



CHAPTER NO. 4

ECONOMICAL CHARACTERISTICS OF THE
WORKERS

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4.1. IMPORTANCE OF WAGE SYSTEMS :

In popular usage, wages are payments to hourly rated, production workers, Wages are paid to those who generally have no guarantee of continuous employment throughout the week, month or year.

" 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. More over, well designed wage policy will promote cordial industrial relations avoiding the possibilities of strikes, lock-outs and other perversities in labour management relation" ¹

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

1. J.C. SINHA , V.N. MUGALI ' Principles and Practice of commerce ' P. 1.55.

4.2 TYPES OF WAGE SYSTEMS :

Time rates : Most common are time rates payments per hour, per day or per week. They are used where output cannot be readily measured or where the pace of work is controlled as on a production line. In non-manufacturing industries, proportions are higher.

B) Piece rate : Which represents a ~~unfair~~ uniform payment for each unit processed sometimes, the piece rate is modified to provide a guaranteed hourly or weekly minimum. Piece rates are used for jobs in which the amount of work done by an individual or group is readily measured. They require uniform working conditions, raw materials and supporting services.

4.3 Productivity & Wage : Productivity represents the contribution of the workers towards increased output. Wages, it is felt should be commensurate with the 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 there 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 costs.

4.4 Total Average Wage and Demand for minimum wage :

On 1st of August 1981 a conference of powerloom workers was arranged by the CITU at Ichalkaranji. The committee in its conference recommended the following demands regarding the minimum pay scales to the workers.

- 1) " In consideration of minimum needs of worker, on the basis of unskilled workers , minimum payscale should be Rs. 815 P.M.
- 2) Pay should be compared with the composit mills and it should not be less than poverty lines.
- 3) Cent percent compensate special allowance should be given to the workers.
- 4) While considering special allowance it should be seen Bombay is only one centre for the workers who are come under Maharashtra.
- 5) The zone sustem for minimum wages to the powerloom workers should be cancelled.
- 6) Skilled 'B' catagory worker should be treated as skill 'A' category worker and the classification of category should be revised.
- 7) In considering the quality of powerloom production efficiency, raw material, technical facilities, shortage due to power, faults etc. on the basis of 120 revelation production piece rate be decided.

At the same time it should be seen that it will not be less than the minimum wage.

- 8) A worker getting wage according to piece rate if it fails less than monthly wage he should be compensated. But he should ~~be~~ not be given a work more than eight hours.

According to International Labour code No. 132 it has been mentioned , about the minimum wage policy.

- i) While fixing the minimum wage of the worker it should be seen that his minimum needs are covered.
- ii) Also while fixing the minimum wages of the worker efficient prompt worker be taken in to mind as a base to give him proper wage for ordinary worker.
- iii) Also it should be seen that there is co-ordination between both the scales as decided by the law and union as well." ¹

Gen. Secretary of Lal Bavata Gen. Kamagar Union Ichalkaranji, Dist. Kolhapur had been send their charter of demand to the minimum wage revision committee appointed by the Govt. of Maharashtra.

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1. MEMORANDUM : ' Minimum wage for powerloom worker prepared & published by the conference arranged under the CITU in 1981.

TABLE NO. 4.1 : STATEMENT OF MONTHLY FAMILY EXPENDITURE
OF POWERLOOM WORKER (1981)

S.No.	Particulars	Required Qty. of Crops.in Kg.	Rate	Total
1)	Jawar	22.5	2.50	56.50
2)	Wheat	3.0	2.50	7.50
3)	Rice	14.0	3.50	49.00
4)	Chana Dal	4.0	5.00	20.00
5)	Tur Dal	8.00	5.50	44.00
6)	Jaggary	1.0	4.00	4.00
7)	Groundnut Oil	2.0	17.00	34.00
8)	Chili	1.0	13.00	13.00
9)	Meat	2.0	24.00	48.00
10)	Tea	0.5	48.00	24.00
11)	Fuel & Gas	40.0	2.00	80.00
12)	Sugar	4,0	5.00	20.00
13)	Milk (500 mls.per day)	15 Ltrs	5.00	75.00
14)	Kirana goods			50.00
15)	Vegitables			50.00
16)	Children food			20.00
TOTAL EXPENDITURE				595.00

TABLE NO. 4.2

STATEMENT SHOWING THE EXPENDITURE ON ANNUAL CLOTHING :

S.No.	Particulars	Qty.	Cost including Tailoring
1)	Trozars	4	100-00
2)	Underwears	4	36-00
3)	Shirts	4	120-00
4)	Bannians	4	20-00
5)	Hankarshif	2	4-00
6)	Towels	2	20-00
7)	Blouse	4	32-00
8)	Saries	3	150-00
9)	Children Shurts	4	30-00
10)	Frocks	4	60-00
11)	Uniform for children	2	30-00
12)	Half Pants (Small size)	2	10-00
13)	Khaki Pants for (School Boy)	2	20-00
TOTAL Rs.			632-00

$\frac{632.00}{12} = 52.66$ monthly expenditure.

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TABLE NO. 4.3 : STATEMENT SHOWING THE OTHER NEEDFUL THINGS.

Sr. No.	Particulars	Qty.	For the Period	Total	Monthly Exp.
1)	Carpets	3	3 Yrs.	150-00	4-16
2)	Blankets	3	5 "	210-00	3-50
3)	Chaddars	3	3 "	120-00	3-33
4)	nUmbrella	1	2 "	30-00	1-25
5)	Shoes/Gents	1	1 "	40-00	3-33
6)	Chappals/Ladies	1	1 "	30-00	2-50
7)	Shoes for Children.	2	1 "	30-00	75-00
8)	House Rent & Lighting (monthly)				
					----- 95.57 -----

TABLE NO. 4.4 : STATEMENT SHOWING MONTHLY MISCELLANEOUS EXPENDITURE.

S.No.	Particulars	Rs.	Ps.
1)	Hair cutting	10	00
2)	Coconut Oil	20	00
3)	Bath & wash soap	20	00
4)	Tea on Duty	25	00
5)	Pan-Tabaco,Bidee	15	00
6)	Union Subscription	1	10
7)	,Post cards,Bengans & Tpys	4	00
8)	News papers & Travelling	20	00
9)	Hospital & Medicine	25	00
10)	Education	15	00
11)	Social Subscription	5	00
	TOTAL	Rs.	160-00

Table No. 1	595-00
Table No. 2	52-66
Table No. 3	95-57
Table No. 4	160-10

Total monthly expenditure ..	903-33

(Existing prices in Dec. 1984 taken in to consideration)

While considering the wages the committee would not thank for less than five family members. i.e. one unit of family embraces minimum five persons.

In ~~many~~ May 1981 as per the dearness index unskilled worker below the line of poverty should have to receive minimum wages Rs. 500/- but actually the workers were getting minimum wage Rs. 120+74 special allowance Rs. 194/- in Ichalkaranji. At the same time at Bombay the workers were getting Rs. 305.50/- on 1st August 1981 on the basis of Table No. 1,2,3 & 4 worker had required to get Rs. 815-58 instead of Rs. 194/-

4.5 WAGE POLICY ADOPTED BEFORE 31ST JULY 1984. :

The workers in weaving units get piece rate wage Piece rates are used for jobs in which the amount of work done by an individual worker is readily measured, because the workers receive uniform working condition.

Today, in Ichalkaranji the 'Kharchiwalla' Powerloom owner gets 54 paise for 52 picks cloth per metre.

TABLE NO. 4.5 : WAGE RATES WERE IN ICHALKARANJI
(Before 31st July 1984)

Picks	Rate
52 Picks	18 Paise
56 Picks	19 "
58 "	20 "
60 "	21 "
76 "	25 "

64 picks and above 64 picks , 1 paise for per 4 additional picks and 1 paise for designing work.

The Master weaver or Pedhiwallas supplies the sized beams and weft yarn to the powerloom operator who weaves the cloth which is give back to the same trader. Weaving charges given by the traders is ~~5%~~ the gross income of the powerloom operator. This is very meagre and constitutes only 13 % value of the grey cloth. Out of these charges more than 50% is given to the workers such powerloom owners are known as KHARCHIWALA.

'Kharchiwalla ' powerloom owner gets 58 paise for 52 picks cloth per metre. The worker however gets only 18 paise. The dhoti pair altimately costing Rs. 50 has the workers' share of only Rs. 1.50.

In composite mills the worker is given salary * dearness allowance and additiona Rs. 20 are spent on his

other rights. But in a powerloom industry worker nearly Rs. 8 to 10 are expended like mill labour there are no power-ful organisations, Bonus, gratuity, insurance etc. have to be ultimately provided to workers. if they have to live a human life after working a full day (8 to 12 hours per day)

TABLE NO. 4.6 : DISTRIBUTION OF WORKERS ACCORDING TO WEEKLY.

S.No.	Weekly wages	Workers	Percentage
1)	Rs. 50 to 60	18	18%
2)	Rs. 61 to 70	30	30%
3)	Rs. 71 to 80	32	32%
4)	Rs. 80 to above	20	20%
TOTAL Rs.		100	

Each worker gets monthly advance ranges from Rs. 90 to 120 The detailed analysis shows that the 18% workers were having Rs. 310, 30% workers were having Rs. 350, 32% workers were having Rs. 390 and simply 20% workers were having Rs. 430 per month for their livelihood. The data shows that majority of the workers were having monthly income was near about Rs. 350/- to 400/- (average Rs. 367/- per month)

On this background it can be analysed whether the minimum needs of food, clothing and shelter were being fulfilled as a productive member of the society. It can be said that the workers who were earning less than Rs.350/-

per month unable to cope up with the rising expenditure on food, house rent and clothing and they had to lead life within the limit of their ~~salary~~ low salary. In short we can say ~~the~~ below Rs. 350/- salary were unable to fulfill the workers having their minimum needs.

Apart from the monthly pay workers get Rs.100 to 200 as Khushali at the time Deewali vacation.

" majority of workers interviewed complained of their low income. Not a single worker mentioned of any saving from his pay " 1

4.6 Minimum wage declared by the State 1st August 1984 onwards

" As per the recommendation of committee appointed by the Govt. of Maharashtra for minimum wages to powerloom workers, has compelled to powerloom owners for its implementation. In Maharashtra this pay scale must strictly be followed by all the powerloom centres as follows :

1. Patel, Kunj Op cit P.88.



TABLE NO. 4.7 :

STATEMENT SHOWING THE MINIMUM WAGES OF POWERLOOM WORKERS
IN MAHARASHTRA - (Declared on 1/8/1984)

Sr. No.	Centres	Skilled (A)	Skilled (B)	Semi-skilled	Unskilled
1)	Bombay, Thana, Kalyan, Bhivandi Pune, Ulhasanagar, Nijampur 10 Kms. area from these cities.	300	270	240	230
2)	Sholapur, Ichalkaranji Malegaon, Kamathi, Sangli, Miraj, Jaysingpur, Dhule, Jalgaon, Aurangabad, Nagar, Kolhapur, Vithe, Vadgaon Madhavnagar, Nanded, Tikekarwadi, Kurandwad & 10 K.M. area from these cities.	250	220	190	180
3)	Everywhere in Maharashtra except the above stated centres.	200	170	140	130

Special 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 Maharashtra and for all posts it is same. And from 1st August 1984 each employee is drawing an allowance Rs. 402/- at all the centres

As per the new pay scales declared the Government 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 "

4.7 REACTIONS AND EFFECTS OF NEW WAGE POLICY AMONG TRADE UNIONS :

I) Opinions of different unions regarding the declaration of new payscales :

" Comrade K.L. Malabade President of Lal Bavata General Kamagar Union has expressed the thoughts as opinions about the new minimum payscales as follows :

- 1) Considering the fact, new wages in these costly days one worker may both ends to meet. But he does not get the facilities such as cloths, medical aids, House rents, education etc i.e. these facilities are not taken in to account.
- 2) Previously workers used to do work on three to four powerlooms for 12 hours and they were not earning more. But due to this new provision the time of working is reduced by four hours and they have to work on two powerlooms only .
- 3) For the money purpose the helpless workers used to do the work for 12 hours quite happily. But now this twelve hours duty is stopped completely. Due to less work there life will become quite smooth, they can enjoy the household life as well

as social. This may at the most may increase their life five to ten years.

4. The new payscales is near about the line of poverty " 1

After the declaration of this new wages many labour unions have pleased and they have given written reports to this committee. There were reports come from the following unions, namely Bharatiy Janata Party, Ichalkaranji (I) congress, union of powerloom owners, Sholapur.

In the written report of Ichalkaranji city congress (I) committee have stated that these minimum wages may bring the powerloom workers above the poverty line. This shows that 8th column of the economic programme of 20 points of late Prime Minister Indira Gandhi is fulfilled to a some extent . At the some time they should get a benefit of providedd fund facility.

The union of powerloom owners at sholapur started that as compared to the payment of workers of composite mills, should get 80% payment. (decentralised powerloom workers)

General secretary of INTUC (Indian National Trade Union Congress) have published the report in that he has remarked that the Govt. has adopted new hopeful tradition in this era. five lakh powerloom workers has got benefit of this new payscales in Maharashtra.

1. Article published in daily SAKAL on 11th August 1984
K.A. Malabade.

TABLE NO. 4.8 : DISTRIBUTION OF MINIMUM PAY SCALE IN VARIOUS STATES.

Sr. No.	State	Year	No. of powerloom	Minimum Wage	Year	Allowance Rs.
1)	Maharashtra	1971	90,102	140	Before 1/8/84	133
		1984	2,75,000	165	1/8/84 from	133
				250	1/8/84	402
2)	W. Bengal	1982	14,662	292	1978	Rs.1/-for one Unit./point
3)	Gujarath	1982	92,297	220	1975	Above 270 Index Rs.78 Paise for a unit./point
4)	Hariyana	-	1,856	450	1982	Rs.1.50 for increase in one unit./point
5)	Panjab	-	23,343	450	1982	Rs. 1/-for increase in one Unit./point
6)	Tamilnadu	-	93,292	68Paise for 68 to 72Picks	1983	435 and above index Rs.50 paise for increase in one unit/ 1 point

II) Opinions & reactions of powerloom owners regarding new Payscales :

All powerloom owners are against this new minimum wages and they are bleming to the Govt. of Maharashtra. They have not considered throughly both the sides. Instead of considering their side Govt. have increased their payment.

1. Madhavrao Satpute : ' Yantramagdharak & 100 to 400% increased minimum wage ' Published article in Daify " PUDHARI " on 20th Aug. 1984.

In Ichalkaranji Powerloom owners taken a decision to Lockout all centres of powerlooms so that Govt. of Maharashtra may take their decision back to revise this scales. They have requested to the Govt. of Maharashtra in one according to the owners this evidence of scale is only the one side of coin. That means it shows injustice to owners. They have send their report in writting as well as through telegram wire to the Chief Minister Labour Minister, Ministry of Industry etc. about this injustice due to this we have to lockout our powerlooms and even in that report they have mentioned to rethink about this decision.

Representative association leaders of powerloom owners of Ichalkaranji given promise to the owners of that solution to this decision that is we will bring stay from High Court and also in a cabinet we will discuss our payscale problem.

In Maharashtra each centres of powerloom brought morcha towards Tahasil office in August 1984. These stood a two different groups namely powerloom owners against the workers. Especially at Ichalkaranji explosive circumstance has created. At this situation Bombay high Court has given the same decision is correct onez for payscales. Due to this day by day labour unrest at maximum has crossed the upper limit and many untowards & ~~na~~ uninvited incidence has created tense, harmful pressure in city. At the same time aggitations were arranged by both the sides.

The following are the opinions proclaimed by the representative of powerloom owners about this minimum scale. According to Madhavrao Satpute said in his published article in Daily Pudhari as follows :

- 1) Before 1st August 1984 in Maharashtra, workers were drawing total payment Rs. 298/- on working over two to four powerlooms. After 1st August Govt. have declared the minimum payscales follows, that is the workers should get Rs. 652/- working on three looms they should get Rs. 978/- and on working on four powerlooms they will get Rs. 1,204/- In short this is a 100 to 400% increase in the payments.
- 2) Eighty percent of powerloom workers can not afford to give this scales of payments. This is injustice to owners belonging 5 to 10 powerloom.
- 3) Neither Govt. nor workers were controlling the market of cloths On the basis of demand and supply there is always increase or decrease (Trade cycle) of rates in market. Due to this new sclae, expose of production is increasing above 90% and while considering this fact this business bias unafortable.
- 4) There are number of elements in a production and selling activities -
 - 1) Yarn Dealers
 - 2) Yarn Dalals
 - 3) Cloth Producers
 - 4) Pedhiwalas
 - 5) Sizing & Warping
 - 6) Bleaching & Dyeing.
 - 7) Sole agents
 - 8) Market Traders etc.

By taking a reasonable profit from those elements they follow up a trade. Effect of these benefit is there in the increased in the seeking price. Actually in this business they have tried to difference in price rates, the people show profit arises due to the difference in the gray cloth and various cloths for selling.

5. There is no control on a raw material like supply of yarn and store mills material for the production of Govt.
6. While deciding minimum ~~of~~ scale the special allowance should given ~~to~~ a person because the dearness is there to a person and not to the number of machines.
7. Government of Maharashtra did not allowed the strike of the workers of composite mills in Bombay for increment of Rs. 100 to 150/- but in the decentralised powerloom sector the payments of workers is increased to Rs. 350 to Rs.1000/- per month.
8. Before the new scale the dearness allowance they used to give according to sholapur index i.e. Rs. 1 for 3 points. But at present they are forced to pay according to Bombay index i.e. Rs. 1/- for increase in 1 point and this causes the loss to a small scale industry.
9. There is increase in the 34 paise for per meter for 52 picks. Since 1971 when the minimum scales applied to this date the increased in wage rates to powerloom owners were as follows :

In 1971	- 20	Paise for	52	picks
In 1978	- 32	" "	52	"
In 1984	- 54	" "	52	"

This increase in wages is depending on the understanding situations. According to the new pay scale for a smooth working of powerlooms trading companies have to pay Rs. 1.25 to Rs. 1.40 for per 52 picks per meter. And this increase in the scale should follow-up from 1st August 1984.

10. The Govt. should supply a yarn to a powerloom owners for the sake of control the cost of production and should take the finished product i.e. cloth for selling in Janata Market and for this Govt. should pay them proper expenses. They should also give an authorised agency to a sanstha like powerloom Association.
11. For better production of a national cloths, they must increase their basic pay and they must adjust this increment in a special allowance.

The reporter Mr. Ajit Patil from Kini had published the report in daily newspaper the powerloom owners are against this minimum wages their behaviour is quite true & proper , according to him.

1) " Actually while deciding the minimum wages the representative of workers and owners should take a conference. These wages are depending on the production of cloth per meter instead they get this wages and also the

allowance declared by the Govt. as considering this scales if the workers work for 8 hours daily than per week atleast they get pay Rs. 100/- and also they get special allowance. Both the wages are approximately equal, if you are comparing the new recommendations of minimum pay scales, but this pay will get those who are working regularly. There should be difference in giving an allowance to a dif workers between the powerloom workers and Government Offical servents. Otherwise the powerlooms will adopt in a Govt. If the Govt. is encouraging workers for this special allowance without working, this reaction of powerloom owners' is quite correct.

2) Most of the small powerloom owners can not afford to give the cloth to a trading company by taking a proper wages.

3) If the trading companies has tried to increase the wages obviously the selling price of cloth will increased and altimately after all this burden will be these on the customers.

4) This minimum wages is entirely independent of present situation of business and it is wrong.

5) As per recommendation of new scales in other states the number of powerlooms have decreased.

6) In Ichalkaranji many workers have started their own powerlooms by taking a previous pay scales and therefore grambling of a powerloom workers are not reasonable.

7) If the wages are less and allowances is more than the cloth will be of poor quality and then how can there will be a demand for this cloth in market !

8) Due to this then no trading company will buy this poor cloth and then there will be no work for powerloom owners and day by day powerloom industry in this state will come to an end.

9) A long age Ichalkaranji was the Manchester of Maharashtra this glorious memory will remain only in the history of Maharashtra in future. "

4.8 The new Wage Policy and the Present state of affairs :

To oppose this new payscales the powerloom owners have started an agitation, at the same time workers in powerloom has also started agitation to follow up the new scales. Due to effect of this an explosive atmosphere has spread over Ichalkaranji. Some workers were detached from work and the owners locked out their units even then this conflict was continued by the leader of workers' when the decision was given by the Bombay high Court , at the side of workers then workers became quite happy. It seems their hands have reduced to the heaven.

After the decision of the high court powerloom owners kept their units closed and the atmosphere of city had become explosive. The effect of this happened over the market . More than 1000 bullock cart ment were at home. An income of owners have stopped completely and worker's starvation has started. An union leader had come across

the murders attack. There all circumstance had created fear and tense atmosphere in Ichalkaranji. Employer and employees became enemy of each other. Eventhough Rulers did not proper attention towards this burning problem. Day by day this fear and tense of city has increased.

Revised and tentative decision of 8th October 1984 given by the Bombay high Court they have mentioned at least 75% of payment should be given to the workers.

At this present situation small scale powerloom owners has brought morcha towards the association of powerloom and they had demand for the proper decision. They were ready to pay 26 paise for 52 picks and for four additional picks they are ready to give in increament of one paise. At present ^{to} the ~~to~~ some extent the powerlooms have started.

While taking all above events in mind it shows that powerloom owners at Ichalkaranji have not followed up this new wages.

Powerloom owners and the workers at Ichalkaranji and in Sangli district with their mutual understanding they have taken decision on local leval to start the powerlooms on the basis, 26 paise wage for 52 picks. Regarding this how much payment one general worker will get ? I have tried to explain it as follows :

A cople of powerloom produces 70 meter cloth within eight hours . Rate of wages is 26 paise per meter

i.e. 70 meters x 26 paise = Rs. 18.20 daily

Total working days in month is 26, So

Rs. 18.20 x 26 days = Rs. 473.20 total monthly pay.

If he works on three powerlooms he will get Rs. 709.80

and on four looms he will get Rs. 946.40.

To obtain this payment he was to work for eight hours, from the above calculation it is clear that to get payment above minimum wage worker has to work on three powerlooms instead of two. Then he will get Rs. 709.80 In this arrangement there is no provision of Dearness Allowance and wages are totally linked with the volume of production i.e. piece rate wage.

On the basis of Table No. 4.1, 2, 3 & 4 in chapter 4.4 as per the best of knowledge worker should receive Rs. 903.33 as total monthly pay. While considering the current raising prices.

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