Health, as was suggested by the Commission in the case of less important industrial Provinces.

152. The appointment of women Inspectors was considered by the Royal Commission as specially desirable in India where almost every employed woman is married and of child-bearing age and where social and other customs make the position of the woman worker less secure than in the West (*Report*, p. 71). In view of the fact that nearly one-fourth of the total number of workers employed in factories in the State are women and children, Government have already appointed two Lady Labour Welfare Officers who are also additional Inspectors of Factories for the whole State. They should mainly devote

their attention to matters pertaining to health and welfare of women and young persons and to the provisions of the Act and Rules about creches, canteens, rest shelters, etc. They should also see that the provisions of the Maternity Benefit Act are properly observed.

153. There are at present 16 Labour Welfare Officers who are also appointed as additional Inspectors of factories ; these are the four Suba Labour Welfare Officers, two Lady Welfare Officers, two Labour Welfare Officers for Hyderabad city and suburbs and eight Labour Welfare Officers for the districts. The Suba Officers have little direct responsibility for labour matters in their areas and they seem to be acting more or less as post offices between the Labour Commissioner and the District Labour Welfare Officers. We have suggested above that the four Suba Officers be appointed as Conciliation Officers under the Trade Disputes Act. The designation of the remaining 12 Labour Welfare Officers should be changed to Labour Officers to avoid confusion with Welfare Officers who must be appointed in factories employing 500 or more workers under section 49 (1) of the Factories Act, 1948. They will continue to work also as additional Inspectors. Much of their time is at present taken up in settling individual grievances of workers and in helping them in various ways and this work will continue to occupy their time in spite of the appointment of the four Conciliators until Works Committees (which will also not cover the majority of industrial concerns in the State) are established and begin to function effectively. They should hold periodical meetings to educate the workers about the benefits offered by the various Labour Acts. They will be also responsible for enforcing the non-technical and welfare provisions of the Factories Act. Again, the collection of statistics on labour matters (except regarding cost of living index numbers) which we have proposed elsewhere to be transferred to the Labour Commissioner will be done by them.

154. The First Taluqdars are appointed as *ex officio* Inspectors in their jurisdiction. They should confine themselves to non-technical matters and send their inspection notes to the Chief Inspector for such action as he deems fit to take. They should not send their inspection reports directly to the managements concerned. Appointment of Tahsildars as additional Inspectors has served no useful purpose and should be discontinued.

155. The enforcement of other Labour Acts also is equally unsatisfactory. As stated above, registers prescribed under these Acts are not properly maintained by most of the factories which makes it very difficult to verify if the various protective provisions of the Acts have been complied with by the management. As the Officers of the Labour Department, 16 in all, have been notified as additional Inspectors under the Factories Regulation and as Inspectors under the Payment of Wages Regulation and Employment of Children Regulation, it cannot be said that the inspecting staff is too inadequate to detect this and other grave evasions of the Acts. The fact that most of these officers were recently appointed and are practically untrained and the disturbed conditions prevailing for about a year before the Police Action mainly account for this sorry state of affairs. No annual reports on the working of the Workmen's Compensation Act, the Payment of Wages Regulation and the Trade Unions Act are prepared by the officers administering them as in India. It is desirable that such reports are prepared and published in the State also.

156. Under section 15 (1) of the Payment of Wages Regulation, First Taluqdars in their capacity as Commissioners for Workmen's Compensation have been appointed as authority to decide all claims arising out of the deductions from and delay in payment of wages. But we understand that not a single claim has so far been made to them by workers who prefer to go to Labour Welfare Officers who are usually able to settle the claims amicably. The appointment of the Taluqdars as Commissioners under the Workmen's Compensation Act is also responsible for much delay in the disposal of compensation cases. A compensation case in a rice mill in Adilabad district has been pending for over four years and one in the cement factory at Shahabad has been pending for over six years. It was proposed by the Labour Department that the Labour Commissioner should be appointed as Commissioner under this Act, but the proposal was opposed by the Revenue Department and instructions were merely issued to the Labour Welfare Officers to keep themselves in touch with the Taluqdars to see that cases are decided without delay. The present position is not at all satisfactory and we suggest that the Labour Commissioner be appointed as Commissioner under the Workmen's Compensation Act

as is the case in several Indian Provinces. The Deputy Labour Commissioner should be appointed as additional Commissioner, if necessary.

157. Government industrial concerns coming under the definition of factory do not in the State maintain the registers prescribed under the various Regulations but only keep such registers as are required under the Hyderabad Civil Service Rules on the ground that such concerns are governed by them. The procedure for imposing fines is not also in accordance with the Payment of Wages Regulation and the fines are also credited to Government and not utilised for the benefit of the workers. Elsewhere such concerns comply with the provisions of the Acts concerned and there is no reason why the industrial employees of the State Government should be deprived of the benefits of labour legislation.

158. In conclusion, we would like to state that industrial peace and efficiency cannot be obtained by legislation or even by satisfying the growing demands of labour for more wages and dearness allowance. Labour legislation has undoubtedly minimised exploitation of labour and has improved its bargaining position *vis-a-vis* the employers. But the attainment of industrial peace lies in the hands of employers, workers and their representatives. The employers have to change their attitude towards workers and their unions and realise that sympathetic handling of labour is not only their duty but is also a good business. The surest way to avoid labour trouble is for an employer to take his workers into confidence and to prove to them that they are getting fair share of the wealth which they are helping to produce. It is more important to satisfy them on this point than to pay them a high wage. Mutual trust and co-operation are essential to industrial progress and are antidote to revolution. The golden rule of human conduct which means that whatever we do to or for another, we do to and for ourselves holds good in industrial relations as in other spheres of human activities. The labour too must give up its traditional attitude of suspicion and hostility towards the employer. Though it has, on the whole, observed industrial truce, it must be admitted that it has not yet realised its dignity as an equal partner in the production of wealth. Political freedom is not of much value without economic independence and it should

be the proud privilege of labour to maximise production and to have no truck with anti-national and anti-working class activities, such as lightning strikes, indiscipline and go-slow movements. This will be in its own interest too, as better wages and social security can spring only out of more production. Though trade unionism will be necessary for strengthening collective bargaining and for safeguarding labour interests, time has come when, in view of social security, minimum wages and other beneficent measures assured to the workers, it should concentrate on efficiency and stepping up of production on which, in the final analysis, conditions of labour depend. The importance of labour in the production of national wealth is now receiving recognition. As observed by Mahatma Gandhi, who may be considered as the first real leader of the Indian labour movement, "A nation may live without its millionaires and without its capitalists but a nation can never do without its labour. The greatest political contribution that labourers can make is to improve their own condition, to become better informed to insist on their rights and even to demand proper use by their employers of their manufactures in which they have had such an important hand. The proper evolution, therefore, would be for the labourers to raise themselves to the status of part proprietors."



## CHAPTER VI

### SUMMARY OF RECOMMENDATIONS

1. Action should be taken against factories having very defective buildings and lay-outs which adversely affect working conditions (para. 12).

2. 'Safety First' Committees should be formed in factories and pictures showing how accidents happen posted on the walls to reduce the number of accidents (para. 19).

3. A scheme of shifts on the Bombay model should be adopted in all continuous process factories to ensure that each worker gets a weekly holiday and does not work for more than 48 hours in a week (para. 23).

4. The practice of paying wages in lieu of the statutory holidays for 10 days found in some concerns should be discontinued (para. 26).

5. All factories employing more than 200 workers should endeavour to provide meals to their workers. (para. 27).

6. Enforcement of the provision about creches in factories employing 50 or more women should not be delayed (para. 28).

7. Labour Officers of factories should work as Labour Welfare Officers and should have nothing to do with recruitment. They should have a right of appeal to the Labour Commissioner against punishments (para. 30).

8. The proposal to build a labour colony near Mushirabad should be revived (para. 32).

9. Quarters constructed at Uppal for P.W.D. road gangs can serve as a model for housing industrial workers of low income. A fund should be created for the purpose

and it should be administered by a tripartite Housing Corporation (para. 33).

10. The basic wage of unskilled industrial worker should be Rs. 26 per month on the pre-war price level. It should be paid by all the industrial concerns and should be the same throughout the State. Children may be paid two-thirds of the basic wage. Factors such as degree of skill, strain of work, etc., should be taken into consideration in fixing wage differentials for other categories of workers (paras. 83, 86, 87 and 88).

11. Increase in the cost of living since 1939 should be neutralised at least to the extent of 50 per cent. Subject to paying capacity, the lowest paid industrial worker should get Rs. 26 as dearness allowance per month of 26 working days. Those few concerns which are already paying a higher basic wage or a higher dearness allowance will continue to do so (para. 91).

12. Adjustment of the dearness allowance to variations in price levels should be secured by linking it with the cost of living index. Working days in the previous month and the index figure of one month earlier should be taken for calculating the dearness allowance to be paid in a month (para. 93).

13. The Hyderabad index figure should be taken as the norm for working out the dearness allowance in other centres in the State and variations from this figure should be compensated by payment of 1.7 pies per point per day. Rationing should be immediately introduced in Nanded, Gulbarga and Aurangabad (para. 94).

14. The Statistical Year Book should be split up and published in small booklets according to different subjects treated therein (para. 96).

15. The draft model rules and form suggested by the Government of India for collection of statistics relating to wages, industrial disputes and absenteeism in factories should be adopted in the State (para. 98).

16. Statistical data about labour matters except those relating to family budgets and cost of living indices should be collected by the Labour Commissioner. (para.99).

17. Figures of labour turnover may be collected by the Labour Commissioner by prescribing a suitable form or the question may pend until it is tackled on a uniform basis in India (para. 100).
18. The centres selected for preparation of cost of living indices should be reduced to four. Fisher and Yates' method of random sampling should be followed in future family budget enquiries (para. 101).
19. The system of price collection requires overhauling. Retail prices should be collected weekly on a fixed day and from fixed shops (para. 104).
20. The number of Investigators should be reduced to eight and the post of a Chief Labour Investigator should be created to supervise their work. The Labour Statistician should also check their work regularly. About 10 per cent. check of the prices collected should be adequate. Staff engaged in statistical work should be made permanent. Investigators should be sent to Bombay in turns to study the system of collection of family budgets and preparation of index numbers (para. 105).
21. The Director of Statistics should issue a Press Note every month containing cost of living indices after they are approved by a Board consisting of the Economic Adviser to Government, the Labour Commissioner and himself (para. 107).
22. The Factories Act, 1948, should be adopted with the necessary verbal changes (para. 114).
23. The Model Rules under the Factories Act, 1948, should be adopted with such few changes as may be necessary to suit local conditions (para. 116).
24. The revision of the Payment of Wages Regulation should await revision of the Indian Payment of Wages Act (para. 117).
25. The Hyderabad Workmen's Compensation Act should be amended to provide for payment of compensation from the first day of the disability where it continues beyond seven days. The Act should also be amended to make it obligatory on employers to report all accidents to the Commissioner (para. 120).

26. The Maternity Benefit Act should be amended to provide maternity benefit at the rate of 12 annas per day for 12 weeks, 6 weeks before and 6 weeks after confinement. The notice period for dismissal of three months should be extended to five months (para. 121).

27. The Trade Disputes Order should be replaced by the Indian Trade Disputes Act. The proposed Regulation should, however, provide for the establishment of Labour Courts (para. 123).

28. Where there is no registered trade union in a concern, the workers' representatives on the Works Committee should be elected, election being held by the Labour Officer concerned. Where there are more than one such union, members of each union should be allowed to elect at least one representative (para. 124).

29. The Labour Commissioner and the four Suba Labour Welfare Officers should be appointed as Conciliation Officers, the Labour Commissioner for the whole State and the Suba Labour Welfare Officers for specified areas. (para. 125).

30. The Industrial Tribunal should be empowered to hear appeals against the decisions of Labour Courts. The right of approaching a Labour Court should vest only in a registered trade union or, when there is no such union, in an elected representative of workers (para. 126).

31. It is not necessary to provide for arbitration in the proposed Industrial Disputes Regulation (para. 127).

32. Provision should be made in the proposed Industrial Disputes Regulation to enable Government where it is a party to a dispute to appeal against the award of the Industrial Tribunal to the High Court in cases in which it thinks it inexpedient to observe the terms of the award on public grounds. The decision of the High Court shall be binding (para. 128).

33. The Standing Orders (Conditions of Employment) Regulation Order should be replaced by a Regulation on the lines of the Industrial Employment (Standing Orders) Act, 1946, but the existing procedure about settling the standing orders should be retained. The appellate autho-

city against the decision of the certifying officer shall be the Labour Court concerned (para. 129).

34. The provision in the Hyderabad Trade Unions Act that the separate fund for political purposes constituted under section 16 shall not be utilised for holding political meetings or distributing political literature or political documents of any kind should be deleted. Restriction on the number of the executives of trade unions should be removed. The number of outsiders in the executives should not exceed 4 or  $\frac{1}{4}$ th of the total strength of workers whichever is less. Appeals against the decision of the Registrar refusing to register a trade union in mofussil areas should lie to the highest judicial officer in the district (para. 130).

35. The Hyderabad Trade Unions Act should be amended on the lines of the Indian Trade Unions (Amendment) Act, 1947, for securing compulsory recognition of registered trade unions. There should, however, be a provision that where there are more than one union in an industry which qualify for recognition, the employer shall recognise only that union which is declared by the Labour Court to be the most representative (para. 131).

36. There should be no objection to the industrial employees of Government forming and registering their trade unions. Government may, however, lay down special rules for the recognition of such unions (para. 132).

37. The draft Minimum Wages Regulation should be enacted with the addition of Part II of the Schedule in the Indian Minimum Wages Act relating to employment in agriculture (para. 135).

38. The draft Compulsory Provident Fund Regulation should be enacted. (para. 136).

39. The draft Hyderabad Trade Employees' Regulation requires amendment in various ways. The responsibility of administering the Regulation should be on Government and not on local authorities. The title of the proposed Regulation should be changed to the Hyderabad Shops and Establishments Regulation (para. 138).

40. The draft Employers' Liability Regulation need not be enacted (para. 139).

41. The draft "Adjustment and Liquidation of Industrial Workers' Debt Regulation" should be enacted, but the title should be changed to the "Relief of Indebted Workmen Regulation" as it contains a provision penalising a creditor or his agent who worries or aids in worrying an industrial worker for recovery of debt. The Hyderabad Civil Procedure Code should be amended to prevent arrest and imprisonment of debtors for non-repayment of debts (para. 140).

42. The draft Hyderabad Children (Pledging of Labour) Regulation may be enacted (para. 141).

43. The Employees' State Insurance Act, 1948, should be adopted in the State. The State should enter into an agreement with the Government of India for utilising their Employees' State Insurance Corporation to pay the benefits so long as it does not finally accede to the Indian Union (para. 142).

44. The forms prescribed for factory inspection in Madras should be adopted with necessary changes (para. 143).

45. All factories should be inspected thoroughly once a year, important factories being visited more than once a year as may be necessary (para. 144).

46. The principle of giving warnings to occupiers for infringement of the Factories Regulation should not be carried too far and prosecution should be launched for serious infringements of law without giving any previous warning (para. 145).

47. The formality of recording a *Panchnama* for prosecution under the Factories Regulation should be done away with. Inspectors of factories who should be gazetted as Public Prosecutors should conduct prosecutions themselves and legal practitioners should be employed only in cases involving complicated questions of law (para. 145).

48. Government should issue a circular to Magistrates to try cases under the Factories Regulation expeditiously and not to require the presence of the Inspectors unless absolutely necessary (para. 147).

49. The post of Chief Inspector of factories and boilers should be split up into two posts, *viz.*, Chief Inspector of factories and Chief Inspector of boilers, and the Chief Inspector of factories should be under the administrative control of the Labour Commissioner (para. 148).

50. The four Inspectors of factories should be spread out at different important industrial centres, namely, Hyderabad, Nanded, Warangal and Gulbarga (para. 149).

51. All additional Inspectors of factories should submit their inspection reports to the Chief Inspector who will pass final orders on them (para. 150).

52. It is not necessary to appoint a Medical Inspector of factories, but the work of inspection from the medical point of view should be entrusted to an assistant of the Director of Public Health (para. 151).

53. The existing two Lady Labour Welfare Officers should mainly devote their attention to matters pertaining to health and welfare of women and young persons and to the provisions in the Factories Regulation and Rules about creches, canteens, rest shelters, etc. They should also see that the provisions of the Maternity Benefit Act are properly observed (para. 152).

54. The designation of the Labour Welfare Officers should be changed to Labour Officers. They should hold periodical meetings to educate workers about the benefits offered by the various Labour Acts. They should also collect statistics on labour matters (para. 153).

55. The First Taluqdars who are *ex officio* Inspectors of factories should send their inspection notes to the Chief Inspector of factories for action and should not send them directly to the managements concerned. Appointment of Tahsildars as additional Inspectors should be discontinued (para. 154).

56. Annual reports on the working of the Workmen's Compensation Act, Payment of Wages Regulation and the Trade Unions Act should be published (para. 155).

57. The Labour Commissioner should be appointed as the Commissioner under the Workmen's Compensation

Act. The Deputy Labour Commissioner may be appointed as additional Commissioner, if necessary (para. 156).

58. Government industrial concerns coming under the definition of 'factory' should maintain registers prescribed under the various labour laws. They should also follow the procedure prescribed in the Payment of Wages Regulation for imposing and utilising fines (para. 157).

59. The employers should realise that sympathetic handling of labour is not only their duty but is also a good business. Labour, too, should maximise production and have no truck with such activities as lightning strikes, indiscipline and go-slow movements. Mutual trust and co-operation are essential to industrial progress. Trade unionism should concentrate on efficiency and stepping up production on which, in the final analysis, conditions of labour depend (para. 158).

In the end, we wish to place on record our appreciation of the good work done by K. A. Ansari as Assistant Secretary of our Committee. A. K. Mitra, Private Secretary to the Chairman, and P. S. Venkat Rao, Stenographer, were of considerable help in shorthand and typing work.

(Sd.) D. V. REGE,  
*Chairman.*

(Sd.) M. KRISHNASWAMI AYYAR,  
*Member.*

(Sd.) A. L. RAZVI,  
*Member-Secretary.*

31st December, 1949.



## APPENDIX I

### QUESTIONNAIRE

#### SECTION I.—PRELIMINARY

1. Are you aware of any survey of labour conditions made in Hyderabad State by any public or private body or individual or of any printed material bearing upon labour conditions? If so, kindly give the name of the publication and the full address of the author and the source from which copies could be obtained.
2. What legislative measures for the regulation of labour conditions are, in your opinion, of fundamental importance as a condition precedent to the formulation of a Social Security programme? In what respects, if any, does the existing legal and administrative structure require to be improved?

#### SECTION II.—EXISTING LABOUR LEGISLATION

##### (A) *Factories Regulation*

3. Are the provisions of the Factories Regulation and Rules made thereunder being strictly enforced? If not, please state the extent to which evasion or violation is taking place in respect of any provisions and the methods or means of such evasion or violation. What machinery exists for enforcing the Regulation? Is the Inspectorate adequate?
4. State the nature and extent of evils that exist in establishments which are not subject to the Factories Regulation. Would you advocate the extension of any part or the whole of the Regulation to such establishments, or would you prefer the enactment of a separate measure to deal with them? Can any such legislative measure be successfully enforced?
5. Have you any observations to make on the exemptions granted by Government in respect of certain provisions of the Factories Regulation?
6. Have you any suggestions to make for improving the Factories Regulation or its administrative machinery? If so, please mention them, giving reasons.
7. Do you consider that the Government of India Factories Act, 1948, should be adopted in the State? If so, with what modifications to suit local conditions?

*(B) Payment of Wages Regulation*

8. Are the provisions of the Payment of Wages Regulation and Rules made thereunder being strictly enforced? If not, please state the extent to which evasion or violation is taking place in respect of any provisions and the methods or means of such evasion or violation. Are there any inherent difficulties in the enforcement of the Regulation?
9. In particular, how does the Regulation work in relation to contract labour?
10. Do you think that the wage limit prescribed by the Regulation in section 1 (4) requires to be altered?
11. If you are not satisfied with the present working of the Regulation, what improvements in the Regulation or Rules or in the administrative machinery would you suggest?
12. Are any deductions from the earnings of the workers made by the employer which are not capable of being prevented by the existing provisions of the Regulation or Rules?

*(C) Workmen's Compensation Act*

13. Are you satisfied with the working of the Workmen's Compensation Act? If not, please state how it can be improved.
14. What difficulties are experienced by different types of workers (contract, badli, etc.) in Hyderabad State in securing compensation? Is part payment made before the claim is finally settled? Are they aware of their own rights under the Act? If not are any steps being taken to educate them in this regard?
15. (1) What procedure is followed by you for—
  - (a) reporting accidents occurring in your concern?
  - (b) payment of compensation when it is due?
- (2) Are there any complaints on the part of operatives regarding delays in payment of compensation?
16. To what extent do employers insure against accidents with Insurance Companies? Are you in favour of compulsory insurance by all employers against accidents with Insurance Companies?
17. Are you in favour of extending Schedule III of the Act which enumerates the occupational diseases entitling workers to compensation?
18. Have you any suggestions to make regarding: (a) scale of compensation, (b) conditions governing grant of compensation, (c) machinery of administration, (d) extension of the

Act to industries not covered by it at present, (e) any other matters.

19. What medical assistance is available to the injured worker in your establishment? Is it free? What are the qualifications of the medical officer-in-charge?

(D) *Maternity Benefit Act*

20. Apart from any legislative enactment, is maternity benefit provided under any special agreement between employers and workers or at the discretion of the management?
21. Where a Maternity Benefit Act is applicable, has it resulted in a diminution of the employment of women workers?
22. How successful has the Act been in its intentions? Do women workers experience difficulties in obtaining benefit? If so, what are they?
23. Are female workers discharged or threatened with discharge by employers in order to avoid payment under the Act?
24. Are the cash benefits payable and the period for which they are payable adequate? How is the payment made?
25. What improvements, if any, in the Act would you suggest?

(E) *Trade Disputes Order*

26. How far has the machinery provided under the Trade Disputes Order been found satisfactory for the settlement of industrial disputes?
27. For the prevention of Industrial Disputes, Government of India have established the following machinery:—
1. Works Committees.
  2. Conciliation Officers.
  3. Conciliation Boards.
  4. Court of Enquiry.
  5. Industrial Tribunals.

Do you think that establishment of a similar machinery in the State would be helpful? If not, what other suggestions can you offer in this regard?

(F) *Trade Unions Act*

28. Do you consider that it is desirable to allow outsiders, *i.e.*, persons not connected with the industry concerned to be members of the executive committees of Trade Unions? If so, in what proportion?

29. Do you think that the question of recognition of a union should be a matter of mutual agreement between the employer and the union or should it be made compulsory ?
  30. Has your union been recognised by the management ? If so, on what terms and conditions ? Please supply a copy of the terms of recognition.
  31. Are there any instances of workers being victimised on account of their trade union activities ? If so, what remedies would you suggest to avoid such victimisation.
  32. Are you in favour of trade union accounts, documents and registers of membership being checked and inspected by Government Inspectors appointed for the purpose ?
- (G) *Standing Orders (Condition of Employment) Regulation Order.*
33. Are the provisions of Standing Orders (Conditions of Employment) Regulation Order adequate ? If not, in what respects should they be amended.
  34. Are you in favour of extending the provisions of this legislation to concerns employing less than 200 workers ? If so, what should be the minimum limit ?

#### SECTION III.—WAGES AND EARNINGS

35. What are the basic wage rates for different types of workers, for time and piece-work, respectively, in your industry or establishment ? Can you supply information regarding the changes that have taken place in these rates since 1347 Fasli (1938) ?
36. Please describe the principles underlying the fixation of basic wages for time and piece-rated workers in your establishment or industry.
37. In addition to the basic wages, what allowances, bonuses, etc., are paid ? Please give full details stating which of these are temporary and which permanent and the conditions on which such allowances or bonuses are given. Are any attempts made to evade payment of these allowances and bonuses ?
38. Are there any allowances or bonuses which have owing to lapse of time, become part and parcel of the basic wages and are not subject to fluctuation from time to time ? If so, give full particulars.
39. How do you calculate overtime pay in the case of time-work, piece-work, or combination of time and piece-work ? Do you maintain any registers for recording overtime pay ? Are they available to the workers or their representatives for inspection ?
40. Are any deductions made for the weekly holidays from the wages of workers who are paid on a monthly basis ?

41. (a) Are wages paid directly to the worker or through jobbers, mistries, mukaddams, sardars or contractors ?
- (b) Are there any workers engaged on contract ? If so, what is their proportion to total number of workers ? Please give details of contract labour in each category.
- (c) How do wages paid by your contractors compare with those paid by you for similar work in your establishment ?
- (d) Is there any stipulation in the contract agreement with regard to wages payable to contract labour ? What steps are taken to see that this stipulation is properly observed ?
42. (a) Are workers dismissed and re-employed on lower scales of pay because permissible deductions under the Payment of Wages Act are not considered adequate, or for any other reason ?
- (b) Is it customary with the employer to hold wages in arrears in order to prevent his workers from deserting him without notice ?
43. (a) In the same department and occupation and for the same type of work, do differential rates of wages exist ?
- (b) Are different wage rates paid to permanent and temporary workers and to men and women doing the same or similar work ? If so, please give full details.
- (c) Are different wages paid to night workers and to those working on holidays ? If so, please give details.
44. (a) What are the periods of wage payment in your establishment ? Are you in favour of weekly, fortnightly or monthly payment of wages ? What is the time lag between the day on which wages become due and the day of actual payment ?
- (b) Are any advances given to workers in between the periods of wage payment ?
45. Have any efforts been made to standardise the wage rates ? If so, kindly supply full details of the scheme evolved. What, in your view, are the main difficulties in standardising the wage rates ?
46. (a) What attempts at rationalisation have been made in your Industry ? Please give details.
- (b) What are the effects of such scheme on—
- (i) total employment in the concern,
- (ii) employment in particular occupations,

- (iii) wage rates,
- (iv) earnings,
- (v) production, and
- (vi) working conditions, especially strain and fatigue.

(c) In what proportion are the gains resulting from these schemes passed on to the workers?

47. Are you in favour of the establishment of a minimum wage? Give reasons for your views.
48. On what principle should the minimum wage be based?
49. What machinery would you suggest for fixing and revising the minimum wage?
50. What would be the effect of fixing the minimum wage on (a) total employment, and (b) employment in particular occupations in the industry?

#### DEARNESS ALLOWANCE AND BONUS

51. Please give the scale or scales of dearness allowance in force in your factory or establishment stating the principles on which the scale is based, and the date from which this allowance is paid.
52. Does the Cost of Living Index number prepared by Government fully cover the increase in the cost of living? If not, how and why? Can you indicate the extent to which the actual increase in the cost of living is or is not covered by the official index number?
53. What percentage of the increase in the cost of living shown by the official index number is covered by the existing dearness allowance?
54. Do you consider that an immediate increase in the scale of dearness allowance in your undertaking in any occupation or unit is necessary or possible? If you do not think it necessary or possible, please give reasons. If necessary or possible, what should be the increase? Please mention the basis of your calculation.
55. Do you consider that the linking of dearness allowance with the cost of living indices is a proper method of determining such allowance, or do you suggest any other basis on which such allowance should be calculated?
56. Does your concern pay any bonus or more than one kind of bonus to its operatives? If so, to what categories of workers and in what proportion? What is the proportion of bonus to wages? What are the conditions which a worker has to fulfil to be entitled to claim bonus?

57. Since which year has the bonus been granted? Has its rate been altered since it was first granted?
58. On what grounds was the bonus originally granted? Are these grounds valid today? What relation should bonus payments have to profits?
59. State the number of workers employed in your establishment, and the amount of the annual wage-bill showing the amount paid for wages, dearness allowance, and bonus separately.

## SECTION IV.—EMPLOYMENT

60. State the total number of workers employed by you in your establishment on the 28th Bahman, 1348 F. (1st January, 1939), and 1st of Isfandar, 1357 F. (1st January, 1947) or at least on the latter date, classified as under:
- (a) Supervisory staff.
  - (b) Clerks.
  - (c) Workers employed and paid directly by establishment (Men, Women and Children).
  - (d) Workers employed by contractors and paid by establishment (Men, Women and Children).
  - (e) Workers employed as well as paid by Contractors (Men, Women and Children).
61. If you have any statistical information regarding the length of service of operatives in your concern, please give it in the following form:
- those between 0 to 1 year of service,
  - those between 1 and 5 years of service,
  - those between 5 and 10 years of service, and
  - those over 10 years of service.
62. Are there any Standing Orders, Rules or Agreements in your concern, governing the day to day relationship between employers and workers? If so, please supply a copy.
63. Are your workers classified as permanent, temporary, badli or casual? Give the percentage in each category and explain the rights and privileges of each category of workers. How are temporary, badli and casual workers put on the permanent list, if at all? Have you any definite rules? If so, please supply copies of them.
64. (a) Do you recruit your labour direct? If not, what is the agency for recruitment? To what extent is labour recruited through jobbers, contractors and sub-contractors, or any other agency? Explain your recruitment system fully and give your reasons for your preference for it over other alternatives. Do you find that

the Department of Resettlement and Employment is an effective machinery for regulating employment of workers? If not, what are your suggestions to make it effective?

- (b) Is any commission paid to contractors for recruiting labour? If so, at what rate?
  - (c) Are your jobbers in the habit of exacting petty sums called "dasturi" from the labourers?
  - (d) Are your jobbers empowered to dismiss and engage workers at their own discretion?
65. Do you employ women overseers or Naikins in the departments where women work? If so, have any complaints been brought to your notice about these women abusing their power?
66. Do you maintain service or registration cards for all or some of your workers? If so, please send a specimen copy.
67. State the labour turnover in your establishment for the years 1347 F. (1938) and 1357 F. (1947) or any recent years in the tabulated form below:—

---

	Total number of workers who left during the month or year	
Average daily number of workers employ- ed during the month or year	Permanent	Temporary

---

68. Can you point out reasons for labour turnover and suggest measures for reducing it? Is the turnover greater during some months than in others? If so, why?
69. Do you maintain figures of absenteeism? If so, on what basis is absenteeism calculated? Please supply figures of absenteeism in your establishment during the years 1347 F. (1938) and 1357 F. (1947). Is absenteeism greater in night shifts than in day shifts? Is it greater in some months than in others? Is it greater immediately after the pay day or on festival holidays? Discuss the various causes of absenteeism and the remedies necessary for its reduction.
70. Have you tried attendance allowances in order to check the evil of absenteeism and if so, with what results?
71. Have you any provision for the training of apprentices? How many of them have had preliminary education? Please supply a copy of the rules, if any.
72. Do you have any system of incremental or graded promotion in the same or different categories in your establishment?



If so, please describe it. Do you think that such a system is in the interests of industry ?

73. Do you give any holidays with pay in addition to the statutory holidays to workers, skilled and unskilled ? If so, please supply details.
74. Have you any system of leave with or without pay for your workers ? Is the leave provision adequate ? What is the proportion of workers who are entitled to such leave ? Do you maintain any leave reserves ? If you have any leave rules, please supply a copy.
75. Are workers suspended or sent on compulsory or forced leave as a disciplinary measure ? If so, please give the number of such cases in your concern in 1357 F. (1947).

#### SECTION V.—WORKING CONDITIONS

76. What are your hours of work ? State under the following heads :—
- (a) normal, *i.e.*, as determined by custom, agreement or law, (b) actual, *i.e.*, including overtime, (c) spread-over, *i.e.*, the relation between hours worked and hours during which a worker is on call, and (d) days worked per week.
77. How many and what kinds of shifts (single, double, multiple, or overlapping) do you work ? Specify the hours of work, the rest intervals and the weekly days of rest for each shift of workers. If you work overlapping shifts, what are your special reasons for doing so ?
78. If your establishment is a continuous process factory, what arrangements are made for rest days and at what intervals are those rest days given ?
79. Have you taken any special measures for prevention of accidents or for protecting the workers from dust, heat, glare, etc., apart from those prescribed by the Factories Regulation ?

#### SECTION VI.—MIGRATION

80. (a) What proportion of the labour force in your area or concern is permanently settled and what proportion is migratory ?
- (b) What proportion of your workers who come from villages leave their families behind them ?
81. Mention the areas from which the workers are chiefly drawn ? Do the workers who come from outside return to their villages occasionally or only during holidays ?
82. Is there any seasonal migration of the workers for agricultural operations, etc. ?

83. Do you think that a stabilized labour force is desirable in the interests of industry? If so, what steps should be taken to achieve this object?
84. Is there much migration of workers between factories in the same or different areas?

## SECTION VII.—WELFARE ACTIVITIES

85. Please describe the nature and extent of welfare work done by you for your workers? The information may kindly be supplied under the following heads:—
- (a) Canteens—their working, kind of food provided, percentage of workers who benefit, their degree of popularity, etc.;
  - (b) Creches—Number of children provided for, the supervisory staff employed and their qualifications. What attempts have been made to popularise the creche among women workers?
  - (c) Entertainment—cinema shows, radio sets, sports, etc.;
  - (d) Medical attendance in factories and houses, provision of maternity and child welfare, etc.;
  - (e) Washing and bathing facilities;
  - (f) Any other facilities.
86. (a) What are the effects of such welfare work on the worker, his attendance at factory, his standard of living and industrial efficiency, his habits and absenteeism?
- (b) What proportion of your workers are addicted to drinking? Do you think that this evil could be lessened by curtailment or abolition of liquor shops near the factory, substitution of liquor shops by tea shops and the opening of cinemas, clubs, welfare centres and other forms of recreation?
87. What facilities are available for (a) housing of workers, (b) education of the workers' children, (c) education of adult workers, and (d) industrial and vocational training? What practical results have they achieved?
88. Have you any statistical information about literacy among industrial workers? If so, please supply the same.

## SECTION VIII.—LABOUR STATISTICS

89. Do you supply any statistical information to Government in respect of:—
- (a) Number of workers employed—Men, Women and Children.
  - (b) Wages of different categories of workers.
  - (c) Disputes (strikes and lock-outs).
  - (d) Absenteeism.
  - (e) Labour turnover.

- (f) Accidents.
- (g) Compensation paid to the injured.
- (h) Maternity benefit.
- (i) Holidays, hours of work and intervals.
- (j) Deductions from wages.

If so, whether it is furnished voluntarily or under any Act.  
The periodicity of these returns may also be given.

90. What Labour statistics would you propose for collection on statutory basis.

#### SECTION IX.—INDUSTRIAL RELATIONS

91. Have you a Labour Officer to enquire into the grievances of workers? If not, have you any other machinery for enquiring into this matter and into complaints against the supervisory staff? If so, is it working satisfactorily?
92. Have workers formed any trade union? State membership, monthly subscriptions, etc. Has there been any agreement regarding wages, hours of work, employment, dismissal, etc.? Please supply a copy of agreement, if any.
93. Is there any Works Committee? Give its constitution and an account of its activities.
94. Give details of strikes in your concern during the last ten years, particularly with reference to the following:—
- (a) The percentage of workers involved in each strike.
  - (b) Causes of strike.
  - (c) Duration of strike.
  - (d) Method of settlement.
  - (e) Terms of settlement.
95. What are the main causes behind the present unrest among the workers leading to industrial conflict and stoppages in production?
96. What activities of workers, in your opinion, constitute indiscipline?
97. Are you in favour of referring such disputes as are not settled by the parties to compulsory arbitration? If so, what should be the composition, procedure, and power of arbitration authority? What sanction would you suggest for enforcing its award?
98. What is the most effective and democratic way of minimising industrial disputes and securing their amicable settlement?

## SECTION X.—SOCIAL SECURITY MEASURES

99. What are the various risks of insecurity arising in the case of industrial labour against which provision should be made in a social security programme ?
100. What particular classes of labour are exposed to such risks and to what extent ?
101. Which of the various security measures such as health insurance, unemployment insurance, invalidity pensions, old age pensions, widows' and orphans' pensions, industrial life insurance, maternity insurance, etc., do you consider of paramount importance in the case of workers ? Which of them need prior attention ? Which of them do you regard as within the range of practicability ?
102. What special difficulties do you foresee in the way of the introduction of social security measures for workers in the State ? How would you overcome these difficulties ?
103. Do you consider that a programme of social security for industrial workers in Hyderabad State is unattainable on grounds of finance ?
104. To what extent does insecurity of employment prevail ? What are its causes ? What measures would you suggest for remedying it ?
105. To what extent can the displaced labour be absorbed in alternative occupations ?
106. What should be the features of a scheme of Unemployment Insurance designed for workers who are already employed and who may later be thrown out of employment ? What ancillary measures, if any, would you suggest ?
107. Are you in favour of making (a) compensation for accident or occupational disease, (b) maternity benefit as part of Social Insurance programme instead of continuing them as a liability on the employer ? Please give reasons for your views.
108. Is there a provident fund, gratuity fund, or pensions fund for skilled and/or unskilled workers in your establishment ? If so, kindly supply a copy of the rules.
109. In particular, state whether the fund is registered, when it was started, whether it is open to all workers or only to some, what the respective contributions of employer and workers are, the number of workers covered, the amount of the fund, investments made, whether the accumulation to the credit of a worker is attachable or alienable under any circumstances, etc.
110. Consider the feasibility of Old Age Pensions, Industrial Life Insurance, Compulsory Provident Funds, or a combination

of any of these, to deal with the problem of provision for the workers' future.

111. Do you think that separate social security programmes are necessary for industrial labour? If so, please make detailed suggestions.
112. Have you any other suggestions to make with regard to social security?

## APPENDIX II

### SUPPLEMENTARY QUESTIONNAIRE FOR TEXTILE MILLS

1. Name of the Mill.
2. Number of spindles and looms.
3. Total hands required to run the factory :  
 Males.  Females.  Children.
4. Number of shifts and their hours of working.
5. Please give details of: (a) Daily Strength, (b) Absenteeism, (c) Badlies.
6. Number of workers in each shift employed as under :—

Departments (with the nomenclature of workers in each)	1ST SHIFT			2ND SHIFT			3RD SHIFT		
	Men	Wo- men	Child- ren	Men	Wo- men	Child- ren	Men	Wo- men	Child- ren
(a) Mixing .. ..									
(b) Blow Room .. ..									
(c) Card .. ..									
(d) Frames .. ..									
(e) Spinning .. ..									
Full pieces or sider .. ..									
Doubler or sider .. ..									
Half sider .. ..									
Doffer .. ..									
Tarwallas .. ..									
(f) Reeling .. ..									
(Power or hand driven)									
Single or double reeler									
(g) (i) Bundling .. ..									
(ii) Weighting .. ..									
(iii) Packing .. ..									
(h) Waste picking .. ..									
(i) Weaving .. ..									
Single or Double									
loom weavers .. ..									
Dobbie or Drop									
box looms .. ..									
<i>Winders.</i>									
(ii) Grey .. ..									
(iii) Colour .. ..									
(iii) Pirm .. ..									
(iv) Universal .. ..									
(High speed									
machine or low									
speed) .. ..									
<i>Warpers.</i>									
(High speed									
machine or low									
speed) .. ..									
<i>Sizers.</i>									
Back									
Front .. ..									
Mixing .. ..									
Drawers .. ..									
Beam Carriers .. ..									
Warehouse Section .. ..									

7. Please give details of welfare activities with particular reference, to canteen, creche, tiffin shed, rest-place, etc.
8. Please give the number of accidents in your Mills for the last 5 years :
  - Fatal
  - Serious
  - Minor
9. *Workmen's Compensation.*
  - (i) Number of cases.
  - (ii) Compensation-paid.
10. *Maternity Benefit.*
  - (i) Number of claims.
  - (ii) Number of claims admitted and the amount paid.

### APPENDIX III

#### LIST OF PERSONS & INSTITUTIONS WHO REPLIED TO THE QUESTIONNAIRE

1. Mr. K. Tatachar, Advocate, Secunderabad.
  2. Mr. Shyam Mohan, Labour Officer, Kothagudium.
  3. Special Officer, Labour Department, Hyderabad (a note).
  4. Devachand Chatrabhuj Seth, Jalna.
  5. Pearl Surgical & Dressing Works, Hyderabad.
  6. Messrs. Volkart Brothers' Agency, Raichur.
  7. Deccan Match Works, Vaijapur.
  8. Brooke Bond India Limited, Ghatkesar.
  9. Central Tea Board, Hyderabad.
  10. Faruq Anwar Company, Oil Mills, Raichur.
  11. Warangal Suba Oil Mill Owners' Association, Warangal.
  12. Dhanraj Ginning & Pressing Factory, Nanded.
  13. Vazir Sultan Tobacco Company, Limited, Hyderabad.
  14. Hyderabad Chemicals & Fertilizers Employees' Union, Bellampalli.
  15. Hyderabad Chemicals & Fertilizers Limited, Bellampalli.
  16. Vishnu Ginning & Pressing Factory, Parbhani.
  17. Praga Tools Corporation Limited, Hyderabad.
  18. Government Distilleries, Hyderabad.
  19. Aurangabad Mills, Aurangabad.
  20. Hyderabad (Deccan) Spinning & Weaving Mills, Hyderabad.
  21. Osmanshahi Mills, Nanded.
  22. Azamjahi Mills Limited, Warangal.
- } Sent by the Managing Agents  
of the two Mills.
23. Gamadia Factories Limited, Nanded.
  24. Hyderabad Potteries Limited, Hyderabad.
  25. Dayaram Surajmal Lahoti Oil Mills, Hyderabad.
  26. Akbar Oil Mills & Industries Company, Nanded.
  27. Mahboobia Match Company, Mahboobabad.
  28. Akbar Oil Mills & Industries Company, Udgir.
  29. Nowrosji Wadia Ginning & Pressing Company Limited, Nanded.
  30. Rustomji Bezonji (Custodian of Ginning & Pressing Factories), Jalna.
  31. Vijay Cardboard Company Limited, Hyderabad.
  32. Taj Glass Works Limited, Hyderabad.



33. Shahabad Cement Works Limited, Shahabad.
34. Hyderabad Asbestos Cement Products Limited, Hyderabad.
35. Vishnu Match Factory, Hyderabad.
36. Hyderabad Chemical & Pharmaceutical Works Limited, Hyderabad.
37. Government Printing Press, Hyderabad.
38. Dewan Bahadur Ramgopal Mills Limited, Hyderabad.
39. Pestonji Meherwanji, Jalnawalla, Factory Owners and Cotton Merchant, Jalna.
40. Fine Hosiery Mills Limited, Hyderabad.
41. Sirsilk Limited, Kagaznagar.

## APPENDIX IV

### LIST OF FACTORIES VISITED

#### *Engineering*

- |     |   |          |            |
|-----|---|----------|------------|
| 1.  | Praga Tools Corporation Limited               | ..       | Hyderabad. |
| 2.  | Hyderabad Allwyn Metal Works Limited          | ..       | do         |
| 3.  | Hyderabad State Government P.W.D. Workshop    | .. .. .. | do         |
| 4.  | Hyderabad State Electricity Department        | ..       | do         |
| 5.  | Hyderabad Government Mint & Stamps Department | .. .. .. | do         |
| 6.  | Hyderabad Iron & Steel Works Limited          | ..       | do         |
| 7.  | Marwadi Moulding Works                        | ..       | do         |
| 8.  | Indian Hume Pipe Company Limited              | ..       | do         |
| 9.  | V. M. Joshi Workshop                          | ..       | Jalna.     |
| 10. | Indian Hume Pipe Company Limited              | ..       | Parbhani.  |

#### *Textile*

- |    |   |          |             |
|----|---|----------|-------------|
| 1. | Dewan Bahadur Ramgopal Mills Limited                  | ..       | Hyderabad.  |
| 2. | Hyderabad (Deccan) Spinning & Weaving Company Limited | .. .. .. | do          |
| 3. | Aurangabad Mills Limited                              | ..       | Aurangabad. |
| 4. | Aurangabad Silk Mills                                 | ..       | do          |
| 5. | Bashir Silk Factory                                   | ..       | do          |
| 6. | Azamjahi Mills Limited                                | ..       | Warangal.   |
| 7. | Osmanshahi Mills Limited                              | ..       | Nanded.     |
| 8. | Mahboob Shahi Kulbarga Mills Company Limited          | .. .. .. | Gulbarga.   |

#### *Glass*

- |    |                                |    |            |
|----|--------------------------------|----|------------|
| 1. | Kohinoor Glass Factory Limited | .. | Hyderabad. |
| 2. | Taj Glass Works Limited        | .. | do         |

#### *Paper*

- |    |                                 |    |             |
|----|---------------------------------|----|-------------|
| 1. | Sirpur Paper Mills Limited      | .. | Kagaznagar. |
| 2. | Vijay Cardboard Company Limited | .. | Hyderabad.  |

#### *Printing Press*

- |    |                                    |    |               |
|----|------------------------------------|----|---------------|
| 1. | Deccan Chronicle                   | .. | Secunderabad. |
| 2. | Azam Steam Press                   | .. | Hyderabad.    |
| 3. | Hyderabad Government Central Press | .. | do            |

*Match*

- |                               |    |    |              |
|-------------------------------|----|----|--------------|
| 1. Deccan Match Works ..      | .. | .. | Vaijapur.    |
| 2. Mahboobia Match Company .. | .. | .. | Mabhoobabad. |
| 3. Vishnu Match Company ..    | .. | .. | Hyderabad.   |
| 4. Hyderabad Match Factory .. | .. | .. | do           |

*Chemical*

- |   |    |    |              |
|---|----|----|--------------|
| 1. Hyderabad Chemical & Pharmaceutical Works Limited .. | .. | .. | Hyderabad.   |
| 2. Hyderabad Chemicals & Fertilizers Limited ..         | .. | .. | Bellampalli. |

*Cement*

- |  |    |    |            |
|--|----|----|------------|
| 1. Associated Cement Companies Limited ..        | .. | .. | Shahabad.  |
| 2. Hyderabad Asbestos Cement Products Limited .. | .. | .. | Hyderabad. |

*Button*

- |                             |    |    |            |
|-----------------------------|----|----|------------|
| 1. Deccan Button Factory .. | .. | .. | Hyderabad. |
| 2. Watan Button Factory ..  | .. | .. | do         |

*Rice & Oil*

- |   |    |    |            |
|---|----|----|------------|
| 1. Ramdayal Ghansiram Oil Mills ..                | .. | .. | Parbhani.  |
| 2. Bala Krishna Bhagwandas Rice & Oil Mills ..    | .. | .. | do         |
| 3. Bande Ali Rajpar Oil Mills ..                  | .. | .. | Warangal.  |
| 4. Kondoor Ramlingam Rice & Oil Mills ..          | .. | .. | do         |
| 5. Dayaram Surajmal Lahoti Oil Mills ..           | .. | .. | Hyderabad. |
| 6. B. Kishenlal Oil Mills ..                      | .. | .. | do         |
| 7. Shah Goverdhanlal Gokuldas Rice & Oil Mills .. | .. | .. | Nizamabad. |
| 8. Laxmi Oil Mills ..                             | .. | .. | do         |
| 9. Bhikaji Dadabhai & Company ..                  | .. | .. | do         |
| 10. Faruq Anwar Company ..                        | .. | .. | Raichur.   |
| 11. Deccan Oil Mills ..                           | .. | .. | Jalna.     |

*Cigarette & Bidi*

- |  |    |    |             |
|--|----|----|-------------|
| 1. Vazir Sultan Tobacco Company Limited ..   | .. | .. | Hyderabad.  |
| 2. Hyderabad (Deccan) Cigarette Factory ..   | .. | .. | do          |
| 3. Gulam Mohammad Tara Sahib Bidi Factory .. | .. | .. | Aurangabad. |
| 4. Dwarkadas Babanlal Bidi Factory ..        | .. | .. | do          |
| 5. Himatlal Bidi Factory ..                  | .. | .. | Jalna.      |
| 6. Phulchand Girrajmal Bidi Factory ..       | .. | .. | Nizamabad.  |

*Tanning*

- |                           |    |    |            |
|---------------------------|----|----|------------|
| 1. M. Ismail & Company .. | .. | .. | Hyderabad. |
| 2. Iqbal Tannery ..       | .. | .. | Warangal.  |

*Ginning & Pressing*

1.	Volkart Brothers' Agency	..	..	Raichur.
2.	Ananta Vijay Ginning Factory	..	..	Parbhani.
3.	New Parbhani Ginning & Pressing Factory	..		do
4.	Mahavir Ginning & Pressing Factory	..		Jalna.
5.	Narayandas Chimanlal Ginning & Pressing Factory	..	..	do
6.	Byzonji Faridonji Ginning Factory	..		Aurangabad.
7.	Ranchod Das Anandidas Ginning and Pressing Factory	..	..	do
8.	Govindji Vasram Ginning & Pressing Factory			do
9.	Aurangabad Ginning & Pressing Factory	..		do
10.	Ganesh Ginning Factory	..	..	Badnapur.

*Sugar*

1.	Nizam Sugar Factory	..	..	Shakarnagar.
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*Miscellaneous*

1.	Hyderabad Potteries Limited	..	..	Hyderabad.
2.	Pearl Surgical & Dressing Works		..	do
3.	Government Distilleries	..	..	do
4.	Rose Biscuit Works	..	..	do
5.	Hyderabad Roller Flour Mills	..	..	do
6.	Hyderabad Vegetable Products Company Limited	..	..	do
7.	Fine Hosiery Mills Limited	..	..	do
8.	Brooke Bond India Limited	..	..	Ghatkesar

Grand total .. 73 Factories.

## APPENDIX V.

### LIST OF PERSONS AND TRADE UNIONS INTERVIEWED BY THE LABOUR INVESTIGATION COMMITTEE.

#### (a) *Persons.*

1. Khan Bahadur Ahmed Mohiuddin, Secretary, Labour Department.
2. Mr. Naqi Bilgrami, Secretary, Commerce & Industries Department.
3. Mr. K. C. Wadia, Officer on Special Duty, Finance Department.
4. Mr. Hamiduddin Mahmood, Officer on Special Duty, Labour Department.
5. Rai Harbanschand, Examiner of Jagir Accounts.
6. Mr. Mehdi Jaffery, Industrial Engineer, Commerce & Industries Department.
7. Dr. C. F. Chenoy, Director of Public Health Department.
8. Prof. Kesava Iyengar, Economic Adviser, Finance Department.
9. Prof. M. Abdul Qadir, Head of the Department of Economics.
10. Col. K. M. Sayeed, Director of Resettlement & Employment Exchange.
11. Mr. M. A. Mirza, Chief Inspector of Factories & Boilers.
12. Mr. C. K. Murthi, Director of Statistics & Census Department.
13. Mr. M. Fariduddin, Director of Commerce & Industries Department.
14. Major N. K. Guruswamy, Director of Rationing Department.
15. Mr. K. Tatachar, Convenor, Indian National Trade Union Congress.
16. Mr. B. S. Mahadev Singh, President, Hyderabad State Mazdoor Sangh.
17. Mr. K. S. Rajagopal, Editor, Deccan Chronicle.
18. Dr. G. S. Melkote.
19. Dr. N. M. Jaisoorya Naidu.
20. Mr. B. V. Rao, Sub-Area Officer, Central Tea Board.

#### (b) *Trade Unions*

- |   |      |    |            |
|---|------|----|------------|
| 1. Allwyn Metal Workers' Union                | .. . | .. | Hyderabad. |
| 2. Asbestos Cement Factory Workers' Union     | ..   | .. | do         |
| 3. Taj Glass Workers' Union                   | ..   | .. | do         |
| 4. Kohinoor Glass Workers' Union              | ..   | .. | do         |
| 5. Dewan Bahadur Ramgopal Mill Workers' Union |      | do | do         |

6.	Hyderabad Spinning & Weaving Workers' Union .. .. .	..	Hyderabad.
7.	Electricity Department Workers' Union	..	do
8.	P.W.D. Workshop Workers' Union	..	do
9.	Praga Tools Corporation Workers' Union	..	do
10.	Hyderabad State Press Workers' Union	..	do
11.	Charminar Cigarette Factory Workers' Union.	..	do
12.	Chemical & Pharmaceutical Workers' Union	..	do
13.	Hyderabad Iron & Steel Workers' Union	..	do
14.	Golconda Cigarette Factory Workers' Union	..	do
15.	Vijay Cardboard Workers' Union	..	do
16.	Hyderabad Vegetable Products & Roller Flour Mill Workers' Union .. .. .	..	do
17.	Government Central Press Workers' Union	..	do
18.	Narayanguda Distillery Workers' Union	..	do
19.	Ghatkesar Factory Workers' Union	..	Ghatkesar.
20.	Volkart Brothers Workers' Union	..	Raichur.
21.	M.S.K. Mill Workers' Union .. .. .	..	Gulbarga.
22.	Sirpur Paper Mills Workers' Union	..	Kagaznagar.
23.	Rice & Oil Mills Mazdoor Sabha .. .. .	..	Warangal.
24.	Tannery Workers' Union	..	do
25.	Azamjahi Mills Workers' Union .. .. .	..	do
26.	Shahabad Cement Factory Workers' Union	..	Shahabad.
27.	Osmanshahi Mill Workers' Union	..	Nanded.
28.	Aurangabad Bidi Kamgar Union	..	Aurangabad.
29.	Aurangabad Mill Mazdoor Sabha	..	do
30.	Rice & Oil Mill Workers' Union .. .. .	..	Nizamabad.
31.	Nizam Sugar Factory & Farm Workers' Union	..	Shakarnagar.
32.	Sugar Factory Mazdoor Sabha .. .. .	..	do
33.	Chemicals & Fertilizers Workers' Union	..	Bellampally.