

CHAPTER NO IV

ECONOMICAL CHARACTERISTICS OF LABOUR

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ECONOMIC CHARACTERISTICS OF LABOUR4:1 Introduction:

Wage is the main income source of the labour and wage has got much more importance. Wage, bonus and other facilities are the reasons of conflict which are taking place between the workers and owners. In popular wages, are payment to hourly rated, production workers, wages are paid to those generally have no guarantee of continuous employment through out the week, month or year. Means wage is the payment for individual work.

Wage is one of the forms of financial incentives, from the point of employees, wages are sources of their income and the means of livelihood. Therefore fair and progressive wage policy is necessary for maintaining and raising the standard of living of workers. Moreover, well designed wage policy will promote cordinal industrial relations avoiding the possibilities of strikes lock-out and other perversities in labour management relation.¹

Wage is the main income source of labours and standard of living dependent on the wage. He has to fulfill his needs within how much he gets within the month as wage. Low wage or inadequate wage is the reason of industrial conflicts.

1 J.C.Sinha, V.N.Mugli - Principles and Practice of commerce, p.1.55

Wages are often fixed with a view to enable the worker to meet his needs. The wages should be sufficient as to sustain the wage earner and his family. Wages should give the recipient adequate purchasing power to possess the goods and services essential to satisfy his needs. Minimum wage legislation is enacted to ensure the worker the irreducible minimum income to fulfil their needs.

The question of wages recently assumed considerable importance in every sector not only as a part of problem of raising the standard of living and the per capita income but also by it self as a tool to achieve increased production. In our country the working class as a whole has been kept deprived of living wage. The earning of industrial worker has been far inadequate to enable them to meet even their necessities of living.

Defination of wage:

According to Dr. Radhakamal Mukerjee ' The structure of wages in every industrial country reflects its social and economic development. Nothing shows more vividly India's industrial backwardness and the predominantly agricultural character of the Indian working class than the chaotic and unbalanced character of Indian wage structure.¹

While it is easy to describe wages as remuneration paid for the services of labour in production the nature of

1 C.B. Memori - S. L. Doshi - labour problem and social welfare in India - p. 139
(Report of Royal Commission on Labour, p.

wages and its determination has been a matter of differences of opinion among economists, wages are not the same as earnings since a definition of wages would exclude over time payments family allowances etc. certain items of cost such as cost of supervising labour are also not generally regarded as wages. Another **criteria** to determine the nature of wage is the periodicity of payments. If a worker is paid by the hour or a day he is stated to be in receipt of wages. If he is paid by the month, he is usually looked upon as being a salaried employee rather than as a wage earner subject to these limitations, so wage may be defined 'the remuneration paid by the employer for the services of a worker, who is engaged by the hour, days, week or fortnight'.¹

4:2 CONCEPT OF MINIMUM FAIR AND LIVING WAGES

"Minimum wage, Fair wages, living wages are the terms used by the report of the committee on fair wages, set up by the Govt. in 1948 to determine the principles on which fair wages should be based and to suggest the lines on which these principles should be applied.

A) Minimum wage -

Minimum wage has been defined by the committee as -
The wage which must provide not only for the bare substance of life but for the preservation of the efficiency of the worker for this purpose the minimum wage must provide for some

1. T.N. Bhogoliwale - Economics of labour and social Welfare - p.357 (Wages (a) General Report (Report VI A) International labour Conference 31st session - 1948, p.7)

measure of education, medical requirement and amenities.

B) The living Wage :

This wage was recommended by the Committee as fair wage of the ultimate goal in wage policy. A living Wage was defined as one which ' should enable the earner to provide for himself and his family not only the bare essential of food, clothing and shelter but a measure of frugal comfort including education for the children, protection against the ill, health, requirements of essential social needs and measure of insurance against the more important misfortunes including old age."

C) Fair Wage:

It is according to committee on fair wages. The Wage, which is above, the minimum wage but below the living wage. The lower limit of the fair wage is obviously the minimum wage, the upper limit is set by the ' Capacity of the industry to pay."¹

4:3: Types of Wage Systems:

Wage is the remuneration of the worth paid by employer to worker for the specific time period i.e. hour, day, week at month. But it is paid in the form of money. Wage is paid according to time rates and price rate.

1 Dr.C.B.Memoria - Industrial labour and I.O.Relations in India , p.261,262.

A) Time rate :

It is most common system. It is per hour, per day at per week. They are used where output cannot be readily measured or where the place of work is controlled as on a production line. In non-manufacturing industries proportions are higher.

B) Which represent a unfair uniform payment for each unit processed. Sometimes, the piece rate is modified to provide a guaranteed hourly or weekly minimum piece rates used for Jobs in which the amount of work done by individual or group is readily measured. The required uniform working conditions raw materials, supporting services.

C) Productive wage :- Productivity respects the contribution of the workers towards increased output wages, It is felt that the commensurate should with productivity of the respective workers. Wages are fixed and further raised in proportion as the output rate increases. Productivity is the Yardstick of labour efficiency. Wages linked these to would provide incentive and stimulus for quicker, accurate and higher performance wage. Fixed according to productivity would also help the firm in keeping close grip over cost.

4.4 Classification of worker according to size of Family:

Living standard of family is dependent upon the income of family as well as size of family. If family's income is less and size of family is big. At that time, living standard of family is low at such time they can

not fulfilment wants sufficiently. Size of family depends upon the members in the family. Following table shows that the classification of families:-

Table No.4:4:1

Persons	Total number of families	percentage of family (%)
1. 3 to 5 persons	1135	45
2. 6 to 8 persons	1035	41
3. Above 9 "	335	14

4:5 Classification of worker according there family Income in the month.

Income of family is taken in to account and classified in the following manner.

Table No.4:5:2:

Salary	Total No.of Families	Percentage of family (%)
1. 400 to 599 Rs.	950	38
2. 600 to 799 Rs.	700	28
3. 800 to 999 Rs.	600	24
4 1000 to 1199 Rs.	250	10

With the help of table No.4:5:2 it is clear that income of 38% families is between Rs.400 to 599 monthly and 10% families income is between the Rs.1000/- to 1199/-

monthly. In this total income, income of all family members by getting by all sources.

4:6 Classification of families with the help of number of childrens.

Table 4:6:3:

Sr. No.	Number of Children	Total Number of families	% of total (%)
1	1	200	8
2	2	575	23
3	3	625	25
4	More than three	375	15
5	No Child	725	29
Total		2500	100

With the help of table No.4:6:3 we can conclude that very few families having only one issue, 23% and 25% families have 2 and 3 issues, 29% families have no issue. Because such families consist some unmarried persons, some newly married couples,



4:7 Statement of powerloom worker's family expenditure
on eatable things.

Table No.4:7:1

Sr.No.	Particular	Required Qty.of crops.in Kg.	Rate Rs.	Total Rs.
1	Jawar	20	2.50	50.00
2.	Wheat	15	3.50	52.50
3.	Rice	10	5.00	50.00
4.	Tur Dal	3	10.00	30.00
5.	Jaggery	1.50	8	12.00
6.	Sugar	4	6	24.00
7.	Meat	1.50	24	36.00
8.	Milk(500 ml.per Day)	15 Lit.	5.50	82.50
9.	Vegetables	--	--	30.00
10.	Fuel	--	--	30.00
11.	Kirana goods	--		30.00
12	Groundnut Oil	2	20	40.00
13.	Tea	1/2 Kg.	40	20.00
Total Rs.				487.00

Monthly expenditure Rs.487/-

4:8 Annual expenditure on cloths.

Table No.4:8:2:

Sr. No.	Particulars	Qty.	Cost of including Totaling
1	Trousees	2	50.00
2.	Dhoti	2	80.00
3.	Underwears	2	35.00
4.	Shirts	2	140.00
5.	Banniens	2	20.00
6.	Towels	1	15.00
7.	Blouse	4	40.00
8.	Sarries	3	180.00
9.	Shirts for Childern	4	50.00
10.	Frocks	3	80.00
11.	Uniform for childern	2	70.00
12.	Others	-	100.00
		Total	860.00

Annual Rs.860/-

Monthly - $\frac{860}{12}$ - Rs.71.6

Monthly expenditure - Rs.71.6

4:9: Statement showing the other needful things

Table No.4:9:3

Sr. No.	Particular	Qty	for the period	Rs.	Total (Rs.)	Monthly Exp.
1	Carpets	4	3	50	200/-	5.50
2.	Blankets	3	5	80	240/-	4.00
3.	Chaddars	3	2	40	120/-	5.00
4.	Umbrella	1	2	35	35/-	1.45
5.	Shoes/Gents	1	1	40	40/-	3.33
6	Chappals/Ladies	1	1	30	30/-	2.50
7.	Childern shoes	3	1	30	90/-	2.50
8.	House Rent and light bill etc.					60.00

						84.28

Monthly expenditure

on various purpose Rs.84.28/-

4.10 Miscellenious expenditure -

4.10.1 Such expenditure Rs.apporximently =.100/-

Per month on various purpose i.e. Hair cutting, coconutoil, Bath and Washingsoap, Hospital, education Social subscription, Travelling, pan-tobaco and for entertainment.

Total expenditure in a month

- 1) Table No.4:7:1 Rs.487/-
 - 2) Table No.4:8:2 Rs. 71.6/-
 - 3) Table No.4:9:3 Rs. 84.28/-
 - 4) Miss.Exp.4:10:1 Rs.100./-
- 742.88/-

Family consist five members and such types of families are 38% in Vita, whose monthly income is between Rs.400 to 599/-. They have to fullfil their wants within their monthly income. But expenditure is more than income so they are taking loan from various institutions.

28% workers monthly income is about Rs.600 to 800/- by all sources and remaining 34 percent workers families monthly income is above Rs.800/-.

4:11 Minimum wages declared by the state on 1st August 1984 onwards.

"As per the recommendations of committee appointed by the Govt. of Maharashtra for minimum wages to power loom workers has completed to power loom owners for its implementation. In Maharashtra this pay scale must strictly be followed by all power loom centres as follows:-

4:12: 1: Statement showing the minimum wages for power-loom workers in Maharashtra (Declared on 1.8.1984)

No.	Centres	Skilled	Skilled	Semi unskilled skill ed	
		A	B	Rs.	Rs.
		Rs.	Rs.	Rs.	Rs.
1.	Bombay, Thana, Kalyan, Pune, Ulhasnagar, Nijampur, 10 Kms. from these cities.	800/-	270/-	240/-	230/-
2.	Solapur, Ichalkaranji, Malegaon, Kamathi, Sangli, Miraj, Jaysingpur, Dhule, Jalgaon, Aurangabad, Nagar, Kolhapur, Vita, Vadgaon, Madhavnagar, Nanded, Tckekarwadi, Kurndwadi, 10 K.M. area from these cities.	250/-	220/-	190/-	180/-

No.	Centres	Skilled	Skilled	Semi	unski
		A	B	skill	lled
				ed.	
3.	Every where in Maharashtra State except the above stated centres.	Rs. 200/-	Rs. 170/-	Rs. 190/-	Rs. 130/-

~~Specially~~ allowance, as per Bombay Index No.184 and above for one point they have given increment of Rs.1/- from January to June 1984 for all the centres of Maharashtra and for all posts it is the same. And from 1st August 1984 each employee is drawing on allowance of Rs.402/- at all the centres.

As per the new pay scales declared the Government of Maharashtra, skilled worker in 'A' category will get minimum wage as basic Rs.250+402 special allowance = total Rs.652/-.

Unskilled worker will get minimum wage as basic Rs.180+402 special allowance = Total Rs.582/-.

To get this much scale each worker should work for eight hours on two powerlooms.

Every worker must get the minimum wage which can satisfy workers basic needs. But if it is not possible, them

such inadequate wage or payments will lead to the worker make part in strike. Bandh, Gherao etc. So it is better that to get minimum wages to avoid all these industrial conflicts.

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