



CHAPTER - VII

OBSERVATIONS

The chief aim of this study is to enquire into the nature and components of wage structure and welfare amenities enforced in Shri Shahu Chhatrapati Mills, Kolhapur.

The study is made by analysing the statistical information collected on different aspects and components of wage structure as well as welfare amenities from records and reports of Shri Shahu Chhatrapati Mills, Management, Workers and Union supplemented by the personal observation and also the evidence collected from the representatives of management, labour and unions. Informal questionnaires have been prepared and used for eliciting the views of management, labour and union.

WAGE STRUCTURE :

Shri Shahu Chhatrapati Mills, Kolhapur is the best established unit of Maharashtra State Textile Corporation and making consistently good name. I am glad to say that it is paying more than the need based minimum wages defined by the Minimum Wage Act, 1948. Thus they are paying fairly well. But in these days of inflationary pressures the Wages of workers are lost. The basic wages are based on the Solapur working class consumer price Index number. The disparity between the price rise and the cost of living is tried to minimise by paying dearness allowance. But actually the base year considered for calculating the price index number is 1960. But the prices

of the essential commodities has been increased by 3.82 times than that of the prices during the year 1960. So the union demands that the elements that determine the cost of living index number must be changed. The needs of the workman who is living in modernised society, have been increased. So he needs more money to fulfill his needs and live comfortably. In Shri Shahu Chhatrapati Mills majority of workers preferred higher wages to other elements like security of job, better working conditions, recognition of job etc.

In Shri Shahu Chhatrapati Mills majority of workers (excluding some trades viz. Warpers, Creel boy, Auto-drivers, Ordinary drivers, Reacher, Mazdoor, Heldman, Dofter-tenter, Head dofter tenter, Roving Tenter, Drawing tenter etc. are paid once in a month on every second working day of the month. The labour union demands to convert the daily rated system into monthly system basis which they expect will strengthen security of service and consequently improve the morale and productivity. This issue was reported to have been under active consideration of the management. The total amount of wages, salaries and allowances both direct and indirect for the year ended 1983-84 was Rs.2,08,87,642-44. The worker's welfare depends not on how much money income he receives but on the purchasing power of his income, the amount of goods and services which he can buy with it i.e., the real wage. Thus it is seen as per new pay

scales (Kale Committee Award) no operative would draw less than Rs.250/- per month.

DEARNESS ALLOWANCE :

Now a days the mill is giving dearness allowance at the rate of 75% neutralisation of the minimum wages of Rs.26/- according to Solapur index. With the agreement of 16th February, 1979 between the management and the representative union the rate of neutralisation has been changed from 66.23% to 75% by which the merged dearness allowance increased from Rs.164.06 to Rs.184.60. And also with this agreement the clerical and technical staff were granted an increase of Rs.22.50 at each stage of relevant pay scales.

In case of Technical staff the minimum basic pay for departmental assistant and senior master was Rs.373.50 and Rs.795/- respectively. Whereas the minimum basic pay for semiclerk and chief clerk was Rs.261/- and Rs.509.50 respectively. Thus because of the revision of pay scales there was a substantial increase in the basic wage as well as other allowances for all categories of employees.

On an average workers are semiliterate. The average educational level of the workers is 5th to 7th standard. Majority of the workers are in the age range of 35-45 years. Majority of workers having big families. Majority (88%) of

workers spend between Rs.400-699 on food, housing, clothing, drinking and gambling, fuel and lighting, education, tobacco, remittance and miscellaneous expenditure. Out of which (60%) workers spend Rs.20-40 on tobacco and 10% workers spend Rs.20-30 on drinking and gambling. Whereas 35% workers do not spend any amount on education. It indicates poor standard of living of the workers. Some of the workers earn income from other sources like land, Kirana shop, Cycle shop, House, Overtime job, Income from other family members is less than Rs.300/-. It is also seen that 90% workers are indebted. As a matter of fact 90% of the workers had taken loans from three to four sources. About 5% workers had taken loans from money lenders and paid a very high rate of interest. About 65% of workers had taken loans from Co-operative Credit Society of this mills and remaining 20% of workers had taken loans from other sources like friends, relatives and Banks etc. Hardly 2% to 3% of the workers had either savings account or Recurring deposit account with the bank. However, the total emoluments of employees in Shri Shahu Chhatrapati Mill though compare favourably well with those obtaining in other textile units at Solapur, Nagpur, Baroda, Bombay etc. But when the workers were asked for whether the wages are sufficient or not then almost all 93% of workers replied negatively.



BONUS :

Although Shri Shahu Chhatrapati Mills was exempted from the purview of the Bonus Act 1965, the management has started paying bonus ex-gratia since its inception i.e. from 1942. From 1942 to 1972 the rate of bonus was 4%. In 1973 it was made 9% and was paid in 1974. Again in 1974 it was made 4%. But after that government had fixed the rate of bonus by making amendment in the Bonus Act 1965, as 8.33% (or Rs.80/- whichever is higher subject to a maximum of Rs.750/-). In accordance with the decision of the government of India, to this effect from last three year this mill is paying bonus at 8.33%. Recently this mill has paid bonus Rs.4,21,921.95 for the year 1983-84 against Rs.3,19,522.38 in 1982-83. At present no workers are exempted from bonus but some supervisors and officers are exempted from bonus but paying gifts to him, many times in the form of money or in the form of produced item.

WELFARE AMENITIES :

The provision of fringe benefits beyond monetary emoluments has become a regular feature of industrial employment system since the second world war. In many countries, the employers have instituted several schemes to provide employees with decent housing, recreational and cultural amenities, paid holidays and vacations, social security benefits

etc. while the employees are benefited through direct increase in real income and there by increased standard of living, the employer is benefited through reduced turnover, increased morale and productive efficiency of workers. This undoubtedly will have its favourably impact on the quality, quantity and cost of production.

In Shri Shahu Chhatrapati Mills, many schemes of fringe benefits - housing, education, medical aid, canteen, creache, gratuity and provident fund, cooperative credit society, grain shop facilities have been introduced inconformity with the trend of movement of fringe benefits. The total amount spent by the management on the welfare facilities has increased from Rs.4,15,975/- in 1983 to Rs.4,63,024/- in 1984.

Payment of house rent allowance and enhancement of retirement benefits were found to be mainly responsible for the increase in employee welfare expenditure.

1. HOUSING FACILITIES :

Shri Shahu Chhatrapati Mills, maintained a good housing colony which accomodates hardly 70 families and is very near to the mill site. However, there is very need of more houses. However, on demand of Shahu Mills Kamagar Sangh the accomodation problem of workers was taken up by the management. Kamagar Wasahat has been built up by the Sangh with the financial assistance and loan facilities from the society.

Now a days the Mill is paying house rent allowance to workers. The amount of house rent allowance paid by the mills has increased from Rs.58,006/- in 1984 from Rs.46,215/- in 1983.

2. TRANSPORT FACILITIES :

The mills is not providing transport facilities to workers, and even not providing transport allowance also. But the management has granted loans to those workers coming from distant areas to buy bicycle for their use.

3. MEDICAL FACILITIES :

The Mills has a well equipped dispensary with flouroscopic X-ray screen unit with qualified medical visitors and ambulance room provided with all necessary equipments. The workers covered under E.S.I. got the benefit of First Aid and disablement in case of accidents. Free medical aid is given to all employees and their families.

4. EDUCATIONAL FACILITIES :

Shri Shahu Chhatrapati Mills is imparting education to its workers under workers education scheme sponsored by the Government of Maharashtra. Hundreds of workers have been trained at the unit level classes by the scheme. In addition, Shahu Mills Kamagar Sangh and the management of the mills are also taking keen interest in educating the children of the employees.



The workers in general had a favourable opinion towards the educational facilities, provided to their children by the Sangh and the management. Further they wanted the management to take interest in higher education of their children.

5. RECREATIONAL FACILITIES :

The management of Shri Shahu Chh. Mills has provided recreational facilities for its employees by organising a recreation club. The mills has a 16 mm Film projector. Full length marathi films of historical and social importance and documentaries are screened on festival occasions. Facilities for indoor and outdoor games are provided. The mills has an extensive playground, Annual sports competition is held every year and prizes are distributed on Republic Day and Hanuman Jayanti Festival Day. However, as it is true with other Indian workers, very few workers of the mill participate in these recreational activities. Two wrestlers have won wrestling championships three times in a row by participating in the intermill sports turnaments held at Bombay and other places.

6. UNIFORM AND WASHING ALLOWANCE :

Initially, workers were provided by a pair of uniform. The mills is providing washing allowance to watchmans only. Washing charges per year are Rs.2,000/- appro. The amount of uniform expenditure has increased to Rs.30,000/- in 1984 from Rs.28,582/- in 1983.

7. ACTING ALLOWANCE :

The Mills is providing acting allowance only to the clerical staff and to the MSTC officers only and not to the workers. If the worker worked on higher job they are paid by the wages of the same worked higher job.

8. SANITATIONS :

Separate arrangement of latrines and urinals for male and female workers are made by the mills. The mills has made investment in urinals and latrines Rs.2 lakhs, latrines and urinals are rather clean.

9. COLD WATER ARRANGEMENT :

The mills has made cold water arrangement in the mills. The mills has made investments of Rs.1 lakh in cold water arrangement.

10. CANTEEN AND CRECHE :

The canteen facility is provided by the management right from the standing of the mills and steps have been taken from time to time to improve its service. The food items were supplied by the canteen to employees at the subsidised rates and it is also found that the canteen is fully patronised by the employees. A dining hall with adequate furniture, water tap and soaps. Annual per capita expenditure on canteen service

have been increased and the mills bears yearly a loss of Rs.1,78,648/- in 1984 decreased from Rs.1,99,302/- in 1983.

11. WELFARE CENTRE :

A welfare centre is also opened by the Shahu mills Kamagar Sangh providing for regular training in tailoring, indoor and outdoor games. A library is also attached to the centre.

12. CO-OPERATIVE CREDIT SOCIETY :

In the course of interviews it is found that majority of the workers were indebted and their take-home pay was very low. The average amount of the indebtedness has been worked out at Rs.2,000/-. With a view to provide debt relief to the workers and other staff a cooperative credit society known as Karmachari Sahakari Sangha Maryadit, Kolhapur was started to provide credit at low rate of interest, to be repaid in easy instalments by way of recovery from their monthly emoluments. The number of members has increased from 1593 in 1979-80 to 1850 in 1983-84 in share capital Rs.4,46,430/- in 1979-80 to Rs.5,38,370/- in 1983-84, and the reserves from Rs.1,48,961/- in 1979-80 to Rs.2,17,836/- in 1983-84. The death and retirement benefits increased from Rs.18,904/- in 1979-80 to Rs.86,741/- in 1983-84. The society has granted loans upto Rs.54,66,367/- in the year 1983-84 and the society has earned profit upto Rs.79,082/-

due to total turnover was made by the society upto Rs.179,33,887 in the year 1983-84. A large percentage of staff and workers who were members of the society could get loans at the right time and in need. The general opinion of the workers was favourable regarding the functioning of the society.

13. PROVIDENT FUND AND E.S.I.FACILITIES :

The management's contribution to provident fund has increased from Rs.12,77,444/- in the year 1983 to Rs.13,83,800/- in 1984. Whereas the employer's special contribution to E.S.I. has decreased from Rs.7,71,006/- in 1983 to Rs.7,52,231/- in 1984.

14. SHAHU MILLS PATRIKA :

The mills brings out a monthly known as 'Shahu Mills Patrika' though this patrika, the workers are encouraged to increase the production and also the sportsmanship. They are also informed about the work safety, discipline and precautions to be taken while operating the machines. The workers are also given an opportunity to publish their writings and suggestions in the Patrika. The management of the mills has become productivity conscious and introduced a suggestion scheme to increase the productivity and production of the mills. The workers were rewarded monetarily for their best suggestions.

ROLE OF EMPLOYEE ORGANISATION :

A Trade Union movement can help to bring about harmonious industrial relations by installing a sense of responsibility in the minds of its members. This paves the way for increased industrial productivity which contributes to the prosperity of the employer, employees and the nation at large. However, trade union movement in India has not developed on such sound lines and is today beset with many obstacles like multiplicity of unions with divergent political ideologies, unsound finances, outside leadership, irregular working etc. Most of the union leaders combine political interest with union work and thus make them appendages of political parties. Independent and dependent trade union leadership are in a microscopic minority. Against this background if we examine the trade union movement in Shri Shahu Chhatrapati Mills many favourable points can be mentioned. Right from the beginning the Shahu Mills Kamagar Sangh (Started in 1.5.1942) has been working and is affiliated to the Indian National Trade Union Congress. Whereas the Kapad Kamagar Union though started in 1963 and affiliated to All India Trade Union Congress, has been working since 1975 as an independent union without having any relationship with any of the central trade union organisations. There has a steady and continuous increase

in the number of membership of Shahu Mills Kamagar Sangh and it has reached to 1800 in the year 1984. —

Most of the workers in Shri Shahu Chhatrapati Mills, Kolhapur in the course of interviews, expressed the opinion that their leaders were helpful to them and they (80%) also strongly believed that there should be only one union in an undertaking to avoid rivalaries and consequently weak bargaining power. However, the level of members involved in the union activity was observed to be rather low and less than 50% members attend the meetings. An analysis in income and expenditure of Shahu Mills Kamagar Sangh for the year 1984 shows low surplus i.e. Rs.526/- only is available to organise any new activity. —