

CHAPTER-VII

ROLE OF TRADE UNIONS

"The trade union movement came into being as worker's defensive response to the abuses suffered by them with the advent the factory system in place of the earlier system of skilled craftsmen playing their own trade independently."¹ The movement is thus necessary for the furtherance of the worker's interest. Many times, the trade union, fell to achieve the furtherance because of the disturbances in organising the workers. The unity strengthens the bargaining capacity. The practical pursuit of trade unions in respect of unorganised workers relates to the wages rather than acquiring other social security measures. Moreover, the pursuit will remain incomplete if the movement did not lend its support and sympathy to the efforts of every other exploited and down-trodden group in society to defend itself. The role of factory sector unions is significant in organising the strikes of farm sector workers and bargaining for remunerative wages. The representatives of the trade unions have pleaded, whenever they got an opportunity. Even they have justified the needs of the workers at the meetings of the Third Wage Board and noted the dissent.

Let us see the role of trade unions in confining the scope of enquiries of wage boards first.

7.1 SCOPE OF ENQUIRIES OF WAGE BOARD :

The wages in sugar industry as brought within the scope of the Wage Boards are restricted only to the categories of employees like manual

clerical, supervisory etc. According to Indian Factories Act, 1948, Section 2(1), "Worker means a person employed, directly or through any agency, whether for wages or not, in any manufacturing process or in clearing any part of the machinery or premises used for a manufacturing process, or in any other kind of work incidental, to or connected with, the manufacturing process or the subject of the manufacturing process." The wages of workers in the allied industries or those on the farms attached to the sugar factories are not recommended by the First Wage Board, while the Second Wage Board considered the wages of a workmen who are employed partly in the allied industry or sugarcane farm owned by sugar factory and partly in sugar factory. Accordingly, they are eligible to receive the same wages as obtaining in the allied industry or in the sugar industry whichever is higher. The worker's representatives have notified the demand before the third wage board that the workers employed in the allied industries like alcohol, paper etc. be taken as employers of the sugar industry. Besides the demands on behalf of the workers has also made that, those employed in the farms owned by the sugar factories or those employed for harvesting sugarcane in the fields be a well brought within the scope of the recommendation of the Board. But the Third Wage Board after a carefull consideration of demands of the workers recommended that, "it is difficult to hold that the workers employed in the allied industries like paper, alcohol, etc. even under the control of the management of the sugar factories can be treated as employed in the sugar industry. Similarly, the workers employed in the fields where sugarcane is grown cannot be treated as employees engaged in the sugar industry even if farms happen to be owned by the sugar

factories. The workers employed in the sugarcane farms are farm workers and they cannot be treated distinct from the other farm workers employed in the fields where the crops other than sugarcane are grown. Under these circumstances the workers employed in the allied industries of the sugar factories as also those employed in the sugarcane farms and for harvesting sugarcane and its transport to sugar factories etc. cannot be taken as covered by the recommendations of the Board."²

The Wage Boards are empowered to determine the categories of employees, who should be brought within the scope of the proposed wage fixation. And the work of a wage structure is based on the principles of fair wages as set forth in the report of the committee on fair wage committee, which also includes the capacity of the industry to pay. But no Wage Board considered the seasonal workers as employees of sugar industry. The annexure to Government Order No.6308 (ST/LVIII 261 (ST) 1947 dated 23-10-1948 laid down; "all seasonal workmen who worked during the last season will be put on their old jobs....." Shri Bhau Phatak, a member of Third Wage Board as a representative of employees expressed his note of dissent on the background that, according to Bombay Industrial Relations Act, 1946, the harvesting and transport workers are the employees of sugar industry under sub-section 4 of Section 2.³

In Maharashtra the industrial relations are regulated under the provision of Bombay Industrial Relations Act and the same is applied to sugar industry by virtue of the notification (See Appendix 7.A & 7.B). It is stated by Bhau Phatak in his note of dissent that, "The notification while specifying the sugar industry makes special reference not only to

the actual manufacturing of sugar but to growing of sugarcane on farms belonging to or attached to the concerned engaged in the said manufacture (or on farms which immediately before the day on which canals comprised in such farms are taken possession of and vest in the State Government under Section 21 of the Maharashtra Agricultural Lands (Ceiling and Holding) Act, 1961, belonged to or were attached to such concerns and which from that date are run or managed by Corporation (including a company) owned or controlled by the State under the Act), and (2) All agricultural and industrial operations connected with the said manufacture or with the growing of sugarcane on the said farms and all distilleries and breweries which are run by the concerns engaged in the manufacture of sugar and its by-products forming an integral part of such concerns."

The Third Wage Board disagrees to accept the workers notices represented by Bhau Phatak. Let us see the major recommendations made by all three Wage Boards in connection with their scope of enquiries.

The First Wage Board for the sugar industry considered the issues regarding the scope of enquiry and made the following recommendations :

- 1) The investigation shall be confined to the vacuum pan sugar factories only.

- 2) The recommendations made shall not cover the workers in the allied, industries or those on the farms attached to the sugar factories.

- 3) Unless indicated to the contrary the recommendations would apply to workmen engaged by a contractor of a factory if they were engaged in work connected with.

a) manufacturing process as defined in Section 2 (K) of the Factories Act, 1948; and

b) cleaning any part of the machinery or premises used for manufacturing process; or

c) any other kind of work incidental to or connected with the manufacturing process or subject of manufacturing process including, handling, loading or unloading of raw materials, stores and finished product in the premises of the factory; or

d) repair and maintenance of machinery, building or other capital assets of the sugar factory.

4) All employees falling within the definition of 'workman' except apprentices for whom a separate scheme had been devised, shall be governed by the recommendations.⁴

The Second Wage Board had made the following recommendation in regard to the scope of enquiries of wage boards.

i) The recommendations of the Board shall apply to the vacuum pan sugar factories and not to allied industries, sugarcane farms, etc.

ii) All employees in the sugar industries falling within the definition of 'workman' as defined in Industrial Disputes Act shall be covered by the recommendations of the Board. Some other categories of employees as Labour Welfare Officer, Medical and Educational staff shall be governed by the recommendations as well.

iii) (a) If a workman is transferred from the sugar factory to any other allied industry, then he shall be paid the same wages as obtained in the sugar factory or that in the allied industry whichever is higher;

(b) If a workman is employed partly in the allied industry or sugarcane farm owned by the sugar factory and partly in the sugar factory, he shall receive the same wages as obtaining in the allied industry or in the sugar industry whichever is higher;

(c) All persons employed by a sugar factory for work in its residential colony shall be covered by the recommendations of the Board.

iv) The recommendations shall apply to workmen engaged by a contractor of a factory for work connected with :

- a) Manufacturing process as defined in Section 2(K) of the Factories Act, 1948; or
- b) Cleaning any part of the machinery or premises used for manufacturing process; or
- c) any other kind of work incidental to, or connected with the manufacturing process or subject of manufacturing process including handling, loading or unloading of raw material stores and finished products within the premises of the factory; or
- d) repair and maintenance of machinery, building or other capital assets of the sugar factory.⁵

The scope of enquiries had been widened by the second wage board, particularly it covered the workmen partly engaged in allied

industries and sugarcane farm and partly in sugar factory, contract workers engaged in stores and finished products within the premises of the factory, Labour Welfare Officer, Medical and Educational staff etc.

The Third Wage Board's recommendations in connection with scope of enquiries are, by and large adopted as mentioned in the Second Wage Board. There is special mention about contract labour employed outside the sugar factory and for harvesting sugarcane or its transport to the factory that they "shall not be covered by the recommendations of the Board."⁶ Further a separate clause has been added for the "workmen employed by a sugar factory on contract basis or daily wages, on temporary or casual basis to perform the duties of a workmen shall be paid at the

- rate per day calculated by dividing the minimum monthly total wage (Minimum Basic Wage and Fixed Allowance, if any + VDA) as recommended by Third Wage Board by 26."⁷

On the inclusion of contract labour for wage fixation, the Jute Board however, held different views. It suggested that no contract labour should be employed in normal work of Jute Mill and if it was employed, it was "the principal employer's responsibility to see that all laws relating to labour are fully implemented. This was also the view of the Coffee Plantation Board. The Board for Cotton Textile and Iron Steel Industries have not expressed any views on the subjects. Recently Government of Maharashtra has also prohibited to employ contract labour in the processes, operations and other works in all sugar factories of Maharashtra. On November, 1991 the Government of Maharashtra after consultation with the State Advisory Contract Labour Board and having regard to the conditions of work and benefits benefitted

provided. For the contract labour and other relevant factors such as those referred to in Clauses (a) to (d) of Sub-section (2) of the said Section 10 hereby prohibits employment of contract labour in the processes, operations and other works like Gavan (Sugarcane carriers), baggase building and lifting, sugar house, pressmud, civil department (Maintenance only) employment in all sugar factories.⁸

According to Bhau Phatak,⁹ "It will be pertinent to note that 1st and 2nd central wage boards while considering the scope of inquiry included the employees engaged in cane development department. If giving the restricted interpretation is correct then both the Boards were wrong in tending the coverage to cane development department who are not necessarily factory employees. Further they also recommended that the employees employed through contractors should be given benefit of their recommendations. This also would not have been possible if that narrow interpretation is tenable, because the 1st and 2nd Wage Boards as well recommended that all workmen defined as such under the definition of workman under the Industrial Disputes Act should be covered by their recommendations. The definition of workman under Industrial Disputes Act excludes the labour employed through contractors. If the terms of reference were to be given such a narrow interpretation than the Boards would not have made any recommendations regarding the contract labour."

7.2 THE MEMBERSHIP OF TRADE UNION :

The membership of the workers in trade union is very scarce and hence not meaningful. They collectively boycotted their work of harvesting in 1980 and 1986 only because of the State level efforts of factory sector trade unions. This incidence was an opportunity to organise a separate trade unions of farm workers, but the registration of the membership of trade union is very less (See Table No. 7.1). Only 40 (9.50%) out of 421 samples were the members of the trade unions covered under survey. The workers though, are not the members of trade unions, agitative collectively at State level strikes and strengthened the trade union movement. Improvements in their wages through awards is the result to that end, but may not be considered enough. Above all the workers be accepted as the employees of the industry which is a major task before the trade union movement.

There are three factory sector State level trade unions referring and managing the case of cane cutters and transport workers evolved in sugar factories. They are :

- 1) Maharashtra Rajya Sakhar Kamagar Pratinidhi Mandal, Pune.
- 2) Maharashtra Rajya Sakhar Kamagar Mahasangh, Ahmednagar.
- 3) Maharashtra Rajya Rastriya Kamagar Federation, Ahmednagar.

Other trade unions are supporting the problems of farm sector workers. Every trade union has a sympathy with the problems of cane cutters and carter workers, because of the worker's indigence, misery, troubles and distresses in the work etc.

TABLE No. 7.1
TRADE UNION MEMBERSHIP

Factories	Number of workers who reported their membership with trade union	
<u>Kolhapur</u>		
KD (50)	-	-
KP (50)	10	(20.00)
KW (50)	1	(2.00)
KR (50)	5	(10.00)
KG (26)	1	(3.84)
<u>Sangli</u>		
SV (50)	-	-
SR (50)	16	(32.00)
SK (50)	6	(12.00)
SM (45)	1	(2.00)
Total (421)	40	(9.50)

Note : The data in brackets are percentages to the respective horizontal total number of workers covered under survey.

Unlike all other trade unions in India, struggle for the wage revision exists even in the trade unions functioning in sugar factories more sensitively than other problems. So, as a tendency to unite for this objective is more participative and agitative. However, the intensity of the strike depends on the (a) demand and supply of labour force, (b) severity of drought in Maharashtra and total sugar cane cultivation area in Maharashtra. The bargaining too depends on the same conditions prevailing in the Maharashtra. Since the declaration of awards held occasionally - generally for every three years since 1980 maintained the industrial peace in this industrial sector. The term of current award expired with end of 1991-92 season. Once again a task before the trade unions tricked out to tackle the wage problems and other related unsolved and unabated demands made by the workers for two decades in general and since the appointment of Rupwate Committee in particular.

Of late majority of factory sector sugar workers have their own trade unions, only in a few cases yet no unit level trade unions have been established. An unit level trade unions have been managed by the State level, regional and local level unions leaders. The factory sector workers may be categorised as an organised workers. But the farm sector workers still are categorised as unorganised.

As the factory sector workers have began to organise the State level sugar worker's conference, the demands of the farm sector workers have been discussed in the conferences (Walva, Niphad and Paithan). Ultimately a need to unite was thought of.

The labour brokers who are working as contractors and mukadamas have made some efforts to organise an union of their own to protect their interests. The organisation had a representation on earlier two awards held so far to revise the wage rates and commission rates. The contractors are generally divided into big, medium and small, working with a chain of link between the mukadama at bottom and the factory management at the top. Mukadama also works as a contractor, who is also a leader of a cane cutter's team.

7.3 DEMANDS OF THE WORKERS :

An efforts were made to ascertain what problems did the workers faced and what type of an improvements did they deserve ? From whom ?

Why ? and How ? were some of the questions asked to the sample respondent workers. All workers have common problems as explained in the earlier chapter. The workers have been asked to suggest an improvements in their work conditions and organisation of the work, and what facilities would they expect from the Government and sugar factories either at work places or at camp places?

Following are some of the important suggestions made by the workers :

- 1) The duty hours of the workers should be fixed at 8 hours.

- 2) Every sugar factory should pay the wages as per the award.

There should not be any agreement between the workers and the sugar factory at unit levels. The State level award be made applicable to all sugar factories.

3) Compensation to the work of replacement should be paid.

The compensation Act should be made applicable to the workers.

4) Weekly holidays with pay should be given.

5) Retention allowances should be given.

6) Free medical aid should be made available to the workers.

7) The bonus should be paid as per the payment of Bonus Act.

The factory sector workers are getting this benefit.

8) Educational facilities to the children of the workers should be provided by the Government and sugar factories.

9) Permanent dwelling units should be constructed at the central places by the sugar factories. Sheds to carter workers and their bullocks should be constructed at factory sites.

10) Every efforts should be made by the sugar factories to improve the efficiency in cane harvesting and transporting the cane from fields to the factory. The harvested canes should get crushed within four hours by the sugar factories, after which the recovery deteriorate which is loss to the factory, farmers and workers.

11) Every sugar factory should built up a good and quick transport system.

12) The facilities like, water, light, ration should be made available at camp places.

13) Payment register should be maintained by the Mukadamas.

14) The carter workers should get atleast two turns a day.

15) Roads must get surfaced with tars by the Government and sugar factories.

16) Working dresses to the workers should be made available to all category of workers.

17) Regular tripartite awards should be appointed.

18) Advances on fair rate of interest should be given directly to the workers, because the contractors exploits the workers in this transaction.

19) Workers should get regular and continuous work. Compensation to the man hours waste should be paid to the workers.

20) The meals should be made available on reasonable rates at factory sites.

21) Every repairs to the tyre carts should be made immediately.

22) Medical allowances to bullock owner workers should be provided.

23) Travelling allowances should be paid to the workers coming from long distance.

24) Hiring rates for tyre carts must be reasonable. Instead of charging daily hire basis, monthly hiring rate may be charged.

25) Light generating machines should be made available to the workers, who generally engage in loading the vehicles at night and darkness

26) Every sugar factory should be very particular in planning and scheduling the harvesting and transporting plans.

27) Factories should make use of crane to unload the bullock carts loaded with sugarcane.

28) Waiting allowances should be paid to carter workers, who have to waste some manhours in waiting either for weighing or for unloading the sugarcane.

29) Every worker should get the wage at least equal to the real minimum wages. Periodically the minimum wage should be determined by the Government as per the specified zones.

30) The factory officials should express sympathy towards the carter workers.

31) Temporary ration cards should be issued to the worker, and Government also intimate to operate seasonal fair price shops at the factory sites and a moving fair price shops should be organised by the sugar factories.

32) Off seasonal works of the sugar factories be given to the workers, who are ready to settle at destination even during the off season.

33) The farm sector workers should be treated as the employees of the sugar factories.

7.4 WAGE NEGOTIATIONS :

How trade union function has been analysed by number of researchers and academicians. They may be categorised into (a) historical and descriptive studies, (b) analytical and comparative studies and (c) studies relating to growth and structure of trade union etc. Role of trade unions in wage negotiations is one of the section coming under the studies related to industrial relation. In most cases the wage negotiation is categorised as industrial relations. The study of wages of farm sector workers has been analysed in earlier chapters. However, how the wages were negotiated and actually determined is a significant aspect, which is explained in this sub-section.

A six days strike of carter workers of Baramati taluka in the year 1962 under the leadership of late Com. Jaysing Mali (M.L.A.) and R.G. Panderkar was a mile stone for forthcoming agitations for the survival of the workers. Such strikes were organised in else other factories

during the period. So, in between 1970-78, some agitations, demanding wage revisions were made, particularly in Ahmednagar region. This was rather first collective and comparatively bigger strike during the period, covering 13-14 sugar factories and continued for about four-five days. This resulted to call a meeting of all representatives concerned to the sugar industry at Pravara. The Pravara meeting consented to reorient, and revise the wage rates for different categories of workers.

During a severe drought of 1970s, the workers have accepted the prevailing wage rates by sugar factories, because of their need to survive. Sugar factories, then by making mukadamas and contractors pleased by giving incentives of an attractive commissions and paying the workers purposively less but comparatively higher than the wages at original places. Sugar factories pleasing strategy motivated the contractors and mukadamas to demand higher commission rates, so, they supported the workers to demand more wages from sugar factories. With this support and trade union's efforts, workers prepared to strike for higher wages. Meanwhile, due to the shortage of labour supply during the period between 1977-80, a few factories have prepared to pay higher wage rates. This paved the way to bargain collectively. The workers signified the role of unionisation, through which they gained provision of some facilities like travelling allowances, gifts and other facilities. But this did not be an-end itself. Some scattered agitations expressing the bargaining and signifying the role of unionisation were occasionally emerged during the period.

On 26-11-1979 award was held by the then Chief Minister Sharad Pawar, which was later agreed and signed by all on 21-1-1980. The award covered both factory and farm sector workers. Following were the major recommendations of the award :

1) The minimum wages of the unskilled workers in factory sector from 1-10-1978 would be Rs. 393.40 of which basic Rs.260 + VDA Rs. 37.24, the remaining amount would be distributed by the Chief Minister, which would be acceptable to all other than unskilled workers and upto supervisory A-1 grade workers would get Rs.45.50.

2) The above basic wage rate would be linked to consumer price index 300 and VDA to CPI 328. The excess 28 would be compensated by Rs. 1.33 per unit. If the VDA index goes down less than CPI to 300, no retardation in the wages would be made.

3) The VDA would be changed as per the averages of last three months applicable from 1 January, 1 April, 1 July, 1 October.

4) Annual wage hike of Rs. 2 would be paid to all unskilled, supervisory and A-1 grade workers of factory sector.

5) The wage rates for harvesting and transport workers be revised as per Pravaranagar Agreement (See the details in earlier chapter on wages).

6) The decision to implement the wage rates for farm sector workers for 1978-79 season would be decided by the Chief Minister later on.

7) Shankarrao Patil Committee Award in respect of new factories would be restricted to all.

8) The wage would be implemented from 1 January, 1980 and the differences be paid within the end of 1979-80 season.

9) The revised wage rates for cane cutters and transport workers be paid from corresponding bill payments and the differences be paid within 1979-80 season.

10) a) The period of agreement would rest on to 1983.

b) The point of agreement would be treated as Govt. decision.

c) The unit level agreement be signed on the line of above agreement.

Tushar Pawar (President) and Madhukar Bhise (General Secretary) were signed on behalf of the Maharashtra Rajya Sakhar Kamagar Pratinidhi Mandal (Regd.), Pune.

Madhavraoji Boraste (Vice-President) and M.S. Marathe (Executive Director) were signed on behalf of the Maharashtra Rajya Sahakari Sakhar Karkhana Ltd., Bombay.

Arun Dahanukar (President) has signed on behalf of the Deccan Sugar Factories Association (Regd.), Bombay.

K.B. Jitkar (Retired I.A.S.) had signed as witness.

The major recommendations were related to the factory sector workers. The factory sector workers had strongly expressed their sympathy in respect of distress of the farm sector workers. This helped to obtain the next revision soon.

The trade unions of factory sector workers had tried to organise the farm sector workers for 1980 strike. The workers belonging to Beed district were dominating in the strike, because 40 percent of the workers were belonging to the Beed District, ultimately trade union leadership concentrated their efforts to unite the workers from this district. The factory sector workers of sugar industry supported the 1980's State level strike. This compelled the sugar factories and Government of Maharashtra to raise the cane cutting rates from Rs. 9.00 to Rs. 13.00. Similarly, other rates also went up. An agreement was signed on 30-10-1980 under the leadership of then Chief Minister A.R. Antuley and Labour Minister Narendera Tidke. It was also decided and agreed by all tripartite members that, after 1982 season, new wage rates be declared considering the price indices.

Following were the important points resolved by the tripartite Committee :

1) Initially, it was agreed and compromised by all members that the agreement be signed without harming to their demand as "farm sector workers are the employees of sugar factory" and on the contrary the industry's demand, that "these workers are the independent contractors and not the employees of the industry."

2) New wage rates for the season 1980-81 and 1981-82 had been determined by the Committee (See for details the wages of the workers in earlier chapter).

3) It would be the responsibility of the sugar factories to see all payments be made as per wage rates, transport rates and commission

rates. All payments be made to the concerned payees. To watch on this, worker's representative be called to supervise over the payment.

4) As per the Labour Minister's decision in regard to the wage hike (as per 26-11-1979 award) and the difference of 1977-78 season (April and May and since then) be paid before 15-1-1981. The differences be paid to the concerned workers under the supervision of trade union leaders of respective sugar factories.

5) The wage rates for 1978-79 season had been declared by the Chief Minister as per the 26-11-1979 award. The wage differences during this season be paid on or before 28-2-1981 to the concerned workers under the supervision of the representative trade union leaders at factory level organisation.

6) All sugar factories had been compelled to implement the 26-11-1979 award held by Government of Maharashtra and the wage differences be paid within December, 1980.

7) It was decided by the committee that a tripartite committee would be appointed to recommend in respect of other demands, which were remained unfulfilled, it had been further asked to submit its report before 28-2-1981. The decisions of the committee would be compulsory to all. It was also resolved that no party would go to the court against any decisions of this committee on any controversial issues, President would give his final decision which would be again restricted to all. If President would not be available, the Labour Minister would decide the issue finally. The committee had been appointed under the Chairmanship of Shankarrao Bajirao Patil. Following were the other members of the Committee :

- 1) Madhavrao Boreste
- 2) Tatyasaheb Kore
- 3) Representative from Deccan Sugar Factories Association
- 4) Madhukar Bhise
- 5) Datta Deshmukh
- 6) Kishor Pawar
- 7) P.K. Panse as Secretary of the Committee

The responsibility to implement the above recommendations rests on the Labour Minister

No controversial issues be raised by the farm sector workers during the period of agreement.

Following committee members had been signed the agreement on 30-10-1980 before the Labour Minister, Narendra Tidke.

- 1) Madhavrao Boraste
- 2) Tatyasaheb Kore
- 3) Shankarrao Kolhe
- 4) S.S.Hiremath
- 5) Shivajirao Nagavade
- 6) S.B. Athare
- 7) Anilkumar Ruia
- 8) Arun Dahanukar
- 9) Tushar Pawar
- 10) Madhukar Bhise
- 11) Kishor Pawar
- 12) Datta Deshmukh
- 13) Santaram Patil
- 14) Bhau Phatak
- 15) Gangadhar Ogale
- 16) B.R.Patil

As the term of wage rates so far determined earlier expired on 1982, the labour leaders dunned to revise the wage rates. But the request had not been considered either by the Sakhar Sangh or Government of Maharashtra, so the wage rates continued till 1986. Besides Shankarrao Patil Committee report went against the worker's interest. Ultimately, the workers and Mukadamas again prepared to organise a strike. The trade union leaders had initiated to organise it on November, 1985, which was supported by all trade unions in concern to sugar workers. But the declaration of strike was too late. Meanwhile, a few sugar factories had began to crush, and majority of workers had reached their destination. So the strike of 1985 was aborted.

Again in 1986, a strike with all preparations was declared with a support from all concerned trade unions. Nearly 50 per cent of workers could not attended the work at destination. Workers had refused to migrate, so the harvesting and crushing schedule of sugar factories dispersed. Majority of them had began their crushing by 1-2 months late. At last a tripartite committee was called by then Chief Minister S.B. Chavan. In the meeting, Government requested the workers and Mukadamas to give 3 months to decide and settle the matter, meanwhile, an increase in the wages by 25 per cent had been declared, which was accepted by all. Besides it was also agreed to appoint a tripartite committee to recommend in respect of the wage revision and remedial measures to solve other problems. Mukadama Mahamandal had pleaded their demands before the committee. But the award had only concentrated on the cane cutting and transport rates. As assured in 1982, a wage hike of 62 per cent had been recommended by the award. New wage

rates were applied from 1986-87 to 1988-89 season. In some controversial cases the Chief Minister S.B. Chavan mediated the case and all were agreed with that.

The award held by Chief Minister S.B. Chavan had been agreed by the representatives from Maharashtra Rajya Sahakari Sakhar Karkhana Sangh, Deccan Sugar Factories Association, Maharashtra Rajya Sakhar Kamagar Pratinidhi Mandal and Mukadama Mahamandal etc.

Following were the major recommendations of the award :

1) The award had been held irrespective of the legal harms to the views of workers representatives that, "the cane cutters and transport workers are the employees of the industry" and on the contrary the views of industry's representation as "cane cutters and transport workers are not the employees of the sugar industry."

2) The award was made applicable to the 1986-87, 1987-88 and 1988-89 crushing seasons.

3) Wage rates would be determined as per revised rates explained in the schedule (See for details the wage of farm sector workers).

4) 50 per cent of the green leaf fodder of the sugarcane stem be used by the workers and other 50 per cent be retained to the field owner.

5) No disputes be made by the workers during the period, the award operates.

6) The wage differences of 1986-87 season be paid in 1987-88 taking into account the economic capacity of the sugar factory

concerned. Further it was resolved that such differences be paid only to the concerned workers under the supervision of representatives of the unit level trade unions concerned.

7) Further it was resolved that, special committee be appointed to study the problems faced by the workers and to recommend the suggestions to improve the economic conditions of the workers. Further the committee could suggest wage revision for the crushing seasons after 1988-89.

The award has been signed on 1-10-1987 by the following members in front of the Labour Minister Bhagavantrao Gaikwad.

Sugar Factories Organisations :

- 1) Shivajirao Patil
- 2) Ankushrao Tope
- 3) Balasaheb Vikhepatil
- 4) Datta Kanchan
- 5) Shankarrao Kolhe
- 6) P.M. Kapadia
- 7) Harshad Doshi
- 8) M.S. Marathe
- 9) R.Venkatraman

M.R. Sakhar Kamagar Pratinidhi
Mandal and Mukadam Mahamandal :

- 1) B.R. Patil
- 2) Babanrao Dhakane
- 3) Kishor Pawar
- 4) Bhau Phatak
- 5) Madhukar Bhise
- 6) N.S. Pawar

C.V. Dingare (Labour Commissioner) worked as Secretary to this Committee.

As decided in the 1986-87 award, known as Bhagavantrao Gaikwad Award, a Committee under the Chairmanship of D.T. Rupawate has been appointed on 19-10-1988 to study the problems of the workers and to recommend the wage revisions. The Committee is still working. Following are the representatives to this committee :

Factory Organisation :

- 1) Ankushrao Tope
- 2) B.K. Murakute
- 3) S.D.Kale
- 4) Y.G. Sharekar
- 5) B.B. Kavale
- 6) Surendra Borgaonkar

Workers Organisation :

- 1) Babanrao Pawar
- 2) Madhukar Bhise
- 3) Kishore Pawar
- 4) Madhukar Katre

Mukadama/Contractors :

- 1) D.P. Bade
- 2) K.L. Sukhalade

Secretary : S.J. Salvi

The committee has met frequently to discuss the issues. And lastly it has been agreed to revise the wage rates. The new wage rates have been communicated (28-6-1990) to the Govt. as an interim report, and the Govt. has accepted the revised wage rates on 28-8-1990.

The Government of Maharashtra in its notification BIR/790/615/Labour-2 dated 28-8-1990 has mentioned that, the revised wage rates (see in wages of farm sector workers) may perfectly be implemented by all sugar factories in Maharashtra. An unit level agreements be signed with the registered trade unions. Further the date of extension for the final submission of the Committee's report had been fixed on 30-9-1990. The revised rates have been applied for the crushing seasons 1989-90, 1990-91 and 1991-92. The wage differences for the crushing season 1989-90 be paid before the corresponding season begins. But the committee is unable to submit its final report within the date fixed so far.

7.5 OTHER EFFORTS OF THE TRADE UNIONS :

As stated in the chapter, industrial relations, the trade unions have tried to initiate in solving the other problems of the workers. One important thing that the trade unions have confirmed that, all court decisions are in favour of the workers. So an obstruction has been cleared through trade union's efforts. Secondly, the trade unions have organised fruitful strikes during the last decade. This strengthened the bargaining power of the worker. The role of factory sector trade union is significant in this regard. The efforts of unionisation and organisation of strikes have been made by the unions of factory sector workers. The farm sector workers have gained the sympathy of factory sector workers.

Whenever, the tribunals or awards were appointed, the trade unions represented their demand. In fact this is a statutory way to solve the problems. Sometimes the demands have been presented through morchas. Worker's demands have been presented before the Rupwate Committee. Even on 19-10-1991 another memorandum has been submitted

to the Rupwate Committee wherein the trade union has made it clear that, the establishment of trust, societies and other institutions is harmful to the workers. If one can go through the bye-laws of such organisations, the intention of the sugar factories will be very clear and open. The implications of having such organisations have been communicated to the Chairman of the Committee. Even worker's representatives have requested to add the vote of dissent to the final report. So they lost the faith on the committee. Simultaneously the trade unions have submitted an alternative scheme to solve the problem, but it is not still considered by other representatives of the Rupwate Committee. It is justified by the trade union that, they have a separate laws applicable to the workers working in mine, tea, coffee, rubber archards, Godi and Bidi workers etc. Kerala Government has enacted a separate agricultural labour act. Like that a separate law may be enacted. Wherein a Central Board may be established. This Board will determine the recruitment and service conditions. A separate mechanism like recruitment and issuing licenses to the workers may be operated by the Board.

The trade unions have tried to abolish the contract labour system in sugar factories. Fortunately, they succeeded in this. The Maharashtra Rajya Sakhar Kamagar Mahasangha has requested the Regional Provident Fund Commissioner, Bombay by a letter to apply Provident Fund Act to the harvesting and transport workers engaged in sugar factories (See Appendix 7.C).

Thus, the union's efforts by submitting memorandums, organising strikes, notifications and other agitations are worth mentioning, however, they still require the strength of unity of the workers. The task is to

unite the workers, and agitate for achieving their demand. The recent changing industrial relation is harmful to the workers, correspondingly that also render harms to the sugar factories directly and indirectly. The task will become severe after 1992-93 season as the term of current award exhausted with the end of 1991-92 crushing season.

7.6 FACILITIES MADE AVAILABLE BY SUGAR FACTORIES :

The survey reveal the fact that the sugar factories from Kolhapur and Sagli districts have provided the following facilities to the farm sector workers.

- 1) The cane cutting knives had been provided to the workers by all sugar factories. The repairs and sharpnings had been made free of cost by the sugar factories.
- 2) Each koyata workers had been given 7-8 bamboos of 10 to 12 feet hights and 8-10 palm leaves of 3-4 feet high and a bundle of coir rope to built a shed at camps.
- 3) Each carter workers had been provided the same material i.e. 10-12 bamboos and 10-12 palm leaf mats by the sugar factories.
- 4) Light and water had been supplied to carter workers, who usually settle at factory sites.
- 5) If the bamboos and mats were not returned, they had been charged a fine of Rs. 25.00.
- 6) A factory which had a co-operative consumer store had provided basic necessities to the workers on credit, if they submit a consent note (slip) eighter from sugar factories or from mukadamas.

7) A few important veterity medicines and injections had been provided by all sugar factories with the help and co-operation of District Veterinery Medical Officers.

8) Workers were allowed to take the benefit of Hospital, managed by sugar factories. A special treatment was also given to a few deserving patients.

9) A worker who looses a bullock would be paid Rs. 500.00 to 1,000.00 as compensation to the worker.

10) If factory did not operate because of various reasons for atleast a day or days, a worker had been paid Rs. 5.00 and carter worker Rs. 7.00 as compensation.

11) Three sugar factories had organised schooling facilities to the school going children of the workers.

12) Every sugar factory gives some gifts in the form of utensils, clothes etc. comprising to the value of Rs. 100.00 to 300.00. Besides travelling allowances of Rs. 100-200 had been paid to each koyata and carter workers.

Kisan Ahir Co-operative Sugar factory, Walva, had provided the following important facilities other than mentioned above.

a) The wages of the farm sector workers were directly linked to the price indices, automatically workers get the real wages.

b) A meal on fair rate of Rs. 2.00 per plate had been provided by the factory mess to the workers.

c) Free sweaters and mufflers had been provided to the workers free of cost.

d) A child below the age of a year had received $1/2$ to 1 litre milk from sugar factory free of cost.

e) Schooling facility had been made available to the children of the workers. School going children had been feeded by nutritional food.

f) Every pregnant woman workers had received an assistance of Rs. 200.00.

g) Every women workers had received a soap and shikekai for cleaning their hairs for ten times in a season.

h) Every worker's family had been provided $1/2$ Kg. of sugar for each Hindu/Muslim festivals.

i) $1/4$ th share of profit received because of good recovery rates had been paid to all harvest and transport workers.

j) More than 450 dwelling units had been constructed for the workers.

k) Compensation of Rs. 68.00 to 75.00 had been paid to the carter workers, who did not work because of some disturbances in factory operations.

l) All expenses on the medical treatments of the bullocks had been borne by the sugar factory.

m) A worker, who worked at night had been given extra wage of Rs. 6.50 per tonne.

n) All expenses on the medical treatments to the worker's family members was borne by the sugar factory. A special treatment if needed was also given to deserving patients admitting them in the nearest hospitals at Miraj and Sangli. Every cost of medical services was borne by the sugar factory.

Every worker working at this factory was very happy. By bearing and sustaining such all expenses the factory was able to give the highest price to the sugarcane growers. The economics and the efficiency of the management is really praiseworthy.

REFERENCES

- 1) Trade Union Philosophy - Bagaram Tulpule, 1973 (Seminar paper).
- 2) Third Wage Board, Para32, Chapter-II, p.6.
- 3) Govt. of Bombay, Industrial Relation Act, 1946, and in Supersession of Govt. Notification in Labour and Housing Department No.1131/46 dt. 19-1-1952.
- 4) Third Wage Board, p. 5.
- 5) Ibid, pp.5-6.
- 6) Ibid, p. 6, Para 33, vii
- 7) Ibid, p.6, para 33, viii.
- 8) Govt. of Maharashtra, Notification, Industries, Energy and Labour Deptt. 27 Nov., 1991.
- 9) Note of Dissent, Third Wage Board, pp.83-95.

APPENDIX No. 7.ANOTIFICATIONSUGAR INDUSTRY

Development Department,

Secretariat (Annexe),

Fort, Bombay

4th October, 1952

BOMBAY INDUSTRIAL RELATIONS ACT, 1946

No. 1131/46 - In exercise of the powers conferred by Sub-Section 4 of Section 2 of Bombay Industrial Relations Act, 1946 (Bombay XI of 1947) and in supersession of Govt. Notification in the Labour and Housing Department No. 1131/46, dated the 19th January, 1952, the Govt. of Bombay is pleased to direct that all the provisions of the said Act shall apply to the following industry, namely :

The manufacture of sugar and its by-products, including -

i) The growing of sugarcane on farms belonging to or attached to concerns engaged in the said manufacture (or on farms which immediately before the date on which the canals comprised in such farms are taken possession of and vest in the State Govt. under Section 21 of the Maharashtra Agricultural Lands (Ceiling and Holdings) Act, 1961, belonged to or were attached to such concerns, and which from that date are run or managed by a Corporation (including a Company) owned or controlled by the State under that Act).

ii) All agricultural and industrial operations connected with the said manufacture or with the growing of sugarcane on the said farms; and

iii) All distilleries and breweries which are run by concerns engaged in the manufacture of sugar and its bye-products and forming an integral part of such concern.

Note : "For the purpose of this notification all service or employment connected with the conduct of the above industry shall be deemed to be part of the industry when engaged in or by an employer engaged in that industry."

-Quoted in Third Wage Board Report,
pp. 83-84.

APPENDIX-7.B

Bombay Industrial Relation Act, 1947
 Industries, Energy and Labour Department¹
 3rd December, 1981

- No. BIR-1878/2976/Lab-9 - In exercise of the powers conferred by Sub-Section (4) of Section 2 of the BIR Act, 1946 (Bombay IX of 1947) (hereafter referred to as 'the said Act') the Govt. of Maharashtra hereby directs that all the provisions of the said Act shall with effect from 1st January, 1982 apply to the following industry in all areas in the Vidarbha region of the State of Maharashtra, which are declared under Clause (23) of Section 3 of the said Act to be local areas by the Govt. of Maharashtra in Part-I of Govt. Notification, Industries and Labour Department No.
- BIR-1065 (III) LAB.I dated the 2nd May, 1965 namely :

The manufacture of sugar and its by-products including -

i) The growing of sugarcane on farms belonging to or attached to establishments engage in the said manufacture or on farms, which immediately before the date on which the lands comprised in such farms are taken possession of and vest in the State Govt. under Section 21 of the Maharashtra Agricultural Land (Ceiling on Holding) Act, 1961 (Mah.XXVII of 1961), belonged to or were attached to such establishments and which from that date are run or managed by a Corporation (including a Company) owned or controlled by the State Govt. under that Act.

ii) all agricultural and industrial operations connected with the said manufacture or with the growing of sugarcane on the said farms; and

iii) all distilleries and breweries which are run by establishments engaged in the manufacture of sugar and its by-products, and forming an integral part of such establishment.

Explanation : All services or employments connected with the conduct of the sugar industry shall be deemed to be a part of the industry, when engaged in or by an employer engaged in that industry.

By order and in the name of Govt. of Maharashtra.

1. MGG Part I-L Extra Ordinary dated 3-12-1981,p. 428.

APPENDIX-7.C

Dated : 4-1-1992

To,

The Regional Provident
Fund Commissioner,
Bhavishya Nidhi Bhavan,
341, Bandra East,
BOMBAY-400 051.

Sub:- Request to apply Employees' Provident Fund Scheme, 1952
to the harvesting and carting workers in Sugar Industry in
Maharashtra.

Respected Sir,

Maharashtra Rajya Sakhar Kamgar Maha Sangh is the Federation of trade unions in sugar industry in Maharashtra and we are submitting this Memorandum on its behalf. More than one hundred sugar factories, almost all in co-operative sector, now employ about five lakh workers, for harvesting and transportation of sugarcane by bullock carts from the fields owned by cane growers to the factories. These workers are employed continuously year after year for whole of the period of crushing season which lasts for about 6 to 8 months in a year. These workers are employed through contractors who number from about 100 to 300 per factory, depending on the crushing capacity of the concerned sugar factory. The factories enter into agreements with these contractors for supplying them the required strength of labour and maintaining it throughout the crushing season. The average earning per day of a sugarcane harvester is between Rs.15.00 to Rs.25.00 per day; while the earning of a cartman is little more than that of harvester. They are paid on piece rate basis.

2) These workers are unorganised. The provisions of the Minimum Wages Act, 1948 and the Contract Labour (Regulation and Abolition) Act, 1971 even though applicable, are observed by the factories and the contractors only in their breach. Sugar-cane harvesting and transport work is undertaken by the sugar factories only in the State of Maharashtra, North Karnataka and South Gujarat. Elsewhere, the cane-growers themselves arrange for such work. In these three states the factories ensure themselves of getting regular flow of fresh and good quality sugar-cane by undertaking the harvesting and transport work. This is one of the key reasons of the alround prosperity of the sugar factories and sugar industry in this region which accounts for more than fifty per cent of the entire sugar production in the country. In these three states the factories pay the canegrowers price of their sugar-cane ex-field, while they pay the wages of harvesting and carting labour through the contractors separately. In order to enable your office to grasp the true state of affairs in this regard, the following extract from the Presidential address delivered by Shri Shiwajirao Patil, Chairman, National Federation of Co-operative Sugar Factories will be of much help. This presidential address was delivered on the occasion of 32nd Annual Central meeting held on 26th September, 1991 at New Delhi. The Hon'ble Union Minister for Agriculture Dr. Balram Jakhar was the Chief Guest, while Shri Tarun Garg, Minister of Food, inaugurated the meeting. The relevant extract i.e. paragraph No. 16 is being cited below :

"The levy sugar price is fixed by the Government based on the Statutory Minimum Price (SMP). SMP does not take into account the harvesting charges incurred by the factories in many major sugar producing States like Maharashtra, Gujarat, North Karnataka, where out of 119 lakh tonnes of sugar production this year almost 50% or 58 lakh tonnes is produced. It is, therefore, imperative that harvesting and transporting charges should be included in levy price. The element of harvesting and transport charges should be fully provided for in the levy sugar prices."

This extract is taken from page No.8 of the September, 1991 issue of the Journal 'Co-operative Sugar' which is published by the National Federation of Co-operative Sugar Factories Limited, New Delhi. This extract goes to prove beyond doubt that in Maharashtra, Gujarat and in North Karnataka the factories pay the expenses for the payment of wages to the harvesting and contract labour.

3) In Maharashtra, Bombay Industrial Relations Act, 1946 is applicable to sugar industry. Years back, industrial disputes were raised by various trade unions for determining wages and other service conditions of the harvesting and carting labour. The factories raised the preliminary objection that the harvesting and carting labourers are not 'employees' of the sugar factories and that, harvesting work is not a part of sugar industry. The Industrial Courts in Maharashtra and Hon'ble Bombay High Court have consistently taken the view that sugar-cane harvesting and carting is an integral part of the sugar manufacturing process and that the workers employed through the contractors by the sugar factories are the employees of the respective sugar factories. We are endorsing herewith a xerox copy of the decision dated 19th December, 1967 of the Hon'ble

Bombay High Court in the dispute regarding or relating to Kolhapur Sugar Mills Limited. The Hon'ble High Courts and the Hon'ble Industrial Courts have always followed this decision in similar disputes.

4) Section 2 (f) of the Employees' Provident Fund and Miscellaneous Provisions Act, 1952 defines 'employee' as a person who gets his wages directly or indirectly from the employers and includes any person employed by or through a contractor in or in connection with the work of the establishment. We submit that in view of the facts enumerated above, these harvesting and carting workers are 'employees' of the sugar industry within the meaning of Section 2 (f) of the Employees' Provident Fund Act, 1952 and as such they deserve the benefits of this Act and schemes framed there under.

5) It would be worthwhile to mention a few more related facts. After the aforesaid Hon'ble High Court's decision, copy of which is enclosed herewith as Annexure 'A', many employers in sugar industry in Maharashtra undertook many subterfuge devices to circumvent the provisions of various labour laws. About fifty per cent of the co-operative sugar factories amended their bye-laws. Previously, the bye-laws provided and do provide in remaining 50% of the factories that the harvesting and carting of sugarcane will be arranged and get done by the sugar factories. This bye-law was amended in 50% of factories and now the amended bye-law states that the harvesting and carting of sugar-cane will be the responsibility of the member cane-grower i.e. agriculturists. These factories have formed the Public Trusts or Companies or new co-operative societies, which were ostensibly entrusted with the work of harvesting and carting of sugar-cane. In these factories, everything goes

on as before. Only on paper it is shown that the contractors are engaged by these newly formed trusts, companies or co-operative societies, and not by the sugar factories. The bye-laws of these newly formed institutions provide, 'inter alia' that all the members of the co-operative sugar factories will *suo moto* be the members of these institutions, that all the members of the Board of Directors of the co-operative sugar factories will be *ex-officio* members of the Board of Directors of the Board of Trustees of these new institutions. Even the Chairman and Vice-Chairman of the sugar factories are *ex-officio* Chairman and Vice-Chairman respectively of these new institutions. These new institutions have their office in the central office of the concerned sugar factories. There is no separate staff recruited by these new institutions, which

- are entirely manned by the employees and officers of the sugar-factories.

No separate funds are raised by these institutions. All funds are provided by the factories. Previously the factories entered into agreements or contracts with these contractors. Now the 50% of the factories, who have amended their bye-laws and created above referred to institutions, enter into agreements or contracts with the newly formed institutions, who in turn enter into agreements or contracts with the contractors for harvesting and carting of sugar-cane.

6) We are sure, that in order to implement the Employees' Provident Fund Act and the Scheme in its proper spirit and to further the object of providing social security to these weaker sections, your office will investigate deeply into the smoke-screen created by these

sugar factories and shall apply the Act with its schemes to all the harvesting and carting labour, even where they are shown to be employed through the trusts etc. We most humbly and most earnestly request accordingly.

Thanking you,

Yours faithfully,

Sd/-

(M.M. KATRE)
General Secretary,
Maharashtra Rajya Sakhar
Kamgar Mahasangh,
Ahmednagar.