

**Report of the Minimum Wages
Committee for Cashew
Industry**

Price: Rs. 3.50

**The Constitution of the Minimum Wages Committee
for Cashew Industry.**

1. The Minimum Wages Committee for Cashew Industry was constituted by the Government of Travancore-Cochin by their Notification No. L1-13999/51/DD. dated 23-4-1952 copied hereunder :—

NOTIFICATION

L1-13999/51/DD.

In exercise of the powers conferred by clause (a) of section 5 (1) of the Minimum Wages Act, 1948 (Central Act XI of 1948) Government of the State of Travancore-Cochin are hereby pleased to appoint a committee consisting of the following persons to hold enquiries and advise Government in fixing minimum rates of wages in respect of employment in Cashew Industry and under section 9 of the said Act, Government are further pleased to appoint Shri A. P. Udayabhanu as Chairman of the said Committee.

1. Shri A. P. Udayabhanu, Advocate, Trivandrum
(Chairman)

Representatives of Employers,

2. Sahib A. Thangal Kunju Musaliar,
M/S. A. T. K. M. & Sons Ltd., Cashew Exporters,
Kilikolloor, Quilon.
3. A. D. Bolland Esq.,
M/S. Peirce Leslie & Co., Ltd. Cochin.
4. Shri P. Krishna Pillai,
Dhana Laxmi Vilasom Cashew Factory, Quilon
(President, South India Cashewnut
Manufacturers' Association, Quilon).

Representatives of Employees.

5. Shri T. K. Divakaran,
General Secretary,
All Kerala Cashewnut Workers' Federation,
Quilon.
6. Shri M. N. Govindan Nair,
Representative,
All Travancore Kasuandi Thozhilali
Council, Quilon.
7. Fr. Zacharias,
President,
Cashewnut Thozhilali Union, Trichur.

Government Secretariat,
Development Department,
Labour Section,
Trivandrum, 23-4-1952.

By order of His Highness
the Rajpramukh,
(Sd.) M. C. THOMAS,
Secretary to Government.

Shri R. Parameswaran Pillai, Keezhathil, Goureesapattom, Trivandrum was appointed as the Secretary of the Committee on 2-6-1952 and he assumed charge of his office on 3-6-1952.

Office accommodation for the Committee was made available from 10-7-1952.

2. *Changes in composition of the Committee.*—Mr. A. D. Bolland resigned his membership of the Committee with effect from 1st September, 1952 and in his place Mr. R. J. Thorne of Messrs. Peirce Leslie & Co. Ltd., Kundara was nominated as a member of the Committee representing the employers under Government Proceedings No. L1-13999/51/DD (2) dated 25-8-1952.

Shri M. N. Govindan Nair forfeited his membership of the Committee due to his inability to attend three consecutive meetings of the Committee held on 17-12-1952, 2-1-1953 and 9-1-1953. But on his application dated 24-1-1953 under rule 9 (2) of the rules under the Minimum Wages Act (Central Act XI of 1948) the Committee, unanimously restored his membership. The final composition of the Committee was as follows :

1. Shri A. Udayabhanu,
Advocate, Trivandrum (Chairman)
- Representatives of the Employers.*
2. Sahib A. Thangal Kunju Musaliar,
Messrs. A. T. K. M. & Sons Ltd.,
Cashew Exporters, Kilikolloor, Quilon.
 3. Shri P. Krishna Pillai,
Dhana Laxmi Vilasom Cashew Factory, Quilon.
 4. R. J. Thorne Esq.,
Messrs. Peirce Leslie & Co., Ltd. Kundara.

Representatives of the Employees

5. Shri T. K. Divakaran,
General Secretary,
All Kerala Cashewnut Workers' Federation, Quilon.
6. Shri M. N. Govindan Nair,
Representative,
All Travancore Kasuandi Thozhilali Council, Quilon.
7. Fr. Zacharias,
President,
Cashewnut Thozhilali Union, Trichur,

The Committee was originally expected to submit its report before 30-9-1952; but as it was not possible to finish the enquiries before the stipulated date the Government were pleased to extend the period of the Committee by one month by their Proceedings No. L1-13999/51/DD. dated 16-9-1952 and subsequently by three months from 31-10-1952 under Government Proceedings L1-13999/51/DD. dated 29-1-1953. The Committee had again to request for an extension of two months which was also granted under G. P. No. L1-13999/51/DD. dated 24-3-53. The Committee again asked for a further extension by 15 days which was also granted.

The Committee held fourteen meetings on the following dates at the places mentioned:

<i>The dates on which the Committee met.</i>	<i>The places on which the Committee met.</i>
14th June, 1952	Office of the Industrial Tribunal, Trivandrum.
26th July, 1952	Office of the Minimum Wages Committee of Cashew Industry, Trivandrum.
18th August, 1952	Office of the South India Cashewnut Manufacturers' Association, Quilon.
15th October, 1952	do.
17th December, 1952	do.
2nd January, 1953	do.
9th January, 1953	do.
13th February, 1953	do.
17th & 18th February, 1953	do.
24th February, 1953	do.
2nd March, 1953	Office of the Minimum Wages Committee, Cashewnut Industry, Trivandrum.
28th March, 1953	do.
7th April, 1953	do.

At the meeting held on 2-3-1953 the Chairman was authorised to prepare a draft report in the light of the discussions already held and decisions arrived at. The draft report was considered by the meetings of the Committee held on 28-3-1953. It was revised and finalised on 7-4-1953.

Messrs. A. P. Udayabhanu, R. J. Thorne, T. K. Divakaran, M. N. Govindan Nair and Fr. Zacharias signed the report on 7-4-1953.

CHAPTER I.

INTRODUCTION

1. *Place of the Cashew Industry in the Schedule.*—In the Minimum Wages Act, 1124 of the erstwhile Travancore State, Cashew Industry was the 11th item in Schedule I. But the Central Act superseded the State Act in the wake of the rapid political changes that took place in India. Cashew Industry was not in the schedule of the Central Act. But the Travancore-Cochin Government in exercise of the powers conferred on State Governments under section 27 of the Act amended the Schedule so as to include the Coir Industry and the Cashew Industry in the same. The Travancore-Cochin Government notified 31st December, 1953 as the last date before which the Minimum Rates of Wages had to be fixed for the two Industries, mentioned above.

The fact that the Madras State, where the Cashew Industry is thriving well has not cared to add the same to the Schedule was a factor the Committee had to consider. The percentage of workers in the industry is probably small in the Madras State.

It is gratifying that in the interest of the workers here, this Government included cashew industry in Schedule I of the Act. The Committee wish to record their view that the Madras State also should take up the question of fixing minimum wages for the Cashew Industry in their area.

2. *Important consideration.*—The Committee thought that before they tackled the question of fixing Minimum Wages, they ought to take stock of certain existing conditions in the industry. In particular the Committee had to consider whether the industry was a sweated one, whether it was organised or not, whether there was exploitation of the employee by the employer, and whether the industry had the capacity to support a higher wage. In the light of the above the Committee had to work so as to help the State in their endeavour, "to secure by legislation to the industrial and agricultural workers a living wage and conditions of work ensuring a decent standard of life."

3. *Preliminary steps.*—With the above in mind the Committee made their enquiries and investigations. The Committee corresponded with the Cochin Chamber of Commerce, the Director-General of Commercial Intelligence and Statistics, Government of India and the South India Cashewnut Manufacturers' Association to get relevant information regarding the import and export statistics of cashew and cashew products. The Committee prepared questionnaires with a view to getting fairly detailed information regarding the existing nature of the industry, especially with reference to the wage structure and copies of the same were sent to the owners of cashew factories as well as to the Managers of the individual factories. Similarly questionnaires covering the whole range of activities of trade unions were prepared and sent to the Trade Unions.

The delay and lack of response on the part of both the employers and employees in replying to these questionnaires was one of the factors which held up the work of the Committee. Out of the 42 factory owners to whom questionnaires were addressed only ten sent their replies; and out of 156 managers, only 73. The fate of the questionnaires sent to the Trade Unions was no better. *Only three of the 15 registered Trade Unions sent in their replies. (These questionnaires are given in Appendices)

The Committee also conducted a fact finding tour. The Committee visited 21 factories in the different localities of the State. They wanted to confine the itinerary to the absolute necessary minimum and so limited their visits to the areas where factories were concentrated. Since there are only two factories in Kunnathunad and as the factories in the Trichur area were closed down, the committee did not visit those taluks. The Committee dropped their original idea of visiting Mangalore mainly on financial grounds. At that time except the factory of Messrs. Peirce Leslie & Co., all the others had closed down for want of nuts. †Therefore the relevant facts had to be gathered otherwise.

The Committee also conducted a fairly detailed Family Budget Enquiry with the assistance of the Statistical Enquiry Department. This enquiry was conducted in all the taluks where cashew factories are working and very valuable information was obtained which gave the scientific basis for the deliberations and conclusions of the Committee.

	Old rates Mangalore.	Quilon.	New rates Mangalore (as per award recommenda- tion of Industrial Tribunal, Coimbatore dated)	Quilon (as per the recommenda- tion of this Committee)
Shelling per pound of wholes	. 0 1 0	0 1 1½	0 1 2	0 1 3
Peeling per pound of wholes	. 0 1 0	0 1 1½	0 1 2	0 1 5
Do. of pieces	. 0 0 6	0 0 0	0 0 6	0 0 0
Grading	. 0 15 0	0 0 0	1 0 0	1 4 0

*Names of Trade Unions which sent in their answers to the Questionnaire are appended.

† The figures about Mangalore wages have been supplied by Mr. R. J. Thorne.

CHAPTER II

CASHEW INDUSTRY

1. *Importance of cashew industry.* Eventhough against the whole industrial set up of India, cashew industry may not be very prominent, it has a place of importance so far as the Travancore-Cochin State is concerned. The table below, showing the number of factories of the relatively more important industries, shows the place of the cashewnut industry in the industrial economy of the State. The 402 factories relate to 41 industries including cotton (90), rubber (50), printing and book binding (40). The table shows that cashew industry is next in importance to coir.

*Total number of factories	..	992
Coir	..	200
Cashew	..	190
Tea	..	100
Bricks and tiles	..	100
Others	..	402

Though coir industry is one of our earliest industries and coir and coir products are articles of premier export, cashew is fast catching up with coir as is shown by the table below for the export of coir and cashew. As such cashew industry occupies an increasingly important place in the State.

<i>Period.</i>	<i>Value in crores of rupees.</i>	
	†Coir (all sorts.)	Cashew.
1949-50	7·21	5·60
1950-51	10·76	8·55
1951-52	10·79	9·03

Outside Travancore-Cochin, Madras seems to be the only State where cashew industry on any appreciable scale is being carried on. Kakinada, Mangalore, Calicut, Tellichery and Panruti are the places where the industry is run in Madras. From the following figures† showing the quantity of export it can be seen that Cochin handles about 83 per cent. of the total exports of cashew kernals. The Travancore-Cochin State, S. Kanara and Malabar, among them hold a virtual monopoly of this industry in India.

* Travancore-Cochin News—Vol. III No. 13, February, 1953.

† The figures for export of coir have been extracted from a letter No. 42-Cot. Inl. 4/52 dated 10th November, 1952, Ministry of Commerce and Industry Government of India.

‡ The figures for the State are supplied by the South India Cashew Manufacturer's Association.

Year.	Total export including Travancore-Cochin State, S. Kanara and Malabar.	Total export of Travancore-Cochin.	Percentage of Travancore-Cochin.
	* Cases.	* Cases.	
1947	7,22,674	5,93,759	82·16
1948	7,65,843	6,29,960	82·26
1949	8,51,027	7,06,037	83·00
1950	11,38,787	9,53,247	83·71
1951	10,66,032	8,98,080	84·25

The value of exported cashew kernals (*vide* table given in para below) has steadily risen from Rs. 1·29 crores to Rs. 9·03 crores during 15 years; over and above, there is the value of the cashew shell oil of which exact figures are not available. The bulk of this money flows into this State and get itself distributed among the cashew cultivators as price of nuts, among the workers as wages, among the traders as their profits and to the Central and State Exchequers as income tax, sales tax, etc., U. S. A. being the principal market for cashew kernals and cashew shell oil the money earned comes in the form of dollars.

This industry gives direct employment to a considerable number of persons and indirectly it supports many other industries. Manufacturing of packing cases and tin containers depend to a great extent on the existance of this industry. They in their turn provide profitable employment to a large number of persons.

2. *Origin and growth of this industry.* Cashewnut though a delicacy with high nutritive value, was never considered as an important item of food for generations the kernals were being extracted, raw or roasted, and eaten by the people. In a few places, poor women made and still make a small trade out of it by selling it to the travelling public. As far as this State is concerned, it was Joseph Periera, an enterprising industrialist, who conceived the idea of making this into an organised industry at Quilon and marketing the kernals on a commercial scale. That pioneering work was done in the year 1925. The availability of nuts in the suburban areas and the existence of railway and the small port and the presence of this gentle-man with the pioneering spirit might have made the happy combination for the birth of the industry in Quilon.

* One case contains 50 lbs. nett kernals.

The figures supplied by the Director General of Commercial Intelligence and Statistics, Government of India.

This industry with its small beginning flared up to prominence during the last decade. While according to the 1941 census there was only one registered factory, the number of factories in the year 1953 is 190 as reported in the Travancore-Cochin News (February 1953).

3. *Volume of trade.* The following statement giving the figures of import and export of Cashew from India for the year 1937-38 to 1951-52 supplied by the Director General Commercial Intelligence and Statistics, Government of India will illustrate the phenomenal rise of the industry in the last decade.

Year.	Imports of nuts		Export of kernals	
	Quantity (1000 tons)	Value (100000 Rs.)	Quantity (1000 tons)	Value (Crores of Rs.)
1937-38	17.78	23.30	12.75	1.29
1938-39	12.55	16.17	13.50	1.29
1939-40	7.18	9.39	12.85	1.24
1940-41	7.00	11.20	14.65	1.61
1941-42	18.07	37.04	19.92	2.09
1942-43	11.83	26.57	6.25	0.98
1943-44	..	..	4.55	1.38
1944-45	1.35	3.42	7.90	3.23
1945-46	16.16	54.67	12.06	5.72
1946-47	31.05	120.63	15.17	5.56
1947-48	34.60	118.79	16.64	4.13
1948-49	42.83	153.02	18.29	4.93
1949-50	53.35	215.98	18.98	5.61
1950-51	53.96	284.56	25.39	8.55
1951-52	42.35	327.60	21.26	9.03

During the period 1942-52 the quantity of cashewnuts imported has increased by 3.58 times and the price by 12.33. Further in regard to export, quantity has increased by 3.40 times and value by 9.18. These figures clearly point to the very rapid strides this industry has made in recent years and its importance in the industrial economy of the State.

4. *Concentration of factories around Quilon.*—The cashew factories in the State are mostly concentrated in and around Quilon. It may be that the pioneering work in the industry carried out at Quilon gave the enterprising persons the necessary training in the line. The workers also got their 'apprenticeship' in the Factories that originated there. Thus with Quilon as Centre, the industry began to expand. Even the mofussil factories are mostly owned by the factory owners at Quilon, who expanded the industry to the adjoining taluks mostly in search of labour. The table below will show the number of factories in the various taluks and the volume of labourers employed,

<i>Name of Taluk</i>	<i>No. of factories</i>	<i>Approximate No. of workers employed.</i>
Chirayinkil	4	1,600
Karthikapalli	2	800
Karunagappalli	3	1,500
Kottarakara	26	8,500
Kunnathunad	2	500
Kunnathoor	7	3,400
Mavelikara	4	1,300
Pathanapurem	2	400
Quilon	106	28,000
Total	156	46,000

All these factories excepting that at Kunnathunad are within a radius of 25 miles of Quilon. The two factories at Kunnathunad are small concerns employing between them, only about 500 people.

The factories that were working for some time in Trichur District are closed down.

Out of the 156 factories details of which are available 85 are owned by half a dozen employers are shown in the table below.

1. Sahib A. Thangal Kunju Musaliar	26
2. Sri. N. A. Narayanaswamy Reddiar	15
3. Sri. K. Kesavan	12
4. Sri. K. Mytheenkunju	12
5. M/s. E. C. Govindan Asan and Sons	10
6. Sri. P. Krishna Pillai	10
	85

As the above table shows that out of 156 factories, 85, i. e., more than 50% are owned by six persons. Thus it can be seen that the industry is not only concentrated in Quilon but is also controlled by a few persons. Messrs. Peirce Leslie and Co., is the only foreign firm engaged in this industry and they have a factory at Kundara. The employers are members of the South India Cashew Manufacturers' Association, Quilon.

5 *Low capital investment.*--Cashew industry is one in which very little machinery is used. Capital investment in the form of fixed assets is small. What is mainly required is the factory buildings which in many cases are simple open thatched sheds. Messrs. Peirce Leslie & Co. Ltd. however has a well designed factory building, Machinery or equipments are used only at two stages, roasting and drying. In drum roasting, which

continues to be the method in most factories, the mechanism is very simple. Where oil bath roasting is employed, by which cashew shell oil is being extracted in the process of roasting, the roaster involves some investment.

Further the investment in proportion to the labour employed is small compared to most other industries. The main investment is that on raw nuts. The proportion between the cost of raw material and labour in a ton of kernels would be approximately 20·3 at present.

6. *Raw material*.—The raw material for the industry is cashew-nuts. The factories as they work today depend considerably on imported nuts, which would be about 50% of the total nuts consumed. These nuts are being imported into India mainly from East Africa. There has been a steep rise in the import of the raw nuts as the industry developed. The import of the cashew nuts which was 7,177 tons in the year 1939-40 rose to 53,956 tons in the year 1950-51. The indigenous nuts are superior in quality when compared to the imported ones. The shellers and peelers and the factory owners, all prefer indigenous nuts.

The quantity of indigenous nuts available is not adequate for maintaining the industry at its present level and in 1951-52 alone we had to import nuts worth Rs. 3·28 crores as against a total export of kernels worth Rs. 9·03 crores. The scope for the expansion of cultivation of cashew plants has therefore to be investigated. The cashew plant being sturdy, taking kindly to the most indifferent soil and even laterite rock, and thriving even in hot regions with scanty rain can be perhaps used for afforestation with profitable results. It is sad that the Government had so long neglected this cultivation which has such vital importance for our State. It is however gratifying that at least now the Government have established a cashew research station at Kottarakara. The Committee hopes that this Research Station will render necessary technical help and do intensive propaganda towards the scientific cultivation of cashew in a systematic manner.

7. *Processing*.—The processing of cashew is interesting. If we follow the nuts from the godown it can be seen soaked in water and taken to the oil extracting plant where roasting and shell oil extraction take place simultaneously. In drum roasting there is no oil extraction and oil is burned out in the process. After roasting the nuts are scrubbed or cleaned and distributed for shelling which is done with a wooden mallet, on a piece of wood as the rest. With the shelling the kernels are extracted wholes or in pieces. They are then put in the drier and taken out for peeling. Along with peeling a preliminary grading also is done. Then follows actual grading. The whole kernels are graded according to the number required to make up a pound. The pieces of all types are also graded and marketed. Then follows tin filling, Vita packing (vacuuming and gassing) etc. Kernel is the main product and cashew shell oil since World War II has become a by-product of increasing importance.

8. *Cashew industry and its future.*—Cashew industry, as has been stated earlier, is mainly concentrated in the Travancore-Cochin State at Quilon. The future of the industry, as things stand today, depends upon the demand in the main importing country, the U. S. A. The consumption in India is small. The possibility of raw nut exporting country itself developing this industry is not remote. In that case, we will have to face competition in the foreign market and suffer for scarcity of raw nuts at home. Hence opening up of new cashew plantations is of vital importance for the development of the industry in the near future. Also the expansion of the internal markets and the establishment of new markets abroad are desirable.

9. *Labour in Cashew industry.*—As seen earlier the processing of cashew is fairly simple requiring little skill and machinery. Therefore each factory has a large labour force. According to the figures available from the Labour Department, the total number of labour employed in the 156 factories registered with the Department in the year 1952 is 46,000. This figure represents the minimum as it is the figure furnished to the Labour Commissioner by the factory owners. It may not be over estimating if we assess the figure to be round about 50,000.

Most of the factories are now located in the country-side. The workers employed in the shelling section are mainly drawn from agricultural labouring class. Those who are employed in the peeling and grading section are drawn mostly from the lower middle class and the work is not unpleasant. The work in the shelling section is a little unpleasant as the body and clothes get soiled. In many cases the hands of the shellers become sore owing to the corroding effect of the cashewnut shell oil. The clay, oil and soap provided by the factory do not seem to have fully counteracted the effect of the cashewnut shell oil. The Committee wish that some effective protection should be provided to the workers hands.

Shelling, peeling and grading are the sections which absorb the largest number of workers in the industry. These sections are almost exclusively filled by women. Thus in cashew industry the proportion of the female workers will be about 90 per cent. The small percentage of men employed in the industry does the hard jobs like bag carrying, roasting etc.

10. *Labour organisation.*—Even though only three trade unions have sent in their replies, the impression that the Committee could form is that the workers are generally organised in trade unions. From the Office of the Registrar of Trade Unions the Committee have found that there are 15 Registered Trade Unions functioning in this industry in the State.

The several awards of the Industrial Tribunals show that the Trade Unions are not wholly inactive. In fact the industrial dispute of 1949 (M. E. 1124) between Messrs. Peirce Leslie & Co. Ltd., Kundara (Employer) and their workmen represented by

the Kundara Cashewnut Workers' Union, Kundara, has dealt with a wide range of demands on the part of the Union including the increase in the wages, bonus, compensation for unemployment etc. The following list from the office of the Labour Commissioner shows the labour dispute in this industry taken cognisance of by the Commissioner.

	1951	1952
No. of disputes arose during the year ..	80	154
No. of disputes settled during the year ..	53	130
No. of disputes that led to strike ..	17	19
No. of workers involved in the strike ..	6229	4580

11. *Wage.*—The workers' wages do not consist of any division into the basic wage and the dearness allowance. The systems of wage payment are various. In the shelling and peeling sections payment is on piece rate. In grading it is daily rated payment with a certain work load. There are daily rated payment without work load and there are monthly rated workers as well, though few. The industry has been paying bonus since 1946. Bonus has been paid at the rate of not less than 4% of the total wage earned for the year.

12. *Welfare Amenities.*—The only amenity provided for the factory workers is the provision of creches for the children of the female workers. The creches are mostly crowded and are not generally of a very high order. Maternity benefit is given to those female workers who qualify themselves for the same under the statute in force. Among the factories the Committee visited they did not come across any canteens and first-aid rooms except in Messrs. Peirce Leslie & Co.

The Erstwhile Travancore Government by their order R. Dis. No. 625/48/Devpt. B. dated 13th March, 1948 made compulsory the provision of certain amenities to workers consequent on the declaration of certain items of work in the industry as hazardous jobs. We did not find many of these amenities provided anywhere, and in some factories there were complaints about the failure to supply goggles and slippers to roasters.

CHAPTER III.

CASHEWNUT INDUSTRY WORKING CLASS FAMILY.

1. *Family enquiry.*—The Socio-Economic pattern of the working class families has a direct and important bearing on wage structure. Authentic data on size of families, age, housing conditions, and income and expenditure were badly lacking. The Committee had therefore to launch a sample survey to gather basic data on the important aspects of the family life of the cashewnut worker.

After taking expert advice in the matter, the Chairman addressed Government in this behalf and in G. O. L1-9484/52/DD., dated 14-8-1952, sanction was accorded that the board of Statistics should conduct the survey. The schedule for the collection of data is appended. Information was collected on the following :—

- i. Housing.
- ii. Size, age distribution and sex ratio.
- iii. Literacy.
- ix. Income.
- v. Expenditure.

The survey covered 1222 families from various taluks as shown in the table below :—

Chirayinkil	..	45
Quilon	..	825
Kottarakara	..	150
Pathanapuram	..	10
Kunnathur	..	100
Karunagapally	..	30
Karthigapally	..	27
Mavelikara	..	15
Kunnathunad	..	20
Total	..	<u>1222</u>

These families were selected on the representative random sampling method. The factories were at first selected at random and from the pay roll, the worker whose family was to be studied, was selected at random. The largest number of families selected was in the Quilon taluk, and they number 825. This was because the largest concentration of factories is found in that taluk as seen earlier.

2. *Housing*.—The condition of the house is an index of the prosperity or poverty of the worker concerned. The nature of the houses in which the workers live will be clear from the table below giving the distribution of 1000 houses classified in terms of the types of walls and roof. About fifty per cent of the houses have mud walls and 90 per cent are thatched.

Walls.	All.	Thatched.	Tiled.
Plastered	54	44	10
Wood	20	20	..
Bricks	278	266	12
Mud	497	495	2
Thatties	151	151	..
	<u>1,000</u>		

3. *Family Composition.*—There are approximately 613 persons per 100 families. The age and sex composition of these 613 persons are shown in the table below. There is clearly a preponderance of females over males (1205 females for every 1000 males). The 1951 Census has shown that for Quilon District there are 1007 females per 1000 males. The sex ratio in the working families is on the high side. A study of the age-groups shows that this abnormal ratio results from the great excess of females over males in the ages 15-54. The sex ratio in these ages is 1268 females to 1000 males. This point to one or other or a combination of both of two alternatives—(1) Males in the earning ages 15-54 have gone out in search of a livelihood or (2) females in the earning ages not directly connected with the family—may be distant relations—live in the household. It is believed that the second alternative is more probable. Cashew industry being predominantly 'manned' by women, distant relations or paying guests who came in search of work might be present on a fairly large scale in the families of workers.

Age.	Persons.	Males.	Females.
All	613	278	335
Below 5	97	47	50
5—14	137	62	75
15—24	137	58	79
25—54	201	91	110
55 and over	41	20	21

It may not be out of place to point out in this connection that there are 55 per cent in the ages 15 to 54 and 45 per cent below 15 or over 55. Thus more than half the inmates in the family belong to the ages of work 15 to 54.

4. *Literacy.*—The percentage of literates is 26·4, the figures for males and females being 30·4 and 23·1. The recent Census has shown that 48·5 per cent are literates in the Quilon District the corresponding figures for males and females being 57·6 and 39·5. The low literacy ratio among cashew workers calls for comment.

One of the reasons for the low literacy ratio may be the backwardness of the community from which the large percentage of workers are drawn. As has been pointed out elsewhere, the shelling section is mainly filled by the agricultural labouring class who belong mostly to scheduled castes and castes on the border lines. The percentage of literacy in those communities is small. The reason for the same are that the youths of the community seldom attend schools. The unskilled work for which the boy or the girl gets paid whether within the factory or outside the factory is a relief to the parents whose earnings are meagre. Probably their earning is an absolute necessity to keep the pot boiling. One does not know whether it is under nourishment or over statement of age, the committee during their itinerary met boys and girls who appeared to be below their teens working in the factories.

In the long run the lack of education will prove detrimental to the progress of the community. The Committee, therefore, wish to draw the attention of the Trade Unions, the employers, Adult Education Organisers, the Government and those sections of the public who take interest in social service to take up the question of liquidating the illiteracy among the adults and promoting school going habits among the children. Also the provisions regarding the prohibition of child labour may be more strictly enforced.

5. The income in a cashewnut working class family is about Rs. 64 per mensem. The components of this income are shown in the table below :—

SOURCES OF INCOME.			
<i>Earners.</i>	<i>All.</i>	<i>Cashew.</i>	<i>Others.</i>
Persons	2·91	1·81	1·10
Males	1·32	0·36	0·96
Females	1·59	1·45	0·14

INCOME PER WORKER (Rs.)			
<i>Earners.</i>	<i>All.</i>	<i>Cashew.</i>	<i>Others.</i>
Persons	22·1	18·6	28·1
Males	28·13	25·11	29·15
Females	16·7	16·9	15·4
Average family income	64·2	33·2	31·0

SOURCE OF INCOME.			
	<i>All.</i>	<i>Cashew.</i>	<i>Others.</i>
Persons	100	517	48·3
Males	59·3	14·3	45·0
Females	40·6	37·4	3·3

An average family of 6·13 members consists of 2·91 earners and 3·22 non-earners. Almost 62 per cent of the earners were employed in cashewnut industry while the remaining 35 per cent have other means of livelihood. 52 per cent of the total income comes from cashewnut industry and the rest from other sources. Thus even though 62 per cent of the earners are devoted to this industry, it brings in only 52 per cent of the total income. The table above gives the break up of the income as percentage of total. Thus females contribute 41 per cent of income which is almost wholly from cashew industry. Males on the other hand bring in 59 per cent of the family income and this is earned mostly from other sources. The table below shows the average income per worker and the days of work and the average earnings.

<i>Occupation.</i>	<i>Average No. of days of works.</i>		<i>Average income per worker.</i>	
	<i>Males.</i>	<i>Females.</i>	<i>Males.</i>	<i>Females.</i>
Cashew	24	24	25-11-0	16-9-0
Others	22	19	22-15-0	15-4-0

This analysis clearly brings out that the cashew industry is relatively more important to the female workers than the males.

6. *Dependency.*—The burden of dependents on the earners in a family seriously affects the economy of the household. In the previous paragraph it has already been stated that in a family of 6·13 members only 2·91 are earners. Thus every 100 earners have to support 211 persons including themselves. The burden of dependency is therefore not great among the cashewnut workers.

There is however an indication of unemployment among them. In a household, total number of persons in the age 15-54 is 3·38 and the number of earners is only 2·91. Thus 14 per cent of persons in the working ages 15-54 are unemployed. In respect of males, out of 1·49 in the ages 15-54 only 1·32 are employed leading to 11 per cent unemployed while among females, the percentage of unemployed is 16.

7. *Family expenditure.*—Even though the family income according to the results of the investigation, is only Rs. 64·2 the monthly expenditure of the family is Rs. 73-14-0. This means a monthly deficit of Rs. 9-12-0. It is hard to believe that a working class family can consistently fall into debt to the extent of almost Rs. 10 a month.

May be, this is made up by the small earnings of the boys and girls in the family or some of the indispensable items of expenditure are not incurred at all.

The expenditure pattern is shown in the table below:—

		<i>Expenditure.</i>	<i>Percentage.</i>
Food	..	50-14-0	68·8
Clothing	..	7-0-0	9·5
Rent	..	2-2-0	2·9
Fuel and light	..	13-0-0	3·8
Miscellaneous	..	11-1-0	15·0
Total	..	73-14-0	100·0

Almost 69 per cent is spent on foods while 10 per cent is on clothing and 15 per cent on miscellaneous needs. It is obvious that the life based on such a distribution can only be one of hand to mouth existence.

8. *Conclusion.*—Even for this hand to mouth existence there is a gap of Rs. 9-12-0 per month. This gap if allowed to continue will mean deterioration in the standards of life and health of the working class. The increasing indebtedness of the industrial working class will in the ultimate analysis lead to deterioration in industry with grave danger to national economy.

The discussion in chapter II will bear out that the industry can afford to give at least a small percentage of rise in wages regard being had to the cost of production and the price of raw materials.

In the Industrial Dispute No. 8 of 1124 between Messrs. Peirce Leslie & Co., Ltd., (Kundara) and their Workmen, the workmen demanded increase in wages. The industrial tribunal in their award kept open the question regarding the increase of wages and recommended that the Government order an enquiry into the matter on an industrywar basis. The Government in pursuance of the above recommendation appointed a Court of enquiry but the same was withdrawn on the appointment of this Minimum Wages Committee. Under the circumstances detailed above the fixing of the minimum rates of wages for the Cashew-nut Industry is important in the interest of the industry.

CHAPTER IV

PRINCIPLES OF MINIMUM WAGES

1. *No definition in the Act.*—The Minimum Wages Act defines "Wages" but does not define the term "minimum wages." Hence it was left to the Committee to decide as to what constitute "minimum wages" for the purpose of their enquiry and the basis of their recommendations.

Ad hoc fixation of minimum rates and wages.—Without going into an abstract or theoretical discussion as to what should constitute minimum wages, minimum rates of wages can be fixed for an industry by other methods. One such method is to fix the wage on the basis of the rates paid to similar works in other trades where the workers are adequately organised and have concluded collective agreements. If no such standards are available the general level of wages prevailing in the country or in the particular locality can be accepted as the basis for the same. In fact the minimum wages Committee appointed by the Government of Bombay for the fixation of minimum rates of wages in respect of employment in Stone Breaking or Stone Crushing have based their recommendations on the award of the Industrial court for the cotton textile workers, Bombay. The Committee, however, resolved not to adopt this 'Ad hoc method' though the same is approved by the I. L. O.

3. *Concepts on wage fixation.*—The Committee made a brief survey of the different standards and conceptions about wages. Wage concepts such as 'Living wage' 'Basic wage', 'Fair wage' and 'Minimum wage' were considered by the Committee. It is not possible to say what these different terms mean with any amount of precision or exactness. These various concepts, seem to be more subjective than objective.

4. *Living wage.*—Living wage is defined by Justice Higgins of the Australian Common Wealth Court of Conciliation as the wage for "the normal needs of an average employee regarded as a human being living in a civilised society." He has explained it further as sufficient to ensure the workman food, shelter, clothing, frugal comfort and provision for evil days etc."

5. *Basic wage.*—The Queensland Industrial Conciliation and Arbitration Act has given a definition of the basic wage of an adult male employee as “sufficient to maintain a well conducted employee of average health strength and competence, and his wife and family of three children in a fair and average standard of comfort, having regard to the condition of living prevailing among employees in the calling in respect of which such basic wage is fixed, and provided that in fixing such basic wage, the earning of the children or wife shall not be taken into account.”

The Royal Commission on basic wages for the Commonwealth of Australia says “this represents a slightly higher level than that of subsistence, providing not only the material needs of food, shelter and body covering, but also for certain comforts, such as clothing sufficient to cover for body comfort, and to maintain the wearers’ instinct of self respect and decency, some insurance against the more important misfortunes, death, disability and fire, good education for children, some amusement and some expenditure for self-development.”

6. *Fair wage.*—In regard to fair wages, Prof. Pigou would have two degrees one fair in the narrower sense, and the other in the wider sense. Fair wage in the narrower sense is when it is equal to the rates current for similar workmen in the same trade and neighbourhood. Fair in the wider sense is when it is equal to the predominant rate for similar work throughout the country and in the generality of trades. So fair wage is generally dealt with not on any absolute standards but in comparison to the wage in well organised industries.

7. *Enquiries.*—In the tentative budget enquiry conducted in the U. S. A. in 1919 the Commissioner of the Bureau of Labour Statistics analysed the budget with reference to three concepts *i. e.,—*

1. The pauper and poverty level.
2. The minimum of subsistence level.
3. The minimum of health and comfort level.

The U. P. Labour Enquiry Committee classified levels of living standards in four categories:

- 1. Poverty level.
2. Minimum subsistence level.
3. Subsistence plus level and
4. The comfort level.

The U. P. Labour Enquiry Committee fixed ‘subsistence plus level’ as the “Minimum Living Wage.”

8. *Principal family adopted.*—Thus there are various standards set before the committee. In choosing any one of them the committee had to consider the repercussion of the same on the industry. The committee had to bear in mind the dictum in the

I. L. O. monograph on Minimum Wage Fixing Machinery that "as a basis for wage fixing it would be valueless to make our estimate of living wage beyond the capacity of the industry to pay. Even in industrially advanced countries the general level of wages in other industries and the capacity of the industry to pay have been considerations which often prevented the target of a living wage being fixed." It is clear that fixation of minimum wages for cashewnut industry cannot be based on rates and procedures accepted in highly industrialised countries. The 1951 Report on National Income for India estimates *per capita* national income as Rs. 255 per annum in 1948-49. Even with the high price-levels and inflationary tendencies prevailing in these years the *per capita* income is only about Rs. 20 per month. The Statistical Year Book of the United Nations 1949-50 estimated national income for India in the year 1948 at Rs. 203 per annum. National income in other highly developed countries is far too high and we do not stand any comparison with them. Under these circumstances the recommendation of minimum wages in the Report of the Committee on Fair Wages was adopted as a workable basis. In this Report it is stated (Government of India, Ministry of Labour, 1949) that 'the minimum wage must provide not merely for bare sustenance of life, but for the preservation of efficiency of the worker by providing for some measure of education, medical requirements and amenities.'

9. *The worker and the family.*—An important issue that came up for discussion was whether the wage is to be fixed in terms of the individual workers' requirements or his requirements as a member of a family. Family is considered to be the unit in our social life and the incentive and initiative to earn more is a direct result of the family responsibility on the worker. Therefore a proper approach to the wage question would be to consider the worker not as a unit by himself but as one with family obligations and liabilities. Thus it was settled that the worker should be considered in his family setting taking into consideration the burden he has to bear as a member of the family.

The share in the burden of the family that was to be borne by the worker was the point that engaged the attention of the committee next.

The Queensland Industrial Conciliation and Arbitration Act of 1952 had assessed the burden as the burden to maintain wife and three children and the earning of the wife and children were not to be taken into account in determining the wage to be paid to the worker. The South Australian Industrial Court had decided in 1920 that wage should be to support an average employee with a wife and three children. A wife and three children is the standard accepted by New Zealand, U. K. and almost all other countries. But the Bombay Textile Labour Enquiry Committee said that living wage should enable a man to support a wife and two dependents who would ordinarily be children below 14 years of age.

In the above discussions man is taken as the wage earner and woman as the dependent. It is the man's burden that is tried to be 'standardised' therein. In the cashew the vast majority of workers are females and there is no reason why the above standard should be adopted. So the Committee decided to allot the burden as it is borne today as revealed by the study of the working class families.

Another point that arose for the discussion and consideration of the committee was whether the earnings of the other members of the family should be considered. The idea of omitting the earnings of the other members in deciding fair wage or living wage is entertained in those cases where the man is the wage earner and the burden of supporting his wife and children is thrown on him without reference to the earnings of his 'dependents'. In cashew industry woman is the central figure and she cannot be asked to bear the burden single handed without reference to the earnings of others. Hence the earnings of other members have to be taken into consideration. Otherwise it will be casting too much burden on the industry as well. So also the standards attained will be very much beyond minimum wages as conceived here.

10. *Wages differentials.*—Should there be any difference between the wages to be paid to men and women in the same work? The average difference between the level of men's and women's wages in most countries is nearly as much as 50%. But the committee is of opinion that men and women doing the same work must be paid the same wages.

Mrs. and Mr. Webbs in their book *Industrial Democracy* (EDN. 1919 P. 496) say "even in industries which employ both men and women we nearly always find the sexes sharply divided in different departments, working at different processes and performing different operations" and "they are mutually complimentary and there is no question of sexual rivalry". Thus in cashew industry we find all the hard jobs like bag carrying, roasting etc. being done by men and shelling, peeling etc. which are less arduous jobs, by females. That being so, can there be not a wage difference between the two sections, regard being had to nature of the job and the lesser burden on the part of the females, to support the family. This difference does not in case, infringe the principle of equal pay for equal work. Since the men and women were employed differently in different sections, it can be argued that if minimum wages is to be calculated on the requirements of the worker and his family, there is justification for rating the standard family at a lower number of consumption units in the case of women since they are not expected to maintain at least their husbands. The committee decided to fix different wages for the different sections on the basis of the section being 'male' or 'female', the female section being allotted a lesser wage regard being had to the above considerations. The difference is to be in proportion to the difference that exists at present in their share of family burden.

CHAPTER V.

DETERMINATION OF MINIMUM WAGES.

1. Under Section 3(2) of the Minimum Wages Act the appropriate Government may fix (a) minimum time rate, (b) a minimum price rate, (c) a guarantee time rate and (d) an overtime rate.

Provision under the Act.—Different minimum rates of wages as stated in sub-section 3(a) of the Act may be fixed for (i) different scheduled employment, (ii) different classes of employment in the same scheduled employment, (iii) adults adolescents children and apprentices and (iv) different localities. Sub-section 3(b) says that minimum rates of wages may be fixed by the hour, by the day or by any larger wage period as may be prescribed.

The minimum rates of wages may be fixed in any of the three ways (Section 4 P): (i) Separate basic wage and cost of living allowance (ii) a basic rate of wages with or without the cost of living allowance and the cash value of payment in kind and (iii) as all inclusive rate including the basic wage, the cost of living allowance and the cash value of concession if any.

2. *The existing system of payment.*—The following table shows the different classes of employment, wage rates, sex wise. The wage rates fixed for the different classes of employment are based on the long experience in the industry. They must have been evolved through trial and error and hard thinking. As such the Committee is convinced that the same cannot be altered without impairing production. The Committee on the basis of the answers furnished by factory managers studied the work and wage pattern in cashew industry. The following table gives the details.

Item of work.	Sex.	Daily rate or piece rate.	Wage		Remarks.
			Maximum.	Minimum.	
1. Bag carrying ..	Men	Daily rate	2-11-9	1-4-0	
2. Roasting (drum roasting or oil bath roasting) ..	Men	do.	2-0-0	1-6-0	With a workload
3. Roasted nuts carrying ..	Men & Boys	do.	1-12-0	1-12-0	
4. Shelling ..	Women	Piece rate	0-1-5	0-1-0	Unit of 1 lb.
5. Drying ..	Men	Daily rate	2-8-0	1-3-0	
6. Peeling ..	Women	Piece rate	0-1-2	0-1-0	do.
7. Grading ..	Women	Daily rate	1-0-0	0-14-0	With a workload
8. Tin filling etc...	Women	do.	1-14-6	0-10-9	do.
9. Vita packing ..	Men	do.	4-14-0	1-6-6	Skilled. There are semi-skilled and unskilled workers
10. Packing and stencilling ..	Men	do.	2-8-0	1-8-0	

As seen from the above table for certain items of work time rate has been fixed by the day. In some cases the time rate is fixed with a work load. For certain other items the piece rate is the system prevalent and that covers the main operations of shelling and peeling.

3. *Minimum family requirements.*—The average family of a cashew worker consists of 6.13 members. Since the requirements of an individual largely depend upon the age it is necessary to convert the inmates in a family into an equivalent number of adults before the minimum requirements can be determined. The conversion factors for this is based upon food and other necessities of life and have been worked out by Wilson & Widdoson (*Vide Indian Medical Research Journal Memoirs No. 34 March, 1942*). These have been slightly modified to fit in with the broad age groups into which persons have been grouped in the enquiry described in Chapter III. The following table gives these conversion factors:

Age.	Factors.
Below 5	0.30
5-14	0.65
14-54	1.00
55 and above	0.85

With the help of these factors, the adult equivalent has been calculated for the cashewnut workers family. The size of the family now works out to 4.82 adults—of these 2.91 are earners—1.32 male and 1.59 females employed in different industries. The Cashew Industry employs 0.36 males and 1.45 females. Further the pressure of dependency on the earner becomes 1.66 including himself.

What should be the family requirement for an average family of 4.82 adult equivalents or consumption units ?

The Committee first of all tried to estimate the food requirements of the family. The diet chart adopted by the Minimum Wages Committee for plantation labour, Travancore-Cochin was adopted since the preparation of our own independent chart would involve considerable delay. However the Committee is of opinion that the dietary habits have some difference from those of workers engaged in plantations. Living mostly along coastal areas fish is an important item of food. It is hoped that fish being relatively cheap compared to milk we have erred only on the high side in basing our calculations on the minimum requirements of plantation workers.

The following table gives the cost of the dietic requirements per consumption unit in accordance with this chart at rates prevalent at Quilon on 15-2-1953. The rates of prices for commodities were made available to us by the Secretary of the Board of Statistics.

S. No.	Item.	Unit.	Rate.			Quantity in oz.	Amount.		
			Rs.	As.	P.		Rs.	As.	P.
1.	Rice	Edangali (36 ozs.)	0	8	0	9·0	0	2	2
2.	Other cereals	Do.	0	6	0	5·0	0	0	10
3.	Pulses	Edangali (40 ozs.)	0	12	0	3·0	0	0	11
4.	Leafy vegetables	1 lb.	0	1	6	8·0	0	0	9
5.	Nonleafy vegetables	Do.	0	2	0	6·0	0	0	9
6.	Tapioca	Do.	0	0	9	1·5	0	0	1
7.	Yam	Do.	0	2	0	1·0	0	0	2
8.	Milk	Edangali (40 ozs.)	0	15	0	4·0	0	1	3
9.	Oils	1 lb.	0	15	6	2·0	0	1	11
10.	Sugar	Do.	0	7	6	2·0	0	0	11
Total							0 9 9		

The expenditure on diet per adult per day being Rs. 0-9-9 the monthly requirement of a family consisting of 4·82 adult or consumption unit comes to Rs. 88-2-0.

In this the following additions were made :—

Dietic requirements as per above table			82	2	0
Cost of condiments :	..	..	2	8	0
Price of tea or coffee	..	..	2	8	0
Total .. 93 2 0					

The requirement of the family by way of clothing was considered. A sum of Rs. 118-8-0 per annum was found to be necessary for keeping a family clothed in accordance with the calculations made in the following table. This works out at the rate of Rs. 9-4-0 per mensem.

	Item.	Quantity in Nos.	Rate.			Amount.			
			Rs.	As.	P.	Rs.	As.	P.	
Men.	Dhothies	4	2	0	0	8	0	0	
	Shirts	2	3	0	0	6	0	0	
	Banians	3	1	2	0	3	6	0	
	Thorthu	2	0	12	0	1	8	0	
						<hr/>	18	14	0
Women.	Pudava	3	4	0	0	12	0	0	
	Blouse	3	1	2	0	3	6	0	
	Bodies	3	0	10	0	1	14	0	
	Thorthu	3	0	12	0	2	4	0	
	Nerlathu	3	2	5	4	7	0	0	
						<hr/>	26	8	0
Male child : Shirts and 3 pairs shorts			3	12	0	11	4	0	
Female child : Frocks and Blouses 3 pairs			5	0	0	15	0	0	

The total expenditure for clothing in an average family is as follows :

	Rs.
Men	$1.69 \times 18-14-0 = 31-14-0$
Women	$2.10 \times 26-8-0 = 55-10-0$
Male children	$1.09 \times 11-4-0 = 12-4-0$
Female children	$1.25 \times 15-0-0 = 18-12-0$
Total	<hr/> <u>118—8—0 per annum.</u>

To make up the family budget, the amount needed for fuel and lighting rent or maintenance of house-stead were also added. And further a sum of Rs. 11-1-0 was also allotted to cover miscellaneous items as occasional travel and entertainments and also items of expenditure as would contribute to the 'preservation of efficiency of the worker by providing for some measure of education, medical requirements and amenities' as recommended by the Committee on Fair Wages.

The last three items are not as a matter of fact additional ones, but represent amounts actually being spent by the workers now; as disclosed by the sample family survey. Here are the final figures of a minimum budget of expenditure for a cashew worker's average family.

	Rs.
Food Budget	93-2-0
Clothing	9-14-0
Fuel and lighting	2-13-0
Rent or maintenance of house	2-2-0
Miscellaneous	11-1-0
Total	119-0-0

This amount of Rs. 119-0-0 per mensem was accepted the minimum requirement of 4.82 consumption units constituting an average cashew worker's family. This figure represents the cost of living under the present conditions.

A comparison of this budget with the table of per capita expenditure in family survey will reveal that we have not recommended any additional expenditure save in the essential items of food and clothing. The comparative figures are tabulated below :

<i>Item.</i>	<i>Family expenditure.</i>					
	<i>Sample survey.</i>			<i>Recommended.</i>		
	<i>Rs.</i>	<i>As.</i>	<i>P.</i>	<i>Rs.</i>	<i>As.</i>	<i>P.</i>
Food	50	14	0	93	2	0
Clothing	7	0	0	9	14	0
Rent or house maintenance	2	2	0	2	2	0
Fuel and lighting	2	13	0	2	13	0
Miscellaneous	11	4	0	11	1	0
Total	73	14	0	119	0	0

4. *Neutralisation of the increase in cost of living.*—The wages of cashew workers are not split up into basic wage and dearness allowance. Wages have increased by 250 per cent from 1940 to 1952, but at no time were they split up into basic wages and Dearness Allowance. Only consolidated wages are paid in cashew industry in Travancore-Cochin. The estimate of family expenditure arrived at however represents the cost of living at the present price level which is admitted on all hands to be abnormal. Though the inflationary tendencies have been checked and brought under

control it cannot be said that the price level in any part of the country has been stabilised. It was therefore, necessary for us to consider whether any portion of the increased cost of living should be neutralised. This matter was dealt with exhaustively in the report of the Minimum Wages Committee for plantations* wherein it is stated that there is no uniformity in the degree of compensation allowed by awards of Industrial Tribunals in different centres and in different industries.

*The report of the Minimum Wages Committee for Plantations says :

"Extent of Neutralisation of the increase in cost of living: The Central Pay Commission has recommended that Basic wages should be fixed in respect of a cost of living index number of 160 to 175 taking 1939 as the basic year. The extent to which wage earners should be compensated for the increased cost of living today is a matter which has been the subject of several awards by industrial tribunals. But there is no uniformity in the degree of compensation allowed by these awards in different centres and different industries. While in Ahmedabad, the President of the Industrial Court declared that the workers of Cotton Textile industry should be compensated for the increase in the cost of living to the full extent of 100 per cent, the Bombay Industrial Court dealing with the same class of workers awarded only 90 per cent neutralisation. In Madras on the other hand the extent of neutralisation varies from 60 to 76 per cent. The Pay Commission has recommended that low paid employees should be reimbursed to the full extent of the rise in the cost of living. But in view of the recent decisions of the Labour Appellate Tribunal of India, against the principle of cent per cent neutralisation in the increase in the cost of living, for example, in the Buckingham and Carnatic Mills case in June 1951 and in the case of the Silk and Arts Silk Mills in January, 1952, we have also resolved that complete neutralisation of the increase in the cost of living need not be given.

As the price level in India has not been stabilised, and present prices are highly inflationary, we consider that the system of apportioning the minimum wage into the Basic wage and dearness allowance has much to commend it. In fixing the basic wage the Pay Commission's recommendation seems to us to be out of date because of the subsequent increase in the cost of living. We, therefore, decided to fix the basic wage at the cost of living index number of 200. We have also decided to give 85 per cent neutralisation of the increase in the cost of living.

This figure is higher than that of the figure generally allowed in Madras, though lower than that allowed to Cotton Mill Workers in Bombay and Ahamedabad. But we consider it to be a fair measure of compensation to the workers taking into account the high cost of living in this State.....”

After covering the whole ground the Committee decided to grant only 85 per cent neutralisation to the increased cost of living and to fix the basic wage the cost of living index 200. After very careful consideration we have also decided to adopt the same process in computing the basic wage and the extent of neutralisation to the cost of living. The cost of living index at Quilon in February, 1953 was decided to be taken as the basis for these calculations as the industry is mainly concentrated in different parts of Quilon Taluk and suburbs of Quilon town. The index at Quilon stood at that time at 365. Taking Rs. 119 to represent the requirements of an average family at a cost of living index of 365 and fixing 200 as the basic figure of the cost of living index the family budget will be reduced to Rs. 110-13-6, if we allow neutralisation to the extent of 85 per cent of the increased cost of living.

Men's and Women's wages.—We agreed that this amount viz., Rs. 110-13-6 be considered as the amount required for maintaining the average family of a cashew worker and to base our calculations of minimum wages on this budget.

According to the principles laid down earlier it was resolved that this amount be divided among the earners of the family maintaining the ratio 3:2 between male and female workers. The existing ratio in the wages between male and female workers is roughly the same as above. (The average income of a male worker is as Rs. 28-13-0 and that of a female worker Rs. 16-7-0). Out of 2.91 (1.32 males and 1.59 females) earners in an average family, 0.36 males and 1.45 females depend on cashew industry. Thus when the minimum family expenditure of Rs. 110-13-6 is distributed among the total earners it will be found that a male worker should get Rs. 47-4-0 per month and a female worker Rs. 31-8-0.

Assuming that there are 25 working days in a month, a male worker should get Rs. 1-14-0 per day and a female worker Rs. 1-4-0. The rates for adolescents and children were considered by the Committee.

5. *Wages for adolescents and children.*—Adolescents are permitted to work for the same number of hours as the adults, provided they possess certificates from competent medical authority; but there is no provision of law compelling that adolescents be paid equal wages as adults and there is no guarantee that their turn-over will be the same as the adults. In cashew industry adolescents are not employed in difficult items of work. Adolescents, if any, are found working in the shelling, peeling and grading sections, where they get the same piece rates as adults.

The other important items of work in which they are employed are crow watchers, roasting helpers etc. but here they are not doing the same hard work as adults. After very careful consideration and elaborate discussion and as a result of compromise between the representative of the employers and the employees we have decided that the following sliding proportion of wages be recommended for adolescents when they find employment as adults, under a certificate from a competent medical authority in any work for which wages have to be paid by the day.

1. Adolescents who have completed the 15th year, but not completed the 16th, should get $5/8$ of an adult's wage.
2. Adolescent who have completed the 16th year, but not completed the 17th, should get $6/8$ of an adult's wage.
3. Adolescent who has completed the 17th year, but not completed the 18th should get $7/8$ of an adult's wage.

For the purpose of calculating the adolescent's wage the daily rated wages of adults viz., Rs. 1-4-0 for females and Rs. 1-14-0 for males, is to be taken as the basis.

The hours of employment of children are subject to statutory limitations and therefore we decided that the payment of wages to children and adolescents certified as children should be in accordance with the proportion of the hours of work laid down under the statutes.

6. *Minimum time rates.*—The committee decided that for all items of work not covered by piece rates (as enumerated below) the following daily rates should be paid.

- | | | | | |
|---|----|-----------------------------|----|---|
| 1. For adult male workers | .. | 1 | 14 | 0 |
| 2. For adult female workers | .. | 1 | 4 | 0 |
| 3. For adolescents certified as adults who have completed the 15th year but not completed the 16th year | .. | $5/8$ th of an adult's wage | | |
| 4. For adolescents certified as adults who have completed the 16th year but not completed the 17th year | .. | $6/8$ th of an adult's wage | | |
| 5. For adolescents certified as adults who have completed the 17th year but not completed the 18th year | .. | $7/8$ th of an adult's wage | | |
| 6. Children and adolescents certified as children | .. | $4/8$ th of an adult's wage | | |

Minimum time rate with work load.—In grading work the existing system is the daily rated payment. But in the different factories the nature of works differs and different work loads are fixed. As such after prolonged discussion we found that no uniform work load can be fixed. Hence the committee decided to continue daily rated payment with the customary work load. Since grading is predominantly done by women the daily rate was fixed as Rs. 1-4-0 per day.

7. *Piece rate.*—It was agreed on all hands that there should be no deviation from the existing system of payment by piece rates in shelling and peeling.

8. *Guaranteed time rate.*—The question of fixing a guaranteed time rate was debated at length. But it was revealed on a close study that guaranteed time rate may slow down the incentive to work. It can be seen from the following.

The daily earning of a female worker is to be estimated at Rs. 1-4-0 i. e., 20 annas. If, out of this 10 annas is set apart as guaranteed time rate, and the remaining ten annas are spread over the average turn over, which is estimated at 16 lbs. in shelling, the piece rate for shelling will be 7.5 pies per pound. The minimum output in shelling is reported as 5 lbs. and maximum 40 lbs. At that the person who shells 5 lbs. will get at the day's end 10 annas guaranteed time rate plus 3 annas 1.5 pies i. e., 13 annas 1.5 pies. The best sheller will get 10 annas guaranteed time rate plus 26 annas, i. e., 2-4-0. Thus a person who turns out 8 times the work gets hardly three times remuneration. Hence it was decided to drop the fixation of guaranteed time rate. The committee discussed the possibilities of a time rate with a work load and as an incentive for more work a piece rate for the excess of turn over. But that was also ultimately dropped.

9. *Minimum piece rates shelling.*—As seen above the difference between the minimum and maximum in shelling is very wide. After a study of the answers to the questionnaires sent and the facts collected during our itinerary the committee came to the conclusion that an average sheller with average ability can, working on 8 hours a day, shell enough nuts to have a turn over of 16 lbs. of whole kernels. In arriving at this average we had taken into consideration the fact that the factories handle at least 50 per cent in African nuts. We computed the minimum piece rate in shelling on the basis that the shelling work is essentially a women's job; and that payments are made for wholes only. The average earning of the average sheller should be Rs. 1-4-0 per day, and the same should be spread over 16 lbs. of whole kernels turned out by her. This works out to 1 anna 3 pies per pound. Thus in shelling the piece rate was fixed at Re. 0-1-3 per pound of whole kernels turned out.

10. *Minimum piece rates peeling.*—Peeling is divided into (a) peeling wholes, (b) peeling shelling pieces and (c) peeling kernels or unpeelables.

(a) *Peeling whole kernals.*—As in the case of shelling the average turn-over of a peeler of average ability was estimated to be 14 lbs. of whole kernals in an 8 hour day. Peeling comes under female section and so the daily earning should be Rs. 1-4-0.

(b) *Peeling shelling pieces.*—When the same is distributed on the 14 lbs. of whole kernals peeled the piece rate will be 0-1-5 per pound. So the same was adopted as the piece rates for peeling. Adopting a procedure similar to the one for the calculation for peeling whole kernals, the minimum piece rate corresponding to 20 lbs. in an 8 hour day becomes Re. 0-1-0 for peeling shelling pieces.

(c) *Peeling kettals.*—Estimating the turn over of an average female worker in an 8 hour day, engaged in peeling kettals to be 10 lbs. the piece rate works out at Re. 0-2-0 per pound.

11. *Cost of living sliding scale.*—The adjustment of wages to changes in the cost of living is an accepted principle. But regard being had to the provision under clause (b) sub-section (1) of Section (3) of the Act which empowers the appropriate Government to review at such intervals as they deem fit the minimum rates of wages, the committee does not deem it necessary to engage themselves on this point.

12. *Utensils.*—The employers' representatives demanded that the utensils in the shelling, peeling and grading sections be provided by the employers. The mallet used in shelling vary in size, weight etc. They are matters of personal taste and choice. So the present system of the worker's equipping themselves may be allowed to continue. But to peeling and grading the general custom of the employees supplying the utensils, may be universally enforced.

13. *Under employment.*—The question of protection against under employment has been discussed and the recommendation recorded in the interests of the employer and the employee. The representatives of employees had raised the question of guaranteed time rate and other methods of payments to avoid the contingency of under work in shelling and peeling which leaves the worker rather with a few annas on several days. According to the employees' representatives it is very often due to the attempt on the part of certain employers to see that the available work is distributed over a longer period with a view to avoid the financial liabilities which might arise on a temporary closure. The employer's representative contented that very often the

What compensation should be given to an employee who turns up for work on a working day and finds no work or only partial work, when the employer is responsible for such a situation? One of the employer representatives Mr. R. J. Thorne proposed that if on any working day the employer fails to provide work for less than 6 hours that is 75 per cent of the normal working day the employee concerned should be compensated to the extent of 75 per cent of his wages inclusive of any amount he might have earned during the day out of partial employment if any that has been provided. If however the employee has been able to earn during the period of partial employment an amount in excess of 75% of the normal wages he will be entitled to receive his actual earnings. He also proposed that such under-employment should on no account be permitted to extend to more than 3 days in a week and if it exceeds 3 days, compensation to the full extent of the normal wages should be paid to the employees. The employees will be entitled to the compensation only when the underemployment results on account of the fault of the employer. The employees' representatives accepted this proposition as a compromise. But Messrs. P. Krishna Pillai and Thangalkunju Musaliar would have it altered in such a way as the compensation be reduced to 50 per cent of the normal wages. The normal wages for this purpose will be the average amount the particular worker has been able to earn during the previous week in which he was fully employed.

Eventhough there was this divergence of opinion the committee by a majority decided that the proposal of Mr. R.J. Thorne be accepted.

14. *Protection against unemployment.*—The employee's representatives Sri M. N. Govindan Nair and Sri T. K. Divakaran urged that provision should be made for full employment throughout the year. They contented that otherwise the fixation of minimum wages is of no consequence since the minimum wages was fixed on the assumption that there will be work for 25 days a month throughout the year.

Mr. R. J. Thorne contended that owing to the seasonal nature of the industry it was beyond the scope of the enquiry of this committee to go into the question of full employment and make stipulations for the same.

On an analysis of the answers to the questionnaire received by the committee the average number of days in the year that the factories worked was only 242. There were factories which worked only less than 200 days. Messrs. P. Krishna Pillai and A. Thangalkunju Musaliar were of opinion that only the better of factories have sent in their answers and that the average days would be only 200 days in the year. They contended that the industry has developed only as a supplementary occupation to agriculture and that it could not be divorced from agriculture. They stated that the cashew factory worker is not an industrial

worker but an agricultural-cum-industrial worker with whom regularity cannot be enforced. They further contented that nuts are the limiting factor and that the yield vary with the vagaries of season. According to them the present set up of the industry should not be altered, as this will upset the rural agricultural economy.

But Messrs. M. N. Govindan Nair and T. K. Divakaran argued that the contention that the cashew industry is a seasonal industry does not hold good. There is nothing preventing the rationalisation of this industry in such a way that the factories can develop as perennial ones. The quantity of nuts available is the only limiting factor and if sufficient quantities of raw material can be stocked a factory can operate all the 12 months of the year. According to them an agricultural economy of the localities in which the factories are situated will not be disturbed in the least if full employment is provided to the workers of the factories. As a matter of fact they say that the labour force employed in cashew factories seeks employment in agricultural operations because the cashew industry does not provide them full employment and a living wage.

They are of opinion that steps should be taken to rationalise the industry in such a way that there will be no unemployment for the workers during any part of the year. As an interim measure Messrs. M. N. Govindan Nair and T. K. Divakaran proposed that work must be provided in the factories for 242 days of the year, the average number of days that the factories have been providing work in accordance with the returns the committee have received from factory managers. If employment falls below 242 days full compensation should be given to the workers at the rate of their average earnings. Further the number of days allowed as leave with wages must synchronise with the period of the closure of the factories and 50 per cent of full wages should be given as compensation for the number of working days in the year for which the employees will find no work in the factories. But Fr. Zacharias, one of the representatives of the employees, is of opinion that though nothing should be done which will have the effect of altering the entire complexion of the industry, it should be rationalised to such an extent to give regular employment at least nine months a year. The employer's representatives are emphatic in their opinion that the industry cannot afford to pay any compensation for any unemployment.

The committee is aware of the importance of giving regular and full employment to industrial workers. In many cases the earnings of the worker can be raised without extra cost to the employer if regular and full employment is given to the former. Increased earnings from regular employment can raise the standard of living of the worker. So the effort of the employers in their own interest should be to give full and regular employment. But there is a wide-spread tendency to look too much at what the employer is required to pay for the work, i. e., wages and too little at what the worker gets for it, i. e., at earnings.

Poverty is increased by retaining too many workers than is required. So the idea of substituting the regular with the irregular is a good and sound maxim. But we cannot overlook the fact that in India Industry is not a world in itself. It is only an element, of course, an important element, in the economic life of the country. So cashew industry which have moved to the rural parts to attract the agricultural labour during the long spells of unemployment may not be suddenly changed so as to create new and unforeseen problems. Care must be taken to see that in adopting measures for the betterment of the workers the interest of the community as a whole does not suffer. So also another factor too has to be considered in this context. The "objective is not merely to determine wages which are fair in the abstract, but to see that employment at existing level is not only maintained but, if possible, increased." The rationalisation of the factories as suggested earlier by the two employees representatives may have the effect of throwing large numbers out of employment.

The other alternative of giving 50 per cent of the wages will raise the cost of production to such high proportions that the industry may not be able to survive the same. But the committee are of the view that the closing of that factory should not be treated as termination of services and that the maxim 'last come first go' must apply after reopenings if there are any retrenchments."

We do not propose to go into the legal question whether this committee is competent to make a recommendation by which the industry, will have to provide compensation to workers against unemployment or not. The views of the representative of the employers and Messrs. M. N. Govindan Nair and T. K. Divakaran are widely divided and no compromise appears to be possible.

Under the circumstances it is felt desirable that Government effect a complete stock taking of the present position of the industry, with particular reference to demand and supply, and the volume of labour the industry can accommodate. This will help them to further the industry and labour.

Growth of factories to be regulated. It has already been stated in an earlier section that a cashew factory can be started with very little initial capital and equipment. As such it is likely to attract adventurers with little business acumen or financial stability to start factories, running them in an off and on manner. One great bane in small scale industrial concerns has been neglect of specifications of quality of industrial products. Marketing of goods not coming up to the right standards will in the long run be a definite set back to the industry. This is particularly true of the cashewnut industry. Over-bidding of raw nuts, and under-selling of kernels will lead ultimately to the crash of the factory creating labour problems in general. Irregular employment is a result of the growth of such unsteady factories. So, it

will be advisable on the part of the Government to consider the question of controlling the growth of new factories. To avoid unhealthy competition and labour troubles it is necessary that Government have a definite policy about this industry whereby they can effectively exercise control whenever necessary.

CHAPTER VI

SUMMARY OF RECOMMENDATIONS

The following is the summary of our main recommendations

For all items of work in the cashew factory, for which no piece work rate has been recommended and for which no specific rate has otherwise been fixed, the following wages shall be paid.

I. *Minimum Time Rate.*

	Rs.	As.	P.	
Audit Males	.. 1	14	0	per day.
Audit Females	.. 1	4	0	do.
Adolescent male permitted under medical certificate to do the work of an adult:				
(i) who completed 15 years but not completed 16	.. 1	2	9	do.
(ii) who completed 16 years but not completed 17	.. 1	6	6	do.
(iii) who completed 17 years but not completed 18	.. 1	10	3	do.
Adolescent female permitted under medical certificate to do the work of an adult:				
(i) who completed 15 years but not completed 16	.. 0	12	6	do.
(ii) who completed 16 years but not completed 17	.. 0	15	0	do.
(iii) who completed 17 years but not completed 18	.. 1	1	6	do.
Mail children	.. 0	15	0	do.
Female children	.. 0	10	0	do.

II. *Time Rate with work load:—Grading white wholes.*

Rs. 1-4-0 per day with customary work load.

III. *Minimum piece rate.*

- (a) *Shelling*:—Rs. 0-1-3 per lb. of shelled whole kernels delivered at the weighing machine.
- (b) *Peeling*:—Rs. 0-1-5 per lb. of peeled wholes delivered at the weighing machine.
- (c) *Peeling shelling pieces*:— Rs. 0-1-6 per lb. kernal peeled and delivered at the weighing machine.
- (d) *Peeling of Kattals*: —(unpeelables) Rs. 0-2-0 per lb, of kernels peeled and delivered at the weighing machine.

COMPENSATION FOR UNDER-EMPLOYMENT.

In case of under-employment of piece rate workers due to the failure of the employer to provide work for at least 6 hours on any particular working day for which no work notice was not previously given, and such failure being due to his own fault, the piece work rated employee will be entitled to a compensation equivalent to his or her normal 6 hour's work inclusive of any wages he or she was able to earn that day by partial employment.

ACKNOWLEDGMENT.

The Committee wish to place on record the spirit of Co-operation and mutual adjustment with which both the wings of the Committee representing employers and employees approached every question that came up for consideration of the Committee. There have been differences of opinion and divergence of view points; they are only inevitable. But it can be stated with gratification that each side was anxious to understand the view point of the other and ready to accept compromises wherever possible. Without such willing Co-operation and spirit of compromise it would not have been possible for us to make this report as unanimously as it happens to be. But on certain issues, each side had reasons of their own to hold fast to their points of view and we regret that there had been no unanimity in respect of such matters.

The Government of Travancore-Cochin have rendered us considerable assistance at every stage. They were pleased to pass favourable orders in respect of almost every request we have made. The Department of Labour also helped us substantially by placing the information they possessed in respect of the industry at our disposal. The Committee are also obliged to the Director General of Commercial Intelligence and statistics of the Government of India who provided them with all trade figures required of them regarding import and export.

We are also deeply indebted to Dr. U. S. Nair—The Superintendent of Census operations of Travancore-Cochin for the very valuable help and advice he had rendered to the Committee and to the Secretary of the Board of Statistics Sri N. Gopalakrishnan Nair, under whose personal supervision the sample family survey

of cashew workers was conducted and the results analysed. He took great pains, a certain extent of personal interest, in handling this part of the work. He was also kind enough to attend three meetings of the Committee to explain the family survey report to the members and also to assist the Committee in computing the Minimum Wages on the basis of the same.

The Committee wish to record their appreciation of the Statistical Assistants in various taluks working under the Board of Statistics who gathered the data of the sample family survey within as short a time as possible. In Quilon the Statistical Assistant had to employ 5 voluntary workers as there are 825 families to be visited for collection of data. Each one of these young men had to visit 165 houses in the remote corners of Quilon Taluk and gather all the information according to the schedule. They undertook this tough piece of work in a spirit of social service and the Committee owe a debt of gratitude to them.

The South India Cashew Manufacturers' Association had also been very helpful to the committee in the prosecution of their work. They placed at the disposal of the Committee their hall. Their energetic Assistant Secretary Shri T. N. Pillai, was helpful to the Committee in more ways than one.

And finally the Committee place on record their appreciation of services rendered by the staff of the Committee. It may be specifically mentioned that in Shri R. Parameswaran Pillai the Committee had a Secretary who was of real assistance to them.

(Sd.) A. P. Udayabhanu,

(Sd.) M. N. Govindan Nair, *Subject to a separate note.*

(Sd.) T. K. Divakaran, *Do.*

(Sd.) Fr. Zacharias,* *Do.*

(Sd.) R. J. Thorne, *Do.*

(Sd.) P. Krishna Pillai, *Subject to dissenting report sent herewith.*

(Sd.) A. Thangal Kunju Musaliar, *Subject to dissenting report sent herewith.*

*Fr. Zacharias has not sent his 'separate note'.

NOTES.

"In the cashew industry, forward sales of kernels have to be made by shippers up to six or eight months ahead, in order to satisfy the requirements of the New York market. By early April 1953 substantial forward sales had been made for shipment up to October 1953, with costing worked out on the existing wage rates. It is therefore desirable that after fixing minimum wage rates, Government should give at least six months notice to the employers before bringing these new rates into force".

Kundara, 11th April, 1953.

(Sd.) R. J. THORNE.

DISSENTING NOTE ON THE REPORT OF THE MINIMUM WAGES
COMMITTEE FOR THE CASHEW INDUSTRY IN
TRAVANCORE-COCHIN STATE.

Although the investigation on the wages structure of the Cashew Industry has been carried out on a scientific basis and although the Committee's report has been prepared on the results of this investigation, I consider that the following important points should be seriously considered by Government before minimum wage rates are fixed.

1. Undue stress has been placed on the Family Food Budget adopted by the Minimum Wages Committee for Plantation Labour, and the quantities of various food items mentioned appear to bear little relationship to the existing diet of manual workers in this area or to the kinds of foodstuffs readily available in the markets.

2. The recommended high increase on the present wage rates would put this industry in Travancore-Cochin State in a disadvantageous position compared to the considerable cashew industry in Madras State. It must be remembered that about 80% of India's cashew kernel exports are processed in the Travancore-Cochin State, but that a large proportion of the raw cashew nuts used for these exports is obtained from the Madras State and from East Africa.

3. The recommended minimum wage rates are based on a very high cost of living, and these recommendations are made at a time when this industry is in a precarious position owing to lack of finance and to strong competition in world markets from other nut kernels grown outside India.

4. It is therefore necessary that more stress be laid on the capacity of the industry to pay. It may be argued that an increase in wages can eventually be passed on to the consumer abroad, but it must be remembered that any substantial increase in the price of cashew kernels helps the sale of other cheaper kernels from elsewhere, and has an adverse effect on the consumption of cashew kernels.

5. It is therefore apparent that under the present difficult circumstances of this industry the recommendations in the Committee's report represent too high a *minimum*, and that minimum wage rates should be fixed on a par with the average rates prevailing in the cashew industry at present.

(Sd.)

Kundara, 11th May, 1953.

R. J. THORNE.

DISSENTING NOTE OF SRI P. KRISHNA PILLAI AND
JANAB A. THANGAL KUNJU MUSALIAR.

To

The Chairman,
Cashew Minimum Wages Committee,
Trivandrum.

Sir,

The Chairman sent a draft of the report prepared by him to us on 2nd April 1953. A meeting also was proposed to be convened on the 7th April for considering the draft report. On going through the report we found that we could not agree to various matters contained therein and some of the objections we had were immediately forwarded to the Chairman by Sri P. Krishna Pillai. Both of us were at that time indisposed and informed the Chairman that we could not attend that meeting. Notwithstanding that, the meeting was held on that day and even without considering the objections forwarded to the Chairman, the report as drafted by him was adopted and sent to us for signature. Evidently we could not agree to this procedure and we therefore did not sign the report and informed the Chairman that we could not sign the report as it is and asked for a fortnight's time to consider the report and to communicate our views.

On going through the report sent to us we regret that we cannot agree with either the approach made for the fixing of minimum wages or the conclusions arrived at. We have therefore to add a note of dissent in regard to matters which cannot be agreed to.

The family budget prepared by the Statistical Department is made the main, if not the sole basis for the fixing of minimum wages in the report. Family budget, by itself cannot be taken as a correct basis for this purpose, particularly in this industry, in which 95% of the workers are females and adolescents. Mr. P. Krishna Pillai had from the very start objected to the consideration of family and family budget as such in the matter of fixing minimum wages in the industry. The adoption of the family budget as the basis on the analogy of other industries as well as on the basis that such considerations have weighed with similar committees in other places, and other countries is not warranted by the peculiar conditions of this industry. Ordinarily man is considered to be the wage earner and family budget is prepared on the basis of the dependants of the wage earner in the family. Such a condition is not obtained here, in as much as the women and the adolescents are all working in the factory. Thus the principle of dependance on the wage earner has not applications here, and the wage earners' income is really supplemented by the income of the others. The calculation

of the family budget also cannot be said to be absolutely correct. Even in adopting the family budget, the report has not stuck to it, but has made arbitrary alterations, which cannot under any circumstances be justified. The income of a family is estimated at Rs. 64-2-0 per mensem and the expenditure is put at Rs. 73-14-0 per mensem, thereby leaving a deficit of Rs. 9-12-0. This cannot be accepted as correct in as much as there was no investigation as to the indebtedness of the workers and there were no materials available for concluding that the deficit was made good otherwise. Having stated that there was such a deficit, the report proceeds to say that Rs. 73-14-0 is required for a hand-to-mouth existence and that Rs. 119 is really required for the maintenance of the worker's family. These calculations are not warranted by any materials available with us. The neutralisation of the deficit worked out in the report in order to enable a worker's family to have better standard of living is thus made without any basis. As for fixing a higher standard of life there are various considerations to be taken into account. The standard of life now obtaining among ordinary people has to be taken into account and this has to be done in relation to the national income. The per capita national income is Rs. 225 per annum. Viewed in this light, the fixing of Rs. 119 as the minimum required per mensem for a working class family is unjustifiable and extravagant. Thus the adoption of the family budget and the manner in which it has been applied in the report cannot in any way be sustained.

The continuous employment of the workers requires the continued working of the industry and unless the industry can be worked with some margin of profit or atleast without loss, the industry will cease to exist and the workers will be thrown out of employment with very serious results both for the State and the people at large. Thus the stability of the industry is one of the main factors that should be taken into account in determining minimum wages. The fixing of minimum wages should not also be allowed to result in creating discontent and discord amongst the workers.

The existing wage level and the adequacy thereof to meet the needs of the worker should have been particularly considered before any kind of interference is made with the existing wage structure. As for cashew industry, it is of a seasonal cottage industry nature. It is on this account that the Madras Government has excluded this from the operation of the Minimum Wages Act, even though this business is carried on in an extensive industrial scale in various places in the State, such as Mangalore, Calicut, Palasa, Panruti, Rajahmundry, Nelloor, Tanjore and other areas. A comparison of the wage structure obtaining in this industry in these areas with that obtaining here should also be taken into account in deciding the rate of wages to be fixed here. If the wages here are put at a higher level than those in other areas, where raw cashewnuts are easily available, the industry here will soon die out, with the consequence that it will result in considerable unemployment and great financial loss to the State.

The work to be done in this industry is of a light unskilled nature and nearly 95% of the employees are women and adolescents. Nearly all the members of the family can get employed in this industry and the workers look to this as a supplementary source of income in as much as most of them have other sources of income. They also look to agricultural work and absent themselves during agricultural seasons. We have to take all these factors into consideration in fixing wage rates for workers in this industry. If these factors are taken into account and if the present position of this industry is viewed in its proper perspective there will be no justification to increase the wage rates now obtaining. On the other hand there will only be necessity to reduce the wage rates on account of trade reasons affecting both the stability of the industry and the cost of living of the workers.

This industry was in a way thriving in Mangalore even before it was started in Travancore-Cochin. Sometime before 1925 one Mr. Murthy Narayana Rao and one Mr. Pereira jointly started this business in Quilon. But that did not succeed. Then it was Mr. P. V. Swaminathan and W. T. Anderson that started this industry in Quilon and developed it into a successful business by introducing improved methods of production and closer contacts with purchasers. He was followed by persons like Messrs. N. A. Narayanaswamy Reddiar, M. Narayanaswamy, E. C. Govindan Asan, K. Mytheen Kunju, M. P. Govindan, K. Kesavan, Chidambara Thanu Pillai, H. M. A. Majeed Sahib and ourselves who started this industry and developed it at considerable risk. Of these persons, Mr. Narayanaswamy had to close down his business some years ago. P. V. Swaminathan, W. T. Anderson, Volkart Bros., Aspinwalls and many other had also to close down their business. With considerable persistence and at very great risk it was that we and certain others stuck to this industry and developed it into a source of employment for a large number of people. This way by the time the last war was declared some 142 factories have been established in Travancore-Cochin and it was in fact this industry that gave employment to a large number of people and enabled them to make a decent living during the hard times of the last war. In spite of the apparently thriving condition of this industry various persons who started this industry during these years have failed for no fault of theirs.

The comparison of this industry with coir industry as one of the most important industries in this State is misleading. As for coir industry all the raw materials required therefor are available here itself. With regard to cashew industry more than 60 per cent of the nuts required for this industry have to be imported from outside India. Out of the remaining 40 per cent of nuts used in this industry 20 per cent are purchased from outside the State. Thus it is only a very small fraction of the nuts necessary for this industry i. e., 20 per cent that can be had in this State. The price factor of these raw nuts is not within the control of the employers here. The kernels produced in this industry as well

as the shell oil made, have all to be sold in countries like the United States, Canada, United Kingdom, etc. The purchase price is also dictated by the market conditions there. All these factors have to be taken into consideration in interfering with wage structure obtaining in this industry, as any slight interference in that will considerably affect the cost of production. This industry has also now to face considerable competition in various ways. There are various other edible nuts which are decorticated solely by machineries and are available in the market in the consuming countries and unless the prices of these nuts compare favourably with those of other nuts the sale of these nuts will become difficult and hard. It is also learnt that arrangements have already been made in Africa to start this industry there with the help of the Government. It is from these areas that the bulk of the raw cashewnuts consumed here is imported. This industry is also now being developed on a larger scale in various parts of Madras State, where raw nuts are available and from where these nuts are being got down by the employers here. Unless therefore this industry here can compete those areas it is not possible for it to continue. It is thus clear that this industry cannot be saddled with any more financial burden and if any further burden is cast on it the stability of this industry here will be seriously jeopardised.

This industry requires heavy financial investments. The establishment and equipping of a cashew factory will require an initial investment of not less than Rs. 75,000. Besides this large amounts are required for the purchase of cashewnuts and for the working of the factory. In fact the capital investment in this industry is much larger than that in other industries. Persons engaged in this industry have to borrow very huge sums of money from banks at very heavy rates of interest and they do this at very great risk to themselves. In the nature of this industry factories have to be located in various places and the control and supervision of the work in these factories would entail very great costs.

Thus the position of this industry is still not stable and the workers have to be made to realise their responsibility in keeping up production and doing efficient work if this industry has to survive the threatened on-sloughs from other areas where raw products are easily available. Thus wages have to be related to production, and are not to be determined solely on the basis of family budget. The average output which a worker can turn out in each department of work has not been correctly investigated into or estimated. The volume of business turned out in this industry in Travancore-Cochin cannot be correctly ascertained from the export figures referred to in the report. These export figures include also goods sent from Calicut and Mangalore for export from Cochin. The various factories in Travancore-Cochin State are not situated near Quilon. There are some 87 factories situated in Quilon Taluk, 26 in Kottarakara Taluk, 4 in Chirayinkil, 4 in Pathanapuram Taluk, 2 in Kunnathoor

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Taluk, 7 in Karunagappally Taluk, 6 in Karthikapalli Taluk, one in Mavelikara Taluk, 2 in Kunnathunad Taluk, and 2 in Trichur Taluk. Thus there are only 141 factories now working in this State and a large number of these factories, are situated far away from Quilon. Of these factories the Trichur factories have stopped work on account of inability to keep the cost of production below the purchasing value of kernels. The report has stated that 85 out of this 141 are owned by six persons. The purpose of this statement is not clear. Anyhow this statement is not also correct. The six persons referred to in the report own only 75 factories as stated hereunder :—

Thungalkunju Musaliar	..	26
Narayanaswamy Reddiar	..	8
K. Kesavan	..	12
K. Mytheen Kunju	..	9
E. C. Govindan Asan	..	10
P. Krishna Pillai	..	10

Of these people Sri Narayanaswamy Reddiar is not working all the factories he owns.

The reference made in the report with regard to the amenities obtaining in the cashew factories is unwarranted and is beyond the scope of this reference. The statement that the creches provided for in the factories are over-crowded is incorrect and uncalled for. Canteens are not provided for in these factories, as the workers do not avail themselves of these canteens. The workers come from the neighbourhood of these factories and they take food with them or go to their houses for meals during intervals. The canteen established in the factory of Peirce Leslie and Co. Ltd., is a failure and the workers do not actually avail themselves of it for their meals.

As stated above a real investigation into actual condition of this industry has not been undertaken. Thinking that the condition of this industry is prosperous and promising the report has really overlooked the vital factors to be considered and has confined itself to the question of the family budget and the raising of the standard of life. This should not in the interests of the industry and the workers themselves, have been done. The wages that were being paid to the workers in this business in pre-war days and the prices of nuts and kernels prevailing then were not even adverted to. On the other hand the present wage level alone has been taken into account. The wages obtaining in this industry in other areas are really much less than the wages paid to the workers here. The wage rates obtained in this industry in 1939 were as follows :—

Shelling Cooly	10 cash per pound.
Peeling Cooly	10 cash per pound.
Shelling pieces Cooly	4 cash per pound.
'Kattal' Cooly	10 cash per pound.
Selection Cooly per 100 pounds	7 chuckrams.

It is in this connection to be remembered that many of the financial burdens that now exist were not in existence at that time. The prices of articles rose during and after the war and the rise in prices of kernels during the latter period of the war and for some time after war was really high. Consistent with the rise in prices and also with the rise in cost of living wages also were steadily increased by the employers. In fact the increase in wages was much higher than the increase in the price of these goods. The wage rates now obtaining in this industry are as follows:—

1952-1953.

Shelling Cooly	1 anna 1½ pies per pound.
Peeling Cooly	1 anna 1½ pies per pound.
Shelling pieces Cooly	6 pies per pound.
'Kattal' Cooly	1 anna 5 pies per pound.
Selection Cooly per 100 pounds	14 annas.

It was with due regard to the increase in cost of living but without any detriment to the stability of the industry that these increments were made. The adequacy of the wages to meet the needs of the workers, the capacity of the industry to bear the additional financial burden, the ability of the industry to overcome competition in this field and various other factors were duly considered by the employers when these increments were made. Thus the present wage level has not been fixed at random but has been fixed with due regard to all factors that have to be taken into consideration in such matters. Besides this, various new financial burdens have also been imposed on this industry in various ways. One such burden is in the shape of maternity benefit. As already stated nearly 95% of the workers are women and a large amount was being paid on account of maternity benefit to these workers. Recently the Maternity Benefits Act has been amended and the rate of maternity benefits has been enhanced and the period of service which entitles the workers to have that benefit is also liberalised. Prior to this amendment it was only Re. 0-8-0 that had to be paid as maternity benefit. Instead of that we have to pay Re. 0-12-0 now. This matter has not even been adverted to in the report. All these things will affect the cost of production very considerably, which in its turn will affect the industry seriously. This matter also ought to have been taken into consideration before any alteration in the rates was proposed. Thus the wages now prevailing are very high and the condition of industry in the near future may not justify even this high rate of wages. In fact the minimum wages have to be fixed at lower rates than now prevailing if they are to be really minimum wages. It does not mean that the existing rate should now be disturbed, but changes in economic conditions may necessitate reduction in wages and such a contingency should not be overlooked.

With regard to workload the report says that the existing workload shall continue, but it does not say what the existing workload is. Wages have to be related to production and workload has to be fixed before the wage rates were settled. This was also not done. A person with average ability can easily shell nearly 18 to 19 lb. of nuts a day and can peel about 18 lb. of nuts. In the shelling of pieces he can easily turn out 30 lb. This matter ought to have been ascertained before the piece rates were settled. The report also makes a discrimination in the wage rates between the shelling section and the peeling section. The rates proposed for the workers in the peeling section are higher than the wages of those working in the shelling section. Peeling is really a much lighter work than shelling and if the rates in the peeling section are higher no worker can be had for the shelling section, which would then cause absolute stoppage of work. Thus the proposed wage rates cannot on this ground also be agreed to. The minimum wages proposed to the daily rated workers are also not correct. Wages paid here are higher than the wages paid elsewhere in this industry and also compare very favourably with the wages paid in other industries in this and other areas. Thus there is no ground made out during this investigation for increasing the wage rate in any way.

The report also makes a recommendation in regard to protection against under-employment. Under-employment or un-employment was not a matter referred for consideration of the Committee. The report should not have dealt with this subject at all. There are various considerations to be taken into account in dealing with a matter of this kind. The recommendation made in the report in regard to this matter is incompetent and *ultra vires* and should not be even considered.

We are therefore of opinion that no kind of increment should be made in the wages now obtaining in this industry and if the minimum wages have to be fixed, they have to be fixed not at a higher level than those now obtaining.

Considering all things, we suggest the following rates as minimum wages for cashew industry:—

<i>Minimum time rate.</i>		<i>Rs.</i>	<i>As.</i>	<i>P.</i>
Adult males	..	1	8	0
Adult females	..	0	14	0
Adolescent males permitted to do the work of an adult				
(1) who completed 15 years but not completed 16	..	0	14	0
(2) who completed 16 years but not completed 17	..	1	0	0

<i>Minimum time rate</i>	<i>Rs.</i>	<i>As.</i>	<i>P.</i>
(3) who completed 17 years but not completed 18 ..	1	2	0
<i>Adolescent females permitted to do the work of an adult</i>			
(1) who completed 15 years but not completed 16 ..	0	9	0
(2) who completed 16 years but not completed 17 ..	0	11	0
(3) who completed 17 years but not completed 18 ..	0	13	0

Time rate with workload :—

Grading white wholes .. 14 annas (present workload
given in each factory).

Minimum piece rate for shell-
ing .. 1 anna 1½ pies per pound of
shelled wholes kernels
delivered at the weighing
machine.

Minimum piece rate for peel-
ing .. 1 anna 1½ pies per pound of
peeled kernels delivered at
the weighing machine.

Minimum piece rate for shell-
ing pieces .. 6 pies per pound of pieces
delivered at the weighing
machine.

Peeling of Kattals .. 1 anna 5 pies per pound of
Kattals delivered at the
weighing machine.

Yours faithfully,

(Sd.)

P. KRISHNA PILLAI.

(Sd.)

JANAB A. THANGALKUNJU MUSALIAR.

Quilon,
12th May, 1953.

CHAIRMAN'S COMMENT ON THE DISSENTING NOTE OF
MESSRS. A. THANGAL KUNJU MUSALIAR &
P. KRISHNA PILLAI.

The Chairman was extremely anxious to adjust the sittings of the committee to suit the convenience of the members and in that effort had to seek a number of extensions which extended to 7½ months. The date and venue of the last sitting was fixed in consultation with all the members except Sri P. Krishna Pillai. To Sri P. Krishna Pillai the Chairman has sent a draft of the report requesting him to send his views in case he is unable to attend the Committee.

As for the family budget enquiry the same was conducted by the Statistical Department. In fixing the wages the income of all the members of the family have been taken into account and so the objection in the dissenting note is not sound.

The dissenting note says that a monthly income of Rs. 119-0-0 for an average family of 6·13 is extravagant, considering a *per capita* national income of Rs. 225 per year. If the national income is calculated on the basis of a family of 6·13 members the income per month will be Rs. 114-12-0. So the extravagance is an extravagance of Rs. 4-4-0 per month for a family of 6·13. If calculated on a *per capita* basis this extravagance will amount to a little less than one rupee.

The competition from factories outside is held out as a serious objection by the two members in their note of dissent. The footnote to para 3 of section 3 of chapter I shows the Mangalore and Quilon rates. There was a difference of 1½ pies in the piece rate for shelling between Mangalore and Quilon, before the new rates were introduced in Mangalore. Now the difference between the rates recommended by this Committee and the new Mangalore rate is only one pie. In peeling the difference between the two old rates was 1½ pies and now the same is 3 pies. But the peeling rate of 6 pies for pieces that prevailed here has been dropped by this Committee when effecting the above enhancement.

The Committee is anxious about the future of the industry which gives so much employment and brings so much money to the State.

(Sd.) A. P. UDAYABHANU.

MINUTE OF DISSENT.

I regret I am unable to agree with the majority on a very fundamental point. The minimum wage has been fixed on the basis of 25 working days in a month throughout the year and this remains a fiction so long as there is no assurance that work will be provided for 25 days in a month and for twelve months in the year. It is argued by the employers' representatives that the industry is seasonal in nature. I hold the view that this is not correct and that the industry is forced to remain seasonal for reasons best known to the employers. Whatever it be, if the seasonal nature of the industry is accepted, the minimum wage should have been fixed taking that fact also into account. What the Committee has done is to fix the minimum wage on the basis of full employment throughout the year and refuse to go into the consequent implications by accepting the bald and questionable assumption that the industry is a supplementary occupation to agriculture which will provide the additional income required for the worker to see him through the period of unemployment in the cashew industry. It may be the easiest way of solving the problem but it shows that the Committee has failed to do its duty.

The Committee has endorsed the haphazard nature of the industry and missed a golden chance to stabilise it on a permanent basis. The myth of agriculture being the primary occupation of the cashew worker has been used to nullify the fundamentals of wage fixation and an injustice of a grave nature has been committed. Thus, in my view, the wage fixed by the Committee is still a sweated wage and is based on wrong assumption. But it is found from the replies to the questionnaire that the average annual working days have been 242. Thus there is unemployment for 58 days in the year. It is impossible that this unemployment would or should synchronise with the requirements of agriculture and even if that is possible it is disadvantageous to the industry in the long run.

Hence taking into consideration the present position and nature of the Industry I suggest the following measures to relieve the period of unemployment.

1. The annual leave with wages should be calculated on the basis of one day's leave for 20 working days as is done by many employers in the Industry now.
The period of closure should not be misinterpreted as involuntary unemployment and made a handle to deny leave with wages to the workers.
2. The number of leave days should be granted to all the workers together towards the close of the working year so that it should synchronise with the first days of the closure—if it is unavoidable.
3. For the number of days of unemployment after setting off the number of days accruing as leave with wages 50% of the Minimum wage should be paid to the workers when the total number of working days comes to 242 or more.

4. If the number of working days falls below, 242 it is clearly the fault of the employer and for the days thus unemployed, the worker should get full wages as compensation.

II

One of my colleagues in the Committee has stated that he would put in a dissenting note to the effect that even the minimum wage recommended by the Committee should be enforced only from the beginning of the next season as the employers cannot accept any increase in costs when they are executing forward contracts entered into at the rates prevailing at the beginning of the current season. I respectfully disagree

In this connection the long and chequered history of the agitation for better working conditions may be noted. The employees were agitating for better living conditions and compensatory allowances under the lead given by the Quilon Factory Workers' Union, since 1937. The All Travancore Cashewnut Workers' Union which was registered in 1939 continued the agitation which resulted in a general strike in 1945 for the vindication of their just rights, namely basic minimum living wages, adequate D. A., Bonus, etc. Government intervened and a settlement was arrived at between the parties on the basis of accepting the wages for the strike days as the annual bonus for the year 1945. With regard to other disputes viz., wages etc., Government appointed Mr. Satyanesan the then District and Sessions Judge, Nagercoil as arbitrator. Before the starting of the inquiry by Mr. Satyanesan, political developments in the State prevented the representative of the workers from participating in the proceedings. The Union was banned and afterwards the ban was lifted and the Union revived the agitation for the continuance of the Satyanesan Enquiry. But it could not be continued due to political conditions in the country.

After that several local Unions were registered and the workers began to organise under these Unions. The Kundara Cashewnut Workers' Union submitted a memorandum on the 12th Meenam 1124 to the Management of Messrs. Peirce Leslie & Co., Kundara, demanding increase in wages. As no amicable settlement was possible it was referred to the Industrial Tribunal, Trivandrum, for adjudication (Ref. No. ROC. No. 190/49/Lab. dated 29-4-1949). On 30-12-1124 the Quilon Cashewnut Factory Workers' Union submitted a memorandum demanding increase of wages, bonus, etc., to the Management of Messrs. K. Mydeen Kunju and Sons, Quilon and by the interference of the Assistant Labour Commissioner though the disputes were not finally settled an agreement was arrived at for the time being and in the Memorandum of agreement it was stipulated that the present rate for various items will remain unaltered till it is revised on an Industry-wide basis. Hon. Industrial Tribunal, Trivandrum

also, in the award of the dispute between Messrs. Peirce Leslie & Co. Ltd., Kundara and their workmen represented by the Kundara Cashewnut Workers' Union, Kundara (Ind. Dis. No. 8 of 1124) has not passed its award on the question of increase of the wages of the workmen. In the award it was stated "In the interests of justice, it is necessary to keep this question regarding the increase of wages open for later decisions, either in any inquiry on an industry-wide basis if Government are pleased to order such an inquiry or in this case itself after allowing one more opportunity to the parties to adduce whatever evidence they think necessary from establishing their respective cases." Thus Government feeling the necessity of industry-wide enquiry appointed the Industrial Tribunal, Alleppey as the Court of Inquiry (Order L.2-8772/50/DD. dated 12th September, 1950). The first issue in dispute to be inquired by the Court of Inquiry was:

Whether the wages, allowances, etc., paid in the Cashew Industry in the State are adequate? If not what should be the reasonable wages, allowances etc., of the cashew-nut workers?

Soon after the summons were issued to the cashewnut employers, they tried to put all obstacles to the proceedings of the Court of Inquiry by not attending the proceedings of the Court in time. They even filed a petition before the Honourable High Court, Travancore-Cochin questioning the validity of the appointment of the Court of Inquiry and the proceedings of the Court of Inquiry was stayed by the order of the Hon. High Court.

By this time the necessity for higher wages was felt throughout amongst the workers and the local Trade Unions decided to form the All Kerala Cashewnut Factory Workers' Federation so that only a joint and centralised action could solve the grievances. On 1-11-1950 the representatives of the workers met in deputation the Minister for Labour and submitted a memorandum stating the demands of the workers. On the same day another memorandum demanding increase in wages, bonus etc., was sent to all the employers in the Industry, by the Federation representatives. The workers organised under the various local Trade Unions in the Industry continued the agitation which again led to a General Strike in the Industry. The All Kerala Cashewnut Factory Workers' Federation had given ample notice of the strike i. e., on 24-7-1951. The General Strike commenced on 23-8-1951. On 30-8-1951 a Tripartite Conference was held with Hon. Chief Minister as President. In that Conference the Government assured the Labour representatives that a Minimum Wages Committee will be constituted forthwith to settle all questions relating to wages. Accordingly Government cancelled the order appointing the Court of Inquiry. As the Government did not appoint the Committee till March, 1952 Federation President Mr. N. Sreekantan Nair and General Secretary Mr. T. K. Divakaran, on 19-3-1952 again submitted a memorandum to the Minister for Labour demanding the appointment of Minimum Wages Committee and an interim relief as a general increment in wages till the final report of the Minimum Wages Committee

is enforced. As the increase in wages was a long-felt demand there were unrest amongst the workers which lead to strikes and demonstrations resulting in violent disturbances of the industrial peace. Both the employers and labour representatives felt that a Tripartite Conference should be called, so that all outstanding questions generally affecting the industry must be discussed. The South India Cashewnut Manufacturers' Association in their Memorandum dated 17th March, 1952 had also requested the Government to call such a Conference to evolve "a working arrangement for a period of at least one year." A conference of cashewnut employers was convened on 20th July, 1952 at Government House, Quilon. The Minister for Labour, and Labour Commissioner attended the Conference. After some discussions the Conference agreed that the working conditions including wages for the next season may be discussed at a tripartite conference to be convened by Government sometime in September, 1952. Meanwhile Government had constituted this Committee and also referred to the Industrial Tribunal, Alleppey other issues in dispute viz., Bonus, Leave facilities, etc.

At last a Tripartite Conference was again held on 6-12-52 in the Government Secretariat, Trivandrum. The Minister for Labour opened the Conference. The representatives of the workers demanded an interim enhancement of wages pending the fixation of Minimum Wages. The employers did not agree to this proposal (*vide* Order No. L2-8772/50 dated 6-2-1953 Minutes of the Tripartite Conference).

I think I have elaborately discussed the history of the agitation of the cashewnut workers for a living wage. This committee was appointed in April, 1952 and it was expected to submit its report by the end of September, 1952. The question of wages was an issue before the Court of Enquiry (Industrial Tribunal, Alleppey) in 1950 and also it was a subject matter of discussion in various Tripartite Conferences held in 1951 and 1952. So the employers had ample notice of what was coming and none of them can be allowed the plea that they did not anticipate. As a matter of fact they have entered into forward contracts with full anticipation of an increase in wages. Even otherwise the irrefutable responsibility for the payment of a minimum wage has always been there and my opinion is that the minimum wage as recommended by the Committee, insufficient and unfair though it may be, should be made effective from the date of the appointment of this Committee.

This dissident note is much delayed. I and Mr. M. N. Govindan Nair wished to submit a joint note. As both of us were engaged fully in the Panchayat elections work we were not able to meet together and prepare the note and hence at a later time I am submitting my note. I understand that the report has not yet been sent to the Minimum Wages Advisory Board. I request that the delay may be excused, the report may be sent to the Advisory Board and enforced at an early date.

Quilon,
9th July 1953.

(Sd.)
T. K. DIVAKARAN, M. L. A.

**DISSENTING NOTE TO THE REPORT OF THE MINIMUM WAGES
COMMITTEE FOR CASHEWNUT INDUSTRY.**

I cannot agree to the majority view that the industry should be allowed to continue in the present set up which keeps the worker out of employment for nearly one-third of the year.

The contention of the employers that it is a seasonal industry is wrong. An industry can be considered seasonable only when the nature of the raw materials or the nature of the work demands the operation to be conducted within a specific period, as for instance the Cotton ginning industry. If other standards are to be used for defining a seasonal industry any industry can be treated as such. The main question to be considered in this context is whether the raw material used in this industry could be worked, throughout the year. Even to-day there are factories which work throughout the year. The cashewnuts do not go bad for two or three years if not more. There were occasions when factories had to work on nuts stored five years before. So for the present set up of the industry the nature of the raw material was not the deciding factor and hence it cannot be contended that it is a seasonal industry.

Now is the contention of the employers that the shortage of nuts is responsible for the present set up based on facts. As has been pointed out in the report itself over 50% of the nuts is imported from Africa and there was not any reported shortage of African nuts except during the war years. When to-day most of the factories are closed and workers in thousand go without work the godowns at Cochin and Bombay have large quantities of cashewnuts to sell. So the argument that it is seasonal because of the shortage of raw material also cannot be accepted.

Equally false is the contention that it is only a supplementary occupation to agriculture and that it should not be divorced from Agriculture. It is a fact that large sections of workers are drawn from among the agricultural workers but that doesn't mean they continue as such.

As is seen from the report itself there is concentration of factories in and around Quilon. A large section of the workers were drawn to Quilon from the neighbouring taluks. The Committee could not go into the statistics as to what percentage of workers come from other taluks. Any how one revealing fact was noticed when the composition of a cashew worker family was investigated. It was found that when the ratio of the male to female was 1000 : 1007 in general for Quilon District the ratio in cashew workers family was 1000 : 1267, either is an increase of over 25% of females. The main inference was that this increase was due to relations or paying guests employed in the industry staying with them. Again cessering around almost every factory large numbers of workers are staying who have come from different localities. This shows that a large section

of workers are already divorced from agricultural operations in their own localities. Nor has a shortage of manpower especially in regard to agriculture been a problem in our economic life. In this State with its high density of population the high pressure on land with its consequent unemployment and under employment is the greatest menace to our economic life. So the absorption of a section of the people in industry is not going to hinder or upset the agrarian economy in any possible manner. The experience of the last few years of the industry bears testimony to the same.

Further, the contention it is run in a seasonal way to fit in with the agrarian activities of the workers is also wrong. The closure of factories do not synchronize with the harvesting season or the sowing season. Employees themselves have indirectly admitted this by complaining that there is large scale absenteeism during the harvesting season. The closing of factories has nothing to do with the agricultural activities of the locality. They are thrown out of employment at a time when there is no work in the fields. Hence the argument that the continuous working of the factories would upset the agrarian economy is absurd.

If workers absent themselves during the harvesting season it is because of the low wages prevailing in these industry. This has been proved by the result of the family survey. The table given below shows that the income derived from other sources is high for both male and female workers.

And moreover absenteeism is only for a few days in any case never exceeding a couple of weeks. Hence the argument that they are agricultural-cum-factory workers or that this is only a work supplementary to their agricultural activities is false.

Another argument brought forward is that regularisation or rationalisation will give rise to further unemployment from the figures given in the report itself the steady growth of the industry can be noted. It is still a growing industry and there is still scope of further enlargement. So regular is action will not mean any large scale unemployment to the existing workers, but will only be a check to the unhealthy expansion of the industry.

An unhealthy expansion of the industry calculated to strike at the bargaining capacity of the workers had been a curse to the workers and it should be stopped. On to be more plain this seasonal employment in this industry is artificially created to keep down the bargaining capacity of the workers at a low level. This has helped a lot in keeping down the wage level is proved by the history of the Trade Union movement and low wage level of the workers. The nature of the industry has helped the employers much to maintain this artificial unemployment. This industry needs no heavy or costly machinery. The capital outlay needed by way of cost of machinery is very small.

So much so a temporary shed and some working capital was all that was needed to start a new factory. The table given in the report clearly shows how this industry is concentrated in the hands of six employers. A further investigation will prove that this expansion was not in proportion to the actual growth of the industry, as such. Nor can it be said that it was the shortage of labour that has driven the employers to different localities to start new factories. An employer like Mr. Musaliar owns with in a radius of two or three miles more than four factories running them eight or nine months at the utmost. A word of explanation is necessary to show how this cuts at the root of the bargaining capacity of the workers. Whenever workers in some factory demand higher wages or better working conditions it is quite easy to shift the whole work to some adjacent factory of his own. It is only a question of transport for him while the workers lose their living. Since all the factories are underworked the loss in production would only be very insignificant. This has happened more than once in this industry and the workers had to pay heavily for it.

Further since the capital outlay needed is small, and since this industry promises big returns it attracts many an adventure who may work a factory a few months and then leave it. This also helps to draw on large number of workers than is actually necessary for this industry. Which also in the final analysis strikes at the root of the bargaining capacity of the workers. These two trends the existing employers unnecessarily expanding the industry and new adventures coming into the industry, has to be checked and it has to be done at a time when the industry is still on the upward march.

As is seen from the statistics given elsewhere in this industry every year there is an increase in the export. There is no reason to believe that it would not be so in the coming years. Hence insistence to run the factories throughout the year now will not necessarily cause unemployment to those who are already in this industry.

But more than all that has been said above what is more important it that to leave the industry as it is without doing anything to end the seasonal unemployment or compensating for the same is to go against the very basis which we had accepted in deciding the minimum wages.

It had been unanimously accepted that the family budget should be the basis for fixing the minimum wages. Accordingly a survey was made regarding the present state of affairs and the minimum requirements of the family calculated on the basis of facts thus gathered.

It was found that (1) the average income were only Rs. 64 per month (2) they were having a deficit budget running them into debts of Rs. 9—12 as every month (3) they were not spending enough even for food (4) 62% of the earning members though employed in this industry could earn only 52% of the total income, so it has been found beyond dispute that this industry was the least paying.

In calculating the minimum it was assumed that the workers would be getting work 25 days a month throughout the year and hence to deny them work for a few months would mean denying them the minimum wages.

Further in calculating the minimum the committee cannot claim to have been fair to the workers. It is true that the committee has taken pains to find out the minimum food requirements and as against Rs. 50—14 as now spent it was decided that at least Rs. 93—2 as should be set apart for that item. Again regarding clothing Rs. 9—14 may be considered fair. But regarding the amounts set apart for both rent and miscellaneous which should go to make him a civilised human being the committee cannot claim to have done justice to the worker.

In an industry which has on its rolls over 90 per cent of women and which has attracted hundred of their from their homes the housing facilities, require special attention. The deplorable state of affairs as it exists today was not booked into by these engaged in family budget survey. Most of the workers are denied living space. They are huddled together in sheds like cattle or over crowded in houses where they live as paying guests. By allotting only Rs. 2—2 as which is found to be the amount now spent forwards housing expenses the committee was allowing things to continue as it exists today. It is to be noted that as per the industrial housing scheme of the India Government the rent fixed for is Rs. 10 per month. It would have been fair if the same amount were set apart for the same item.

Again, while the workers were living on a deficit budget and while they were not spending enough on it has been found that they were spending Rs. 11-1 towards miscellaneous i. e. education, medical aid, etc. This is more than 15 per cent of the total budget. As per the present budget the amount set apart is only a little above 9 per cent of the total expenses. If you analyse the family budget of any civilised society, nowhere will you find this proportion of over 90 per cent for food and clothing and only 9 per cent for other amenities of life. The cashewnut worker even while he was denied enough food and was incurring debts he was spending over 15 per cent for such amenities. It would have only been fair if the committee while deciding to raise his standard to maintain a minimum level, had raised the expenses on this item to 25 per cent which would mean Rs. 30 a month.

From all this it is clear that even while the committee was labouring to find out the minimum for the family budget what weighed more with the committee was not the minimum requirements that would guarantee a minimum subsistence level for the workers but that it should not overburden the industry.

If the committee is guilty of anything it is only guilty fairness to the employers.

Thus ignoring important requirements of the workers and doing more than full justice to the employers and accepting the existing ratio between the earnings of the male and female, the committee had arrived at a figure of Rs. 1—4 per day for the female and 1—14 per day for the male worker on the basis they get worth 25 days a month throughout the year.

So to be unemployed or under-employed even for a day would naturally upset the family budget and unless there is a guarantee against this unemployment and under-employment or provisions compensate for the same this fixing of the minimum wages would be a mockery in itself.

Further a comparison of the family budget now and after the introduction of the minimum wages will clearly show that the increment is mainly for expenditure on food and slightly on clothing. On all other items the status is maintained, which is accepted as the irreducible minimum. So to deny them wages on any one of the twenty-five days of the month can only be a direct blow to the rice bowl. And unemployment for a few months leaves for them no other alternative than utter starvation.

The argument that they may and can go in for alternate employment would naturally falls to ground when it is remembered that even during normal times there is 16 per cent of unemployment among women and 14 per cent among men.

So the only alternative left to save them from hunger and starvation is to provide them with work throughout the year on compensate for the same. We are convinced that it is within the scope of this industry to pay though that should not be the main consideration in fixing the minimum wages. Hence I urge that steps may be taken by the Government to guarantee full employment for the workers or compensate for the same.

(Sd.) M. N. GOVINDAN NAIR.

3-3725 B

APPENDIX No. I.
Minimum Wages Committee for Cashew Industry.
TRAVANCORE-COCHIN, TRIVANDRUM.
FAMILY SCHEDULE.

1. Name of:— } (a) Taluk.....
 } (b) Kara.....

2. Description of house.

Census No. of household.....
 Owners.....
 Drinking Water.....
 Latrine

Roof.	Walls.				
	Plastered.	Wood.	Brick.	Mud.	Thatties.
Thatched					
Tiled					
Others					

APPENDIX No. I—(contd.)

3. Age, literacy and earners.

	Age.										Earner.		Non-earner.	
	Below 5.		5—14.		15—24.		25—54.		Over 54.		Males.	Females.	Males.	Females.
	Males.	Females.	Males.	Females.	Males.	Females.	Males.	Females.	Males.	Females.				
Illiterate ..														
Literate ..														
Earner ..														
Non-earner ..														

APPENDIX No. I—(contd.)

4. Occupation.

S. No.	Age.	Sex.	Principal.			Subsidiary.			Partial unemployment.	
			Business.	No. of days.	Income.	Business.	No. of days.	Income.	No. of days.	Work prepared to take up.

APPENDIX No. I—(contd.)

5. Expenditure.

(a) Food.

Commodity.	Quantity	Amount.
1. Rice		
2. Other cereals		
3. Tapioca		
4. Pulses		
5. Condiments		
6. Vegetables		
7. Meat		
8. Fish		
9. Eggs		
10. Milk		

(b) Others.

Commodity.	Quantity	Amount.	Commodity	Quantity	Amount.
11. Milk products			21. Education		
12. Tea, coffee etc.			22. Recreation		
13. Sugar, jaggery, etc.			23. Medical		
14. Oil			24. Pansupari		
15. Coconut			25. Drinks		
16. Clothing			26. Smoking		
17. Washing			(c) Miscellaneous		
18. House rent			27. House maintenance		
19. Light			28. Business		
20. Fuel			29. Travel		

6. Indebtedness.

(a) Borrowings.

Source.	Purpose.	Amount.	Interest.	Period.

(b) Savings.

Amount.	Investment.

APPENDIX No. II.

Report on the Family Survey of Workers Employed in the Cashew Industry.**1. INTRODUCTION.**

This report deals with a family survey of workers employed in the cashew industry conducted by the Board of Statistics on behalf of the Minimum Wages Committee for Cashew Industry and under orders of Government. (G. O. LI-9484/52/D. D. dated 14-8-1952). The object of the survey was primarily to collect information regarding the family composition and the family budget of the workers.

The survey was based on the representative random sampling method and was conducted in the taluks of Chirayinkil, Quilon, Kottarakara, Pathanapuram, Kunnathur, Karunagappally, Karthikapally, Mavelikkara and Kunnathunad. The number of families surveyed in each taluk is shown below.

Chirayinkil	45	Pathanapuram	10	Karthikappally	27
Quilon	825	Kunnathur	100	Mavelikkara	15
Kottarakara	150	Karunagappally	30	Kunnathunad	20

In all 1222 families were selected for the survey. These families were chosen strictly at random so that the sample should be sufficiently representative of the population.

2. COLLECTION OF DATA.

Information relating to each family was collected by visiting the family. The schedule for the survey, a copy of which is attached to this report was designed by Dr. U. S. Nair, Superintendent of Census Operations, Travancore-Cochin State. The field work was done by the Statistical and Field Assistants of the Board of Statistics. In Quilon, where the industry is concentrated and consequently the largest number of families was surveyed, five special investigators were appointed on an honorarium of Rs. 50 each to assist the Statistical Assistant.

The schedules were printed and got ready towards the close of October 1952. The actual field work was started in the second week of November and concluded in the second week of December.

3. ANALYSIS OF DATA.

The analysis of the data collected was also done under the guidance of Dr. U. S. Nair. The following aspects of the family life of the workers have been studied.

1. Housing conditions.
2. Size of the family and its adult equivalent.
3. Age distribution of the members of the family.

4. Sex ratio in the different age groups.
5. Literacy.
6. Occupation and the average monthly income of earners.
7. Family expenditure.

(i) *Housing conditions.*—The following table gives the percentage of houses with different roofings and different kinds of walls.

TABLE I.

Roof	Walls.					Total
	Plastered	Wood	Brick	Mud	Thatties	
Thatched	4.4	2.0	26.6	49.5	15.1	97.6
Tiled	1.0	..	1.2	0.2	..	2.4
Total	5.4	2.0	27.8	49.7	15.1	100.0

(ii) *Size of the family.*—Table II gives the number of members of each sex belonging to the different age groups in an average family.

TABLE II.

	Below 5	5-14	15-24	25-54	Above 54	Total
Males	0.47	0.62	0.58	0.91	0.20	2.78
Females	0.50	0.75	0.79	1.10	0.21	3.35
Total	0.97	1.37	1.37	2.01	0.41	6.13

It is seen that on the average there are 6.13 members in a family. According to the Census of 1951 the average family size for the State as a whole is 5.98 while for the taluk of Quilon

it is 6·08. Thus in this community (viz., workers in the cashew industry) the average family size is slightly higher than the general average even though the difference is not very appreciable. There is however, one striking feature about the sex ratio of this community. For every 2·78 males there are 3·35 females which works out to 1205 females for 1000 males. This seems to be a bit abnormal and is therefore worth deeper investigations. The sex ratio in each age group separately shows wide fluctuations and consequently its reliability is not very great. This is mainly due to the tendency prevalent especially among women to understate their age.

Adult equivalent consumption units.—The adult equivalent of the average family works out to 4·82. This has been calculated using the scale of family coefficients derived by Wilson and Widdowson (Indian Medical Research Memoirs No. 34—March 1942, p. 23) with some adjustments. The scale proposed by Wilson and Widdowson is given below.

TABLE III.

Age	0—2	2—3	4—5	6—7	8—9	10—11	12—13	14—59	60
Factor	0·2	0·3	0·4	0·5	0·6	0·3	0·8	1·0	0·8

In the present enquiry the age groups taken are not as elaborate as above hence the factors had to be adjusted to suit the groupings we have in hand. The following scale is used in the present case.

TABLE IV.

Age	Below 5	5—14	15—24	25—54	Above 54
Factor	0·30	0·65	1·00	1·00	0·85

(iii) *Literacy.*—The percentage of literates is 26·4; for males it is 30·4 and for females 23·1. The corresponding Census figures for the District of Quilon as a whole are 48·5, 57·6 and 39·5 respectively.

(iv) *Occupation, average monthly income etc.*—The following table gives details about the occupation, monthly income etc., of the members in an average family.

TABLE V.

Occupation.	No. of workers.			Average No. of days of work.	
	Males.	Females.	Both.	Males.	Females.
Cashew work .	0·36	1·45	1·81	24	24
Others .	0·96	0·14	1·10	22	19
Both .	1·32	1·59	2·91	23	24

TABLE V—(contd.)

Occupation.	Average income per worker.			Average family income.
	Males.	Females.	Both.	
Cashew work .	25—11	16—9	18—6	33—2
Others .	29—15	15—4	28—1	31—0
Both .	28—13	16—7	22—1	64—2

It can be seen that there are 2·91 earners in an average family of 6·13 members, 1·32 of whom are males and 1·59 females. Out of the 1·32 male earners only 0·36 or 27% are employed in cashew industry, while the others are in other occupations. Out of the 1·59 female earners 1·45 or 91% are engaged in cashew work. The average family income per month is Rs. 64-2-0. Out of this Rs. 33-2-0 or 51·7% comes from the cashew industry. The contribution of the female members towards the family income works out to Rs. 26-2-0. This Rs. 24-0-0 is derived from the cashew industry and Rs 2-2-0 from other occupations. The average monthly earnings of the male members (viz., Rs. 18-0-0) can be broken up into Rs. 9-2-0 from cashew industry and Rs. 8-8-0 from other occupations. In the following table these amounts are expressed as percentages of the total family income.

TABLE VI

		Cashew industry.	Other occupations.	Total.
Males	..	14·3	45·0	59·3
Females	..	37·4	3·3	40·7
Total	..	51·7	48·3	100·0

Out of the 1·69 adult male members in a family 1·32 or 78 % are earners while the other 22 % are non earning dependents. Of the 2·10 adult females 1·59 or nearly 76 % are earners and 24 % dependents.

(v) *Family expenditure.*—The table below gives the average family and per capita expenditure per month on different items.

TABLE VII.

Item.		Family expenditure.	Expenditure per consumption unit.	Percentage.
Food	..	50 14 0	10 9 0	68·8
Clothing	..	7 0 0	1 7 0	9·5
Rent	..	2 2 0	0 7 0	2·9
Fuel and Light	..	2 13 0	0 9 0	3·8
Miscellaneous	..	11 1 0	2 5 0	15·0
Total	..	73 14 0	15 5 0	100·0

APPENDIX No. III.

GOVERNMENT OF TRAVANCORE-COCHIN

(Minimum Wages Committee for Cashew Industry,
Trivandrum.)

Questionnaire to Trade Unions.

- | | |
|--|--|
| <ol style="list-style-type: none"> 1. Name of Trade Union. 2. Total membership. 3. Names of President and Secretary. 4. The total number of Office bearers. 5. Of the office bearers how many are workers ? 6. The date on which the union was formed. 7. Is it a registered Trade Union, if so give the number and date of registration. 8. Is the union recognised by the management ? 9. Mention the names of factories in which the members of your union work, giving the number of members working in each factory. 10. Are there other trade unions in factories in which your members work ? Please give details. 11. Are there Works Committees functioning in factories where your members work? If not why not ? | |
|--|--|

APPENDIX No. III—(contd.)

12. Since the formation of the union :
- (a) Where there any strikes?
If so, give :
- i. the dates.
 - ii. the duration.
 - iii. the issue or issues on which the strike was organised.
 - iv. how the strike ended.
- (b) were there any lock-outs?
If so give:
- i. the dates
 - ii. the duration.
 - iii. the issue or issues on which the lock-out was organised.
 - iv. how the lock-out ended.
13. What is the monthly subscription of your members to the union? What is the average amount collected annually?
14. Are you interested in sending an accredited representative of yours to meet this committee? Which is the nearest taluk headquarters where your representative can meet them? Please mention the name of the representative whom you may send.

I.....President/Secretary of the.....
.....declare that all information given are true to the best of my knowledge and belief.

Station.....

Date.....

Name and Signature.

APPENDIX No. IV.

Government of Travancore-Cochin.

MINIMUM WAGES COMMITTEE FOR
CASHEW INDUSTRY.

(To be answered by Proprietors and Managers of
Cashewnut Factories.)

N. B.—Please return this questionnaire, giving your answers in the space provided, to the Secretary, Minimum Wages Committee for Cashew Industry, Trivandrum so as to reach him on or before.....

PART I.

(TO BE ANSWERED BY PROPRIETORS.)

<p>I. 1. Name of concern</p> <p>2. Is your concern a sole proprietorship, partnership or private/public limited company?</p> <p>3. State the name/names of the proprietor, partners, Managing Director (Chief Managing Officer) as the case may be, of your concern.</p> <p>4. Date of your starting cashew business.</p> <p>5. Location of your headquarters. (Please give correct postal address)</p> <p>6. From which year did you directly export the kernels?</p>	
--	--

IV. PROCESSING.

1. What was the total cost of processing one bag of 168 lb. nett of raw nuts in 1939, 1945 and the last three financial years? Of the total processing cost what percentage represented actual wages paid? Please give the answer in the following tabular form.

Year.	Cost of raw nuts.			Handling charges of raw nuts.			Working charges.			Other expenses.			Total processing cost (Total of columns 3, 4 & 5)			Percentage of wages to total cost of processing.
1	2			3			4			5			6			7
	Rs.	A.	P.	Rs.	A.	P.	Rs.	A.	P.	Rs.	A.	P.	Rs.	A.	P.	
1939																
1945																
1949-50																
1950-51																
1951-52																

2. Mention the average quantities of finished products obtained from a bag of 168 lb. of raw nuts (Indian and African.)

	Indian Nuts.	African Nuts.
	lb.	lb.
Whole—Export quality		
Pieces—do.		
Other grades—do.		
Indian quality		
Rejections		
Shell oil		
Shell		

V. 1. Mention the quantities of raw nuts you purchased in 1939, 1945 and last three financial years giving also the average landed cost at your go-down per bag of 168 lb. in the following tabular form.

	1939		1945		1949-50		1950-51		1951-52	
	Quantity in bags	Price per bag	Quantity in bags	Price per bag	Quantity in bags	Price per bag	Quantity in bags	Price per bag	Quantity in bags	Price per bag
Indian Nuts ..										
African Nuts ..										

2. What was the total quantity of finished products produced by your concern and the total value realised for the products during the three preceding accounting years ?

	Unit	Quantity			Total value at nearest rupee		
		1949-50	1950-51	1951-52	1949-50	1950-51	1951-52
(i) Wholes export ..							
(ii) Pieces export ..							
(iii) Other grades exported ..							
(iv) Indian quality ..							
(v) Rejections ..							
(vi) Shell oil ..							
(vii) Shell ..							

VI. MINIMUM WAGES.

-
1. What should in your opinion constitute the minimum wage per month for workers in a cashew factory? Please append a statement of the grounds on which you base your conclusions.
 - (i) Men.
 - (ii) Women.
 - (iii) Children.

 2. What in your opinion can be the minimum wage per month for workers consistent with the capacity of the Industry to pay. The reasons may be appended.
 - (i) Men.
 - (ii) Women.
 - (iii) Children.

 3. Is there any difficulty in enforcing minimum wages in the Travancore-Cochin State alone without similar enforcement in other States of India?

VII. GENERAL REMARKS.

If you have suggestions to make, regarding the fixing of minimum wages and methods of computing the same please state it briefly or append a statement.

PART II

(To be answered by Managers of Individual Factories)

- I. Name of Factory.....
 Village or Town.....Taluk.....District.....

II. ESTABLISHMENT AND EMPLOYEES.

1. What is the date of establishment of your Factory ?
2. What is the total number of employees on your rolls ?
3. Please state their distribution as under :
 - i. Officers : Men..... Women.....
 - ii. Clerks : Men..... Women.....
 - iii. Maistries : Men..... Women.....
 - iv. Workers : Men..... Women..... Children.....

III. PROCESSING.

A. BAG CARRYING AND RAW NUT DRYING.

1. During the Indian raw nut buying season :
 - (a) What is the average number of workers employed in bag carrying ?
 - (b) What is their average wage per day ?
2. Are they temporary hands and if so what are their periods of employment ?

B. ROASTING.

1. How many bags of nuts on the average do you roast per working day ?
2. How many workers are employed on :
 - i. Carrying raw nuts from Store to roaster
 - ii. Carrying roasted nuts to shellers
 - iii. Operating roasting plant :
 - (a) The number of hands employed in drum roasting
 - (b) The number of hands employed in oil bath roasting
 - iv. What are the rates of wages of workers mentioned in
 2. i.
 2. ii. and
 2. iii. (a) &
 2. iii. (b)

(N. B:—Please state the basis of calculation of wages if it is not daily rated.)

4. What is the piece-work rate of wages for shelling ?

Kernels.	Unit.	African drum roasted.	African oil bath roasted.	Indian drum roasted.	Indian oil bath roasted.
(i) Wholes					
(ii) Pieces					
(iii) Other grades					

5. In connection with shelling :

- (i) Do you engage separate workers for scrubbing nuts before they are supplied to shellers and if so please mention their number and rate of wages.
- (ii) What other workers apart from shellers and scrubber are employed ?
- (iii) How many such people are employed ? and
- (iv) What are their rates of wages ?

6. Are shellers employed on work other than shelling? e. g., carrying shells etc.?

7. What special allowance are paid to shellers, over and above their piece rate wages ?
3. What protective treatment is given to shellers, e. g., ointment, ash, cocoanut oil &c. ?
9. Have the shellers got to provide themselves with any accessories of work ? If so, what are they ? And what will be the cost of such accessories per head per year ?

D. DRYING (BORMA)

1. How many lb. of shelled kernels are dried per working day ?
2. How many workers are employed in the drier per day ?
3. How many shifts are employed ?
4. What is the basis of the wage of drier workers, whether monthly, daily or piece rated and what are the rates ?
5. Do they perform any other duties ?
6. Is any night allowance given and if so at what rate ?

E. PEELING.

1. How many lb. of dried kernels are peeled per day ?
2. How many peelers are employed per day ? Give average maximum and minimum figures of your three preceding accounting years.
3. Please state the output of peeled kernels per peeler per working day in the following tabular form.

Kernels.	Best Peeler.				Average Peeler.				Worst Peeler.			
	African drum roasted.	African oil bath roasted.	Indian drum roasted.	Indian oil bath roasted.	African drum roasted.	African oil bath roasted.	Indian drum roasted.	Indian oil bath roasted.	African drum roasted.	African oil bath roasted.	Indian drum roasted.	Indian oil bath roasted.
(i) Wholes (lb.) ..												
(ii) Pieces (lb.) ..												
(iii) Shelling pieces (lb.) ..												
(iv) Other grades (lb.) ..												

4. What are the piece work rates of wages for peeling? Please tabulate below.

Kernels.	Unit.	African drum roasted.		African oil bath roasted.		Indian drum roasted.		Indian oil bath roasted.	
		Rs.	nP.	Rs.	nP.	Rs.	nP.	Rs.	nP.
(i) Wholes ..									
(ii) Pieces ..									
(iii) Other grades ..									

5. What other workers, apart from peelers and conveying men are employed in connection with peeling, how many are employed, and what are their rates and basis (daily or piece rate) of pay?
6. Are peelers employed on work other than peeling?
7. What special allowances, if any are paid to peelers and at what rates?
8. Are the peelers to provide themselves with accessories for work? If so what are they? What is their cost?

F. GRADING.

1. How many lb. of peeled kernels are graded per day?
2. Into how many grades are the following sorted? and what are they?
 - i. Wholes (how many and what grades?)
 - ii. Pieces (do.)
3. Is any sorting done by any mechanical process?
4. What is the basis of payment for graders? State whether daily paid on piece rate or any other basis?
5. How many graders are employed per working day?
6. i. What other workers, and how many apart from graders are employed in connection with grading? and
 - ii. What are their rates and basis of wages?
7. Are graders employed on work other than grading?

8. What special allowances, if any, are paid to graders ?
9.
 - i. Is any further process involved between grading and tin filling e. g., reselecting ?
 - ii. If so, how many workers are employed on the work concerned ?
 - iii. What are their rates of wages and the basis for the same ?
10. What is the daily work load fixed per worker for the various grades of kernels ?
11.
 - i. How many workers are employed on cutting and scrapping out cleaning or otherwise salvaging kernel pieces ?
 - ii. What is the work-load per worker per day ?
 - iii. What are their wage rates ?
12. Have the graders got to provide themselves with any accessories of work ? If so what are they ? What is their cost ?

G. TIN FILLING.

1. How many tins are filled per day ?
2.
 - i. How many workers are employed on the above work ?
 - (a) Men
 - (b) Women
 - ii. What are their wages ?
 - (a) Men
 - (b) Women
3. How many workers are employed on other work concerned with tinfilling e. g., stencilling, grade marks etc. ?

4. What are the daily rates of wages of workers engaged on the work mentioned in 3 above ?
5. How many tinkers are employed daily ?
6. How many tins does an average tinker seal in a working day of eight hours ?
7. What are the rates of wages of tinkers ?
8. Are any protective appliances given to them ?
9. Do the tin fillers perform any other duty ?
10. How many workers are employed in the following processes ?
 - i. conveying kernels from grading spot to tin-filling spot
 - ii. conveying packed tins from tin-filling spot to store

H. PACKING.

1. How many workers are employed on packing, stenciling cases etc. ?
2. How many cases are packed per day ?
3. What is their average rate of wages ?

I. YARD AND GENERAL WORK.

1. How many workers are employed on tasks other than those specifically mentioned above ?
2. What are such tasks ?
3. What is the average wage of those engaged on them ? (Give maximum and minimum)

J. SKILLED AND UNSKILLED WORK.

Of the various items of work enumerated under processing what items do you consider as:—

- i. Skilled.
- ii. Semiskilled.
- iii. Unskilled.

IV. PAYMENT OF WAGES.

1. How are time rate wages paid monthly, weekly or daily?
 2. How are piece rate wages paid monthly, weekly or daily?
 3. Is there any interval between the completion of wage period and the date of payment of wages, if so, how many days?
 4. Is there any testing of quality of work turned out and refusal to pay wages for any portion of the workers' output, on the ground of the work being unsatisfactory?
 5.
 - i. Are the rates of wages you pay consolidated rates or split into basic wage and dearness allowance?
 - ii. If split, what is the proportion between basic wage and dearness allowance?
 6.
 - i. Do you ever work overtime and pay overtime rates as prescribed by the Factories Rules?
 - ii. How much did your overtime bills amount to in 1947-48 to 1951-52 inclusive?
-

7. What is the average earning of the various categories of your workers per month ?
8. i. Do you impose fines on your workers ?
 ii. If so, for what reasons and to what extent ?
 iii. In what manner are fines collected utilised ?
9. Are there deductions of any kind from the wages of the workers *e. g.*, for chitties ?
10. Have you organised any system of savings for your workers *e. g.*, provident fund ?
11. Is there contract work or a Kangani system of work existing in any stage of processing of cashew kernels in your factory ?
12. Please give a statement of variations in wage rates in your factory since 1939.

V. REGULARITY OF EMPLOYMENT

1. Does your factory normally work for full 12 months in the year, apart from leave with wages and other recognised holidays ?
2. i. Do you close down for a period in the year ?
 ii. If so, for how long ?
 iii. When ? and
 iv. Why ?
3. On days of short supply of raw nuts do you distribute available work among all workers or send out surplus workers ?
4. i. Are you normally able to provide full employment to the workers on all working days ?
 ii. If not, whether any compensation is being paid ?

5. For how many days did the factory work during the 12 months in 1949, 1950 and 1951?
 (Please tabulate the information in the following form.)

Name of month.	1949-50.			1950-51.			1951-52.					
	No. of days worked.	Average No. of workers attended work.			No. of days worked.	Average No. of workers attended work.			No. of days worked.	Average No. of workers attended work.		
		Men.	Women.	Children.		Men.	Women.	Children.		Men.	Women.	Children.

VI. BONUS.

1. Do you pay your workers a regular annual bonus ?
2. If so, is it paid on the basis of profit or as deferred wages and what is the rate of payment of bonus ?
3. How much was paid out as bonus and how many workers were benefited from it ?

Year	Total amount paid as bonus	Number of workers benefited
1949-50		
1950-51		
1951-52		

VII. LEAVE WITH WAGES.

1. Do you grant leave with wages to your workers in accordance with the Factories Act ? Or on any modified system of your own ? And if so what ?
2. How much was disbursed as leave with wages payments (excluding festival and national holidays) and how many workers were benefited from it.
 - i. 1949-50
 - ii. 1950-51
 - iii. 1951-52

VIII. MATERNITY AND OTHER BENEFITS.

1. Do you contribute to the employees' State Insurance Corporation?
2. Do you pay maternity benefit according to the Maternity Benefit Act?
3. How much did you pay out in maternity benefit in 1949-50, 1950-51 and 1951-52.

IX. FESTIVAL AND NATIONAL HOLIDAYS.

In 1949, 1950 and 1951 how many festival holidays did you grant?

(a) With wages

(b) Without wages

X. CANTEEN.

1. Have you provided a canteen for your workers?
 2. If so, what are the average daily attendance and the sales amount?
 3. Do you make any financial contribution to the canteen? If you do so give figures of such contributions made for 1949-50, 1950-51 and 1951-52?
-

XI. CRECHE.

1. Have you provided a creche for the factory?
2. If so, what is the average number of children left in it?
3. What staff have you provided for the creche?
4. Do you supply food for the children in the creche as prescribed by the rules?
5. Are cradles provided in the creche?
6. Please give total amount spent on this account in the three preceding accounting years.

XII. MEDICAL AID.

1. Are the workers liable to contract any disease from this industry?
2. Are any arrangements made for the treatment of sick workers?
3. If so what are the arrangements?
4. Have you spent any amount for medical aid during the two preceding accounting years, if so how much?

XIII. QUANTITY OF RAW NUTS.

What was the total quantity of raw nuts you processed in this factory in 1939, 1945 and the last three successive accounting years?

	1939	1945	1949-50	1950-51	1951-52
	bags	bags	bags	bags	bags
1. African Nuts					
2. Indian Nuts					

XIV. GENERAL REMARKS.

If you have suggestions to make regarding the fixing of minimum wages and methods of computing the same please state it briefly here or append a statement.

DECLARATION.

I,.....Manager/Proprietor/
Managing Director declare that the information and
data given above as answers to this Questionnaire are
correct and true.

Name and Signature.

Station

Date

Appendix No. V.

*Names of Trade Unions which sent in their answers
to the Questionnaire.*

1. Puthoor-Aloor Sunrise Cashew Thozhilali Union,
Irinjalakkuda.
2. Karunagapally Taluk Cashewnut Workers Union,
Thevalakkara,
3. Thiru-Cochi Kasuandi Thozhilali Council, Quilon.