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INDUSTRIAL WELFARE IN INDIA

INDUSTRIAL WELFARE IN INDIA

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AUTHOR'S PREFACE

THIS book is the result of a study of Indian Labour problems pursued for over six years. Its outline was settled nearly four years ago in consultation with Dr. John Matthai, Member, Tariff Board, who then held the Chair of Economics at the Madras University. Although the work was nearly complete in 1927, there was unavoidable delay in publishing it, which however made it possible to rewrite certain chapters and bring the matter up to date. But events are moving so fast that it may be possible that before long, some of the facts and conditions described in the book will go out of date.

The importance of a study of labour conditions in India has now been fairly well recognised; but books on the subject are not many. When the last pages of this book had very nearly been printed off, the Viceroy made the welcome announcement in the Legislative Assembly that a Royal Commission with Mr. Whitley as Chairman would soon be appointed to enquire into the conditions of labour in India. The terms of reference suggested and the name of the Chairman would make one hope that the enquiry would result in a thorough and authoritative study of labour conditions in India which have changed in many ways since the Factory Commission reported on them over 20 years ago. In the meanwhile it is believed that this book will be found to serve as an aid to the understanding of some of the conditions and problems which the Royal Commission has been called upon to survey.

The book is a critical study of the Industrial Welfare Work carried on in India by the three agencies of the workers' welfare—the State, the employer and organised labour. The first part deals with industrial legislation and examines the principles underlying such legislation and the possibility of further extending the sphere of state action in protecting various classes of workers from the injurious effects of their employment. The second part describes the Welfare Work of the employers and emphasis is laid on the need for a new orientation in relationship between the employers and the workers. In the third part, the efforts of trade unions to secure an improvement in the conditions of work and living

of the workers are described, their structure, aim and policy discussed and their methods of action examined. A chapter on Industrial Peace draws attention to the injury to the workers' welfare which strikes and lock-outs bring about and examines the steps that may be taken to secure harmony and goodwill in the industry.

In the preparation of the book the writer has had the advantage of personal talks with employers and labour leaders in the Madras Presidency and elsewhere and he wishes to acknowledge his obligations to them. His indebtedness to various books, reports and pamphlets has been indicated in the body of the book. To Dr. John Matthai who helped him in the early stages of the work and to Dr. Gilbert Slater, of the London School of Economics and sometime Professor of Economics, Madras University, who has so kindly written the introduction, he is under a deep debt of gratitude. Lastly he desires to express his thanks to the Syndicate for kindly publishing the book under the auspices of the University and to Dr. P. J. Thomas, University Professor of Indian Economics, for the interest he has evinced in the publication.

P. S. L.

MADRAS, *March 1929.*

INTRODUCTION

THE appearance of this book, the painstaking work of my friend and colleague of old, Mr. P. S. Lokanathan, comes, I think, most opportunely.

An authoritative and representative Commission has recommended that the economic policy of India shall aim at securing "the rapid industrialisation of India by means of discriminating protection"; this recommendation has been approved by the Legislature, accepted by the Executive, and made the basis of actual procedure. The choice of phrase is peculiar; it implies that in the minds of those who coined it agriculture is not an industry, nor are even handicrafts. What is desired appears to be the hastening of the development of big manufacturing businesses, employing much machinery and mechanical power, and yielding dividends to great numbers of shareholders. Hitherto the results of the application of the new stimulus must be somewhat disappointing to all concerned. Nevertheless, whether for good or for evil,—indeed, pretty certainly for both good and evil—the capitalistic trend of Indian industrial evolution is maintained, the process which began in the fifties continues, a larger and growing proportion of Indian workers are massed together in a few manufacturing cities and sea ports or congregated in the mining areas. To capitalist industry the great natural resources of India, the millions of cheap and willing workers, cry out for exploitation. The pressing need now is for a whole-hearted resolve that this shall no longer mean destructive exploitation, of either material or human resources.

The best preparation for such a public resolve is a study of the facts. Mr. Lokanathan in this book supplies such a study. He details with care and accuracy what has hitherto been done by legislation and by the action of exceptionally sympathetic or far-sighted employers to combat the evils which naturally spring up when uneducated and poverty-stricken village folk drift to cities like Bombay and Ahmedabad and Calcutta, to tend machines, and live and breed in a strange and unnatural environment; and he also treats of the beginnings of Trade Unionism, which give hope that all such efforts will evoke corresponding efforts from the workers to raise their own status and improve their own condition. Mr. Lokanathan holds that

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PART ONE

STATE AND WELFARE

I. Principles of Labour Legislation in India.

II. Factory Legislation: Historical.

III. Children and Young Persons in Factories.

IV. Women in Factories.

V. Men in Factories.

VI. Safety and Health.

VII. Scope and Administration of Factory Acts.

VIII. Factory Laws and Wages.

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INDUSTRIAL WELFARE IN INDIA

CHAPTER I

PRINCIPLES OF LABOUR LEGISLATION IN INDIA

WITHIN the last few years India has taken rapid strides in the matter of Labour Legislation owing to an exceptional combination of favourable circumstances. Indeed the pace at which the country is marching has given rise to a feeling of doubt whether the steps taken have been as sure and sound as they are undoubtedly quick. There are those who ask whether in a country where 73 per cent of the people are agriculturists first and last, the small class of industrial workers do not receive a consideration at the hands of the community out of all proportion to the weight of their numbers. But this is rather a superficial view to take. The extent and importance of a question cannot be judged by mere numbers or percentages. The industrial expansion of India has effected certain changes in our organisation, which have cut deep into the lives of the whole population and not merely of the classes of workers who have been directly involved. But doubts may arise if in our anxiety to keep abreast of modern standards of labour welfare we might not have been going too far. The Factory Act of 1911 has been amended rather radically in the eyes of some; the Mines Act has been completely revised; a scheme of compensation for industrial accidents has been enforced; the Trade Union Act has been passed into law; other bills are on the anvil including some private bills. It seems therefore desirable to consider whether, judged in the light of the past, the fears of the country adopting western practices without regard to her special conditions and circumstances are legitimate and well-founded.

Indian factory legislation owed its origin largely to external pressure and was imposed from without. The interested agitation of Manchester was one of the main factors responsible

for the passing of the first Factory Act. But it is an interesting fact that in spite of attempts on the part of a powerful community to impose on India a full-fledged piece of legislation, the course of factory legislation in India has been, as it was in England, distinctly evolutionary and progressive in character. The first attempt of the State in the domain of industrial welfare was made in 1881 when the evils of employing little children for long hours in textile factories were sought to be remedied. It took ten more years for the State to move in the direction of regulating the employment of women because the State was not prepared to legislate, merely on the analogy of other countries, unless definite evils were shown to exist calling for remedy. But the Factory Act of 1911 went even further, and gave protection not merely to women and children, as in England, but to male adults as well. Each amending Act marked a further stage in the increasing degree of protection it afforded to workers.

A steady and continuous advance has been the marked feature of Indian factory legislation. The first Factory Act applied only to establishments employing 100 and more persons and using mechanical power, but after some time it was recognised that no logical distinction could be made between establishments employing 100 and above and those employing less; that indeed in some respects the need for regulating conditions of work in very small establishments was even more insistent and that therefore what applied to the large and power-driven establishments must equally apply to the others, so that the Factory Act of to-day covers every establishment employing 20 persons and using mechanical power, whilst Provincial Governments have been given powers to extend it to those employing 10 persons and over, whether they use power or not. But few Provinces have been able to make use of the powers thus conferred on them and hence all "Workshops" * remain outside the Factory Act, owing mainly to the difficulties of inspection and administration.

There can be no doubt that this steady and progressive character of the legislation makes it superior to one based on theoretical or *a priori* considerations. It is better to be slow and sure than take a false step and then have to retrace; this

* Establishments that do not use mechanical or electric power.

specially applies to industrial legislation because of the serious consequences thereof. One such mistake is noticeable in the history of Indian factory legislation. In 1891 when woman labour was for the first time regulated, a rest interval of an hour and a half was granted mainly owing to the decisions of the Berlin International Conference. But the arrangement could not well fit in with the conditions in India. Women preferred either a later commencement of work or an earlier departure home from the factory, to a longer interval of compulsory idleness. As it was, they could not utilise the rest interval which proved a hindrance. Hence in 1911, when the Act was amended the interval was cut short by one hour, and women enjoyed with men a short half-hour rest. The swing of the pendulum had evidently gone too far on the other side. This reveals the danger of adopting any measure, however desirable it may be on general grounds, unless it can fit in with the special circumstances of the country. There is often no question of principles involved in the details of industrial legislation; it is largely a matter of expediency. Although the general outline of legislation is certainly international in character and consequently the experience of foreign legislation is bound to be helpful, it would be a mistake to conclude that what is desirable in one country is necessarily so in every case and must therefore be reproduced.

In India industrial legislation has been greatly influenced by English legislation for reasons that are obvious but it would be wrong to think that our legislation is a mere imitation of that of England. It has followed lines specially suited to Indian conditions. From the very beginning of factory legislation, it was recognised that India had a special problem of her own and that the climatic and social differences between the two countries were so great that any attempt to incorporate English laws wholesale in India would spell ruin to Indian industries. The danger was avoided by the good sense of the Government and others concerned. But in regard to certain questions Indian legislation went, if not ahead of English laws, at least on lines different from them. The most notable instance of departure from the principles of English legislation was in regard to regulating the hours of work of adult male labour. The long and excessive

hours of work in the textile mills, the certainty that the regulation of women's labour was not likely to afford relief to men, (which such regulation did in England) and the lack of organisation among the operatives caused the Government of India to go forward, following the precedents of continental countries. The absence of a protected class of "young persons" is another instance where India refused to follow English practice despite great pressure brought to bear on her. Again in the Act of 1911, special provision was made for the proper lighting of factories—a feature not found in the English Act of the time. The provision for drinking water in factories is a special feature in India which has been introduced in England only in 1916 by an order of the Home Office. In regard to the Workmen's Compensation Act, the object of Indian legislation was to secure simplicity and facility in administration. With that end in view, she naturally elected to frame an Act that constituted a wide departure from the English laws on the subject, and followed the American compensation laws, which are designed to secure definiteness and certainty in respect of the amount of compensation, whereas in England the question is left entirely to the discretion of the courts. In the matter of setting up standards of ventilation and humidification in textile factories, no attempt has been made to introduce western standards; only after a very thorough enquiry have standards been prescribed. These examples serve to show that in spite of the great influence exerted by English experience, Indian legislation has followed, wherever necessary, lines indicated by its own peculiar needs.

The guiding principles of Indian legislation can perhaps be stated in two simple propositions. No interference on the part of the State should be of such a character as to check industrial development or arrest its onward progress. On the other hand, the health and safety of the workers should not be jeopardised. The importance of doing nothing to prevent the growth of the cotton, jute and other industries was recognised from the very first and the community was prepared to secure protection to workers only in so far as such protection was not inconsistent with safeguarding the interests of industries. The point is best illustrated in the Mines Act of 1923. The discussion that took place in the legislature turned mainly on the question of affording protection to women workers. As early as 1842

England prohibited by the first Mines Act the employment of women underground in the mines. It was but natural that in 1923 when the Mines Act was amended some of the labour leaders should put up a strong fight for a similar provision in India. But the legislature did not agree to it, not that the proposed reform was undesirable, but on the ground that it was inexpedient. If it be remembered that 45 per cent of the people employed below ground in the coal mining industry to-day are women, and that the total prohibition of the employment of women by a sudden fiat of the legislature would cause serions dislocation to one of the basic industries of the country and that it would take some years for the industry to substitute male workers in their place, perhaps the point of view of the legislature might be appreciated. But the need for this reform was so clear that the Government have taken powers to forbid the employment of women underground by special orders and it is likely that within the next few years, the employment of women underground will be completely stopped in India.

At the same time there is a danger of overemphasising the need for protecting the industry. The arguments against factory legislation advanced in every country by employers are of the same pattern. The cry has been that industries will be injured, if not permanently destroyed. But experience has everywhere belied such fears. For nothing acts so much as an incentive to goad the employers to effect considerable technical and other improvements in the arts of production as such legislation. The contemplated prohibition of women labour below ground has already had the effect of introducing great labour-saving appliances and machinery in general in coalfields. We may, therefore, conclude by stating that although it is true that State action should not impair the effective development of industries in a country, the raising of the level of the conditions under which industries have to carry on their work may be a source of strength rather than weakness, and that legislation must avoid both the evils of excessive interference on the one hand and of insufficient and long delayed protection to the workers on the other. The point can probably be best elucidated by considering the case of sweated industries. The determination of wages was considered to be, until recently, not the domain of the State; but where it was clearly shown that

in a number of trades workers were systematically exploited by long hours and low wages, and that this exploitation undermined the efficiency of the whole nation by its reactions on others, the case for interference by the State in the interest, not merely of the exploited workers themselves, but of the general public, could not long be resisted. Thus were Wages Boards set up.

Local enquiries conducted in some urban localities have shown the existence of certain definite evils; in some factory industries such low wages are paid as are totally insufficient for even bare subsistence. The printing industry in the city of Madras is a case in point. A number of "workshops" employ children of small ages and weak development and work long hours. These point to the direction in which the State will have to move in the future; but reform is admittedly very difficult to carry out. In a country where the large majority of the rural population are equally in receipt of insufficient wages with some of the classes of the industrial population, it is difficult to see how minimum wages can be introduced for one section of workers alone. The difficulties of administration render it almost impossible to bring under control "Workshops" where evils no doubt do exist.

But there is no basis for alarm that the country is adopting reforms in any undue haste at the instance of the International Labour Conferences. Every one of the new provisions of the Factory Act was demanded by the workers long before the first Conference met at Washington. Shorter hours, longer intervals, etc., were indeed the cause of some of the protracted strikes in many parts of India in 1918 and the amended Act embodied only the features that most factories had already adopted in practice. Similarly the demand for compensation on account of industrial accidents was made by workers in 1884 and the subject formed one of the subsidiary recommendations of the Factory Commission on Indian factories (1890). The maternity benefit scheme, if passed into law, will be no sudden innovation in India. Many an individual establishment has demonstrated the practicability of the scheme and the additional cost has not been high. The State will be only making it general where now it is found only in some of the more enlightened firms. The country cannot

be accused of any undue haste in passing a law * giving protection to Indian Trade Unions and their *bona fide* activities. Five years elapsed since the Government of India expressed their willingness to enact a measure of that kind and it speaks of the anxiety of the Government not to be over-hasty that there has been so much delay. The Government of India have always been able to put a dyke against the current of hasty legislation by their insistence on circularising the Provincial Governments at every new step. This secures both delay and a favourable atmosphere for a full and detailed consideration of all issues raised. By thus placing enquiry first, the country has been able to avoid the pitfalls of ill-considered legislation and there is no reason to fear that any departure from this traditional practice will ever be made.

* The Trade Unions Act 1926.

CHAPTER II

FACTORY LEGISLATION: HISTORICAL

IT is characteristic of the essential unity of modern industry that when in the fifties and sixties of the last century, the pioneer industries of India, the cotton and jute industries, had established themselves firmly in the country, India was faced with almost the same kind of problems and difficulties as England had been in the beginning of the last century. But India was spared from some of the worst features that defaced English factory life in the early days of her industrial expansion, owing partly to the example which England had afforded but mainly to her comparatively slow industrial development. Further, Indian factory legislation, inevitable as it was, was quickened by the steady, albeit interested, pressure which Lancashire mill owners were able to exercise on the Secretary of State. This had continued to be the main factor in the evolution of factory legislation in India until the Great War had drawn all national currents into the big stream at Geneva.

The first enquiry instituted in India with a view to find out if legislation was required was made by the Government of Bombay at the instance of the Secretary of State in 1875. The Commission which consisted of 9 members, although unanimous in the statement of facts, were divided in regard to the need for a legislative enactment, only two members being in its favour. The enquiry had, however, revealed the existence of evils, of the employment of children of the ages of 5 and 6; of long hours of work; of inadequate ventilation and of insufficient protection to the operatives. The Government of India had therefore resolved to undertake legislation primarily to protect children and young persons and to fence dangerous machinery and with that view introduced a bill in 1879. Its chief interest to students of factory legislation consisted not merely in the fact that it was the first attempt in India on the part of the State to regulate conditions of factory labour but also that it just managed to avoid a highly invidious distinction between one province and another. For the Bill originally proposed was in the nature of a permissive measure and allowed choice to the Local Governments to put it into force or not. This would have been a

serious initial blunder which it would have taken years to rectify. The first Factory Act was a very modest measure. It applied to all manufacturing establishments using power and employing 100 or more persons. Seasonal factories as well as tea, coffee and indigo plantations were exempted. No child under 7 could be employed in a factory and no child under 12 for more than 9 hours. Children were to be granted four monthly holidays. Dangerous machinery was to be protected at the option of the Inspector.

The Act of 1881 failed to satisfy any party. Even the Government of India felt that the minimum age for the employment of children had been fixed too low. The Bombay Government which from the beginning was in favour of larger reforms got the services of Mr. Meade King, an Inspector of cotton factories in England, to report on the working of the Indian factories. His report made in 1882 contained many valuable suggestions and the Bombay Government appointed a Commission in 1884 "to report on the advisability of extending Mr. Meade King's suggestions to the textile and other factories and to consider the whole subject in all its bearings." The Commission reported early in 1885 and their conclusions showed a large measure of agreement with those of Mr. Meade King. Their main proposals were:—

1. The introduction of certain sanitary measures;
2. The raising of the minimum age of employment of children to 9 and the age of full time workers to 14;
3. Regulation of the hours of work of women;
4. Four monthly holidays for children and women;
5. Certification of the ages of children prior to employment;
6. Extension of the Factory Act to establishments employing 10 or more children.

The Government of Bombay reviewing the above recommendations stated that a case for a general amendment of the Act had been made out but that such legislation must be for all India and should not be limited in scope to the Bombay Presidency alone and ended with an expression of earnest hope that the Government of India would soon amend the law in the directions recommended by it and the Commission. But the Government of India were not convinced that there was any need for further reform so soon after the first Act. Agitation,

however, was kept up both in England and in India. A largely signed petition was presented to the Governor-General in 1889 by the mill-hands of Bombay. The Government of India could not resist the pressure that was brought to bear on them from all sides and early in 1890 introduced a Bill to amend the Factory Act. About this time an International Labour Conference met in Berlin on the invitation of the German Government to discuss questions relating to the employment of children and women. Great Britain as one of the signatories to the Conference was anxious to incorporate in Indian Legislation the decisions arrived at therein and a Commission was once again appointed to consider how far the conditions of factory labour in India would admit of the adoption of the main principles underlying the decisions of the Berlin Conference. The Act of 1891 was thus the product of an extraordinary combination of commissions, conferences, petitions, and deputations and the result was marked in the new Act which represented a big advance over the earlier Act.

The Act of 1891.—Its main features were :—

1. The scope of the Act was extended to cover premises using power, and employing not less than 50 persons (other than seasonal and plantation factories) and at the option of the Local Government, those employing 20 and more. The age limits for the employment of children were increased to 9 and 14 respectively.
2. The hours of work of children were reduced to 7 and were restricted to the period between 5 A. M. and 8 P. M. with an interval of half an hour, if their work extended to six hours and more.
3. Women labour was for the first time regulated. Their hours were limited to 11 a day and to the period between 5 A. M. and 8 P. M. except in factories where a shift system of employment approved by the Inspector was in force, and they were granted a rest interval of an hour and a half.
4. Holidays on Sundays or substituted days were granted to all operatives with certain reservations and a stoppage of work for half an hour at midday was provided for.
5. Overcrowding, ventilation and other measures were left to be regulated by the Local Governments and penalties for breaches of them incorporated in the Act.

The Factory Commission of 1908.—The depression for over a decade that occurred in the cotton industry soon after the passing of the Act of 1891 naturally hushed all voices for any further reforms in legislation but the boom that followed wrought a great change in the conditions of factory work in India. To cope with the rising demand all mills worked overtime and for excessive hours and many a factory used electric power and worked in the night. Work for 14 and 15 hours became common and agitation was once again started to get an enquiry into the conditions of mill workers. On the advice of the Secretary of State, the Government of India appointed a small committee to make a preliminary investigation on the basis that if its investigations revealed the existence of serious abuses calling for remedy, a comprehensive enquiry by a representative commission would be instituted. The report of the Textile Labour Committee, as it was called, was a very valuable document and its conclusions agreed very closely in most respects with the lines of progress which the country had since been making. As promised the Government of India appointed in 1908 a representative Commission with Sir T. Morison as President. Their report formed the basis for the Act of 1911 which has laid the foundations in India of a satisfactory factory legislation whose main structure will remain intact although it is capable of improvement as conditions alter.

The Commission found that the worst abuses were in connection with the employment of children in textile factories. With the exception of the Bombay Presidency, the Central Provinces and Burma, in all other parts of India, children were habitually worked for the whole working hours of the factories in disregard of the law. Children under 9 years were employed as half-timers and those under 14 employed as full-timers. In the Bengal jute factories children of 6 and 7 years of age were employed for 7 or even 8 hours a day and the proportion of under-aged children employed as half-timers probably amounted to 30 or 40 per cent of the total half-timers. Similar abuses had also crept in with regard to the employment of women and men. Very often no intervals were granted to the workers, and work on Sundays was regularly carried on, on the plea that it was only for cleaning machinery. Women were employed at night in ginning factories even when no approved system of shifts prevailed. Most of the abuses were the result of inadequate and inefficient

inspection and the Commission were very strong in their condemnation of the system of inspection, which had proved an absolute failure. But the most important issue that the Commission had to decide was in respect of the need for regulating the hours of work of adult males. Whilst the Commission were agreed on the need for restricting the hours of work of men, they were not prepared to do so except indirectly by creating a class of young persons for whom restricted hours were to be prescribed. This, they thought, would automatically limit the men's hours. It is interesting to note that Dr. T. M. Nair who wrote a dissenting minute pleaded for the direct limitation of working hours for men and in this, as in every other point on which he disagreed with the majority, he reflected more truly the enlightened opinion of the country.

The Commission insisted upon certification of the age and physical fitness of children prior to employment although they were not prepared to go the whole length with Dr. T. M. Nair who pleaded for a certificate of fitness before a half-timer could be allowed to work as an adult. They recommended the strengthening of the inspection staff to cope with the needs of inspection and pleaded for more full-time Inspectors. With regard to the employment of women they were both for increasing their hours of work to 12 and for reducing their interval of an hour and a half to half an hour. They were in favour of abolishing night work for women except in ginning factories and for limiting their employment to the period between the hours 5-30 A. M. and 7 P. M. Sanitary provisions were sought to be incorporated in the Act itself, although detailed regulations might be left to Local Governments. The report of the Commission which still remains the last of its kind is of extreme interest and value to students of factory legislation not so much for its conclusions as for the way in which it has marshalled the facts and the spirit underlying it. As a result, the Act of 1911 was passed although in some respects it was at variance with the recommendations of the Commission.

The Act of 1911.—The chief provisions of the new Act may be summarised as follows: —

1. Direct limitation of the working hours of men in textile factories alone to 12 a day with a half-hour interval.

2. Certification of the age and physical fitness of children prior to employment; the hours of work of children to be reduced to 6 in textile factories.
3. Night work to be abolished for women except in ginning factories.
4. Seasonal factories to be brought under the Act.
5. Sanitary and safety measures incorporated in the Act.
6. Inspecting staff to be strengthened by the addition of a number of Inspectors.

The Factory Act of 1911 worked satisfactorily enough for a few years but the Great War radically altered men's values of things. The working classes in India were for the first time awakened in a manner never seen before and from the beginning of 1918, there was a widespread demand in all parts of the country for shorter hours coupled with longer rest intervals and higher wages. The hours of work which only half a dozen years ago were thought to be short enough were felt to be too long and exhausting, especially as workmen had to walk a good 2 or 3 miles to and from the factory every morning and evening. The intensity of the demand could well be gauged from the fact that at the close of the year 1919 and in the beginning of 1920 many a factory in India had responded to the demands of their workers so that a ten-hour day with an hour's interval became quite common. In the meantime the war had concluded, and one of the greatest of international forces for promoting the welfare of the working classes had been instituted. The influence exerted by the International Labour Conferences on the course of Indian labour legislation has been powerful. The decisions of the Conferences take the form of either a recommendation or a convention and under the constitution every member of the Conference is bound, in the case of a convention, to place it for the ratification of its legislature and in the case of a resolution, to report on the action that it is prepared to take on it. India being an Original Member of the League of Nations was represented at the Labour Conference and could not afford to refuse to discharge her international obligations. The first Conference met at Washington on the invitation of President Wilson and many important conventions concerning the number of working hours, employment of women and children, unemployment etc., were passed. Partly as a result of the Conference and partly owing to the quickened social conscience

of the people after the War, the Factory Act was amended in 1922 and it was the first time when legislation was enacted without previously setting up a commission or committee of enquiry.

The Act of 1922.—The main features of the new Act were the following :—

1. The term "Factory" was defined to include all establishments that used power and employed on any day more than 19 persons and Provincial Governments were empowered to bring under the Factory Act any establishments employing at least 10 persons on any day whether they used power or not.
2. The minimum age of admission of children to factory work was raised to 12 and a child was defined as any person whose age was under 15 years.
3. Provisions relating to the certification of the ages of children were strengthened.
4. The hours of work were fixed at 11 a day with maximum of 60 a week and the rest interval was raised from half an hour to one hour. Over-time work was permitted within limits and increased wages were to be given for over-time work.
5. In respect of holidays, no worker was to go without a holiday for more than ten days of consecutive work.
6. Penalties for breaches of the Act were made more severe.
7. Women and young persons under 18 were prohibited from being employed in certain dangerous processes connected with the use of lead and lead compounds.

Although for all practical purposes, the Act as thus amended governs the position of factory workers in India, certain alterations had to be made largely with a view to clearing up some doubts in the Act especially in regard to the question of the rest interval. The occasion was utilised to amend and pass a consolidating Act and hence the Indian Factories (Amendment) Act of 1926 was passed. Only in two respects was the Act substantially amended.

1. The prevention of the double employment of children was sought to be secured by providing for the punishment of parents or guardians who knowingly permitted them to be employed in two factories in a day.
2. Temperature in factories was sought to be regulated by the Act.

CHAPTER III

CHILDREN AND YOUNG PERSONS IN FACTORIES

ALTHOUGH English Factory Legislation owed its origin not so much to a reasoned out theory of State intervention as to the existence of enormous evils that accompanied the employment of children in early English factories, it must be admitted that even economists of the individualistic school were not slow to recognise that the question of child labour stood on a different plane from that of women and men labour and that children must be protected both from the cupidity and shortsightedness of parents on the one hand and from the greediness of employers for cheap labour on the other. A child was obviously unable to enjoy economic freedom in any sense. But the earlier arguments advanced against imposing restrictions on child labour were not concerned with the freedom or otherwise of children but with the loss of earnings and the consequent sufferings to their families. It took some time for people to convince themselves that the temporary loss of earnings was not so serious a matter as a permanent break-down of their health leading ultimately to national inefficiency.

Legislation to set right the abuses of child employment had usually been marked by two lines of advance: (a) Limitation of the number of children who might be employed and (b) Restrictions on, and the improvement of, the conditions under which legally employed children might work. Among the methods of securing the first object were the establishment of certain minimum standards of age, physical fitness, and educational attainments. The restrictions on the conditions of work took some of the following forms: securing of leisure by restricting the hours of employment and the period within which children might be employed; provision of holidays etc.; provision of education; protection of health by imposing sanitary conditions and prohibition of child employment in dangerous work.

Age and physical fitness of children.—The first restriction on child employment in all countries concerned itself

almost always with the question of the minimum age of employment. Everywhere it was recognised that the employment of children at too early an age affected seriously their health and hence that no child below a certain age must be employed in any factory. But the determination of the ages of children was by no means an easy task especially at a time when the system of registration of births and deaths had not been established. Hence in the English Factory Acts since 1833 it was stipulated that every child should be examined by a doctor who should testify to the child's age as nearly as he could determine it. The institution of Certifying Surgeons was the result of this difficulty: "But as it was necessary to set up a system of medical examination of children it was obviously an advantage that it should be used not merely in order to determine the children's ages but also in order to reject from employment those who were physically unfitted for it although above the statutory age."* Thus one step gradually led on to another till the Certifying Surgeon was empowered to reject physically unfit children not merely at the commencement of employment but at any time during the whole course of their employment until they had reached adulthood and every time they changed employment. With the establishment of an adequate system of registration of births in England, Certifying Surgeons became superfluous for the mere task of certifying to the ages of children but happily the importance of the physical well-being of the children employed had by that time been so well recognised that attempts to do away with the system of certification met with no success in England or elsewhere.

In India the Factory Acts of 1881 and 1891 fixed only the limits of ages between which children could be employed but left to the Inspector the task of finding whether children of proper ages were employed. The certification of the age of children was purely permissive and until an Inspector ordered to the contrary they could be employed without any certificate from a civil surgeon. Such a permissive regulation, as had been proved over and over again, was as good as no regulation. It was difficult for any Inspector, and more so for district officials who were at first entrusted with the task of administering the Act, to order a wholesale examination of all children employed in a factory for the purpose of determining their ages. Even if they did

* Frederic Keeling: Child Labour in the United Kingdom P. xi.

in a few cases, it was not impossible for employers to get certificates from civil surgeons for children whom they had never personally examined. In England it was this circumstance that moved the Inspectors to require that Certifying Surgeons should be appointed at their instance and should be responsible to them.* In India Inspectors had no such power and hence they practically abandoned this part of their duties with the result that the law relating to the minimum age of admission of children to industrial employment remained a dead letter until 1911†.

There was again no insistence on the physical fitness of children employed. The Act of 1911 was the first effective act to confer real protection on children. Certification of the age of children was made a condition of employment and was no longer left to the option of employers or Inspectors. Along with age, the physical fitness of children had also to be certified to. But if physical fitness and not merely age, were to be the test for employment it was obvious that one brief examination of a child before employment would not suffice; for the child's health might deteriorate after a few months' employment and hence it would be necessary to continue to make periodical examination of the fitness of children employed and to revoke if necessary the certificates previously granted. This involves periodical visits on əqɹpart of the Certifying Surgeon and inspection of all the children employed during the time in the factory. These have been provided for in the amended Act of 1922. Section 7 (2) of the Act (1922) empowers a Certifying Surgeon to revoke any certificate granted to a child if in his opinion the child be no longer fit for employment in the factory, and the rules framed under the Act for each province make it obligatory on the Certifying Surgeon to visit every factory within his local limits at least once in three months and to satisfy himself as to the fitness of the children employed therein.‡ In the same manner the powers of the Inspector have been strengthened by the addition of a new provision in the Act (1922) by which he is empowered to prohibit the employment of any child until he is re-examined by the Certifying Surgeon and found fit (section 8—A).

* Factory Inspection (International Labour Office) 1923, p. 16.

† Indian Factory Labour Commission Report, 1908, p. 16.

‡ Rules made by the Governor-in-Council, August 28, 1923; Nos. 13 and 14.

Thus starting from a pious wish that no child below a certain age should be allowed to be employed in a factory, the Factory Acts have gradually extended their degree of protection till no child could be employed at all unless he or she was not merely of the prescribed age but was, throughout, physically fit for work until the child reached adulthood. But at this point there seems to be need for a further measure of reform. Before a child be allowed to do the work of an adult, and by the present Act the transition occurs at the age of 15, there should again be a medical examination to ascertain whether the boy of 15 could work the whole period prescribed for adults. This was one of the recommendations made by the Textile Labour Factories Committee* and also by Dr. T. M. Nair in his minute of dissent,† a suggestion which must soon be incorporated in the Act.

Employment of children and Education.—The next question that must be considered is, what shall be the minimum age of admission of children for industrial employment and the duration of their employment. The Factory Act of 1881 prohibited children of less than 7 years from being employed in a factory and prescribed a maximum period of 9 hours a day for those between 7 and 12. Even at the moment of passing the Act it was felt that it was unwise to have permitted children of such weak development as those of seven to work in the factories. Hence the Act of 1891 raised the lower and upper age limits to 9 and 14 respectively, while at the same time their hours of work were reduced from 9 to 7 a day. In 1911 when the Factory Act was again amended, the age limits were not altered ; but the hours of work were reduced from 7 to 6 in textile factories.

Now the question of the minimum age of employment of children is one intimately connected with the problem of juvenile education. In England factory legislation was used as a lever to introduce compulsory education in a restricted field. For instance the Factory Acts of 1833 and 1867 made the employment of children conditional upon their part-time attendance at school and thus education became both the motive for, and the resulf, to restricting the employment of children ‡ But as long as there were no schools for the children to go to,

* Report of the Textile Labour Factories Committee cd. 8617, p. 12.

† Report of the Indian Factory Labour Commission, 1908, p. 110.

‡ History of Factory Legislation : Hutchins and Harrison, p. 79.

it was impossible to raise the minimum age of employment to a reasonable standard, because there was no guarantee that the children thus thrown out would be properly educated and taken care of. The lack of a compulsory education act in a country would render progress in regard to child labour legislation slow and difficult.

But whilst all this was true of England, it was not the case with India. Until recently at any rate the dominant motive of Indian legislators in gradually raising the minimum age of child labour was one of health. Indeed when the Bombay Factory Commission of 1884 suggested that, while the general minimum limit should be increased to 9, children producing an educational certificate might be employed at 8, the Bombay Government rightly replied "that the objection in India to the employment of very young children is based mainly on physical and not on educational grounds and that constant and protracted work in warm and often imperfectly ventilated buildings must exercise a prejudicial effect on immature children by overtaxing their strength, stunting their growth and checking the development of their physical powers. It would seem to follow that work in a mill must be as injurious to a child of 8 years who can read and write as to one of the same age who has received no education. What is bad from a physical point of view for the uneducated must be bad for the comparatively educated child."* Hence in India no attempt was made to use factory legislation as a lever to promote elementary education. The part-time system adopted and worked with so much success for over half a century in England had no counterpart in India. The so-called part-time system in vogue in India has not the same significance as in England where a certain amount of schooling was insisted upon along with employment. In India when the Factory Act of 1911 shortened the hours of children to six in textile factories and to seven in others, they were employed obviously only for part of the day. But the natural corollary to it *viz.*, education during the remaining time was not observed. The late Mr. Gokhale sought to introduce a genuine part-time system by moving an amendment making it obligatory on the employers to give certain hours of schooling. But he failed, because it was felt that education was a national concern and that it would be unfair to ask the employers to shoulder a

* Report of the Bombay Factory Commission, 1885, p. 20.

burden which was rightly regarded as the country's. The Act of 1922 had raised the age limits to 12 and 15; as a result the number of children employed in cotton spinning and weaving mills had fallen by nearly 33 per cent; * but compulsory education has not yet been made quite general; so that there is just a fear that children who have now been thrown out of factory work receive neither wages nor schooling. Numerous mill schools have been closed as a result of the diminution of child labour all over India.

But one need not regret this development. Even in England the half-time system of employment, though regarded at its initiation as a great achievement, soon became the anathema both of educational and factory reformers. Education of the proper type and of the requisite standard could not be imparted under conditions that involved work in factories in early ages. In India although a few mill schools of the very best kind were voluntarily provided for, in many others factory schools were established merely "for the purpose of retaining children at the mill during the whole working day in order that this additional supply of labour might be utilised either as a regular measure, or temporarily when occasion demanded.† Some of these schools became a useful instrument in the hands of unscrupulous jobbers and employers to dodge the Inspectors. It is thus clear that if the education of children is to be a reality, that task must be shouldered by local authorities and the State. The urgent need for the introduction throughout India of compulsory education is thus apparent and local authorities must set themselves to this task with genuine anxiety. It is not without significance that in England "the biggest step of all (in regard to child labour legislation) has been made by the Education Act of 1918 and not by an Employment of Children Act or a Factory Act."‡

The provisions of this Act which applies not merely to factory children but to all children reveal the rapid strides which England has taken in regard to child welfare. Under it no child can leave school till the end of the term in which he or she attained the age of 14 years and local authorities are

* Statistics of factories subject to the Indian Factories Act together with a note on the working of the Act for the year 1924, p. 1.

† Report of the Factory Labour Commission, 1908, p. 15.

‡ Tillyard: Worker and the State, p. 114.

permitted to increase the school-going age to 15. No child who is bound to attend school may be employed in factories or workshops or in mines but in other occupations may be employed, if over 12 years, for 2 hours after the close of school hours so that none of his employment may fall within the hours between 8 P.M. and 6 A.M. Thus the point of view regarding child employment has undergone a radical change. The educational needs of the children must be the sole determinant of industrial employment and their permanent interests should not be sacrificed to any shortsighted temporary advantages either to employers or to parents.

Restrictions on the Conditions of Employment.—As already stated children between the ages of 12 and 15 are allowed to work for a maximum period of 6 hours and should be employed only within the period between 5-30 A.M. and 7 P.M. In a few factories children are employed in morning and afternoon sets for the full period of 6 hours but in most others they are employed on what is called the split-set system *i.e.*, they work for about half the total time in the morning and then after a long interval of about three hours complete the remaining portion of the time. In the Calcutta jute factories a complicated system of shifts prevails and children are employed in a number of shifts, some working continuously, some in split-set system and others with shorter intervals. These shifts render the task of inspection extremely difficult and there is no doubt that they have given rise to serious abuses which are not easily set right. A number of children work in two factories and factory inspection in Bengal leaves much to be desired. In Ahmedabad, too, and to a less extent in Bombay, a number of children are employed in two factories and double certification is quite common. The percentage of children who endeavoured to get a second certificate was 47·4 in 1921* and in Ahmedabad must have been far larger. But with the employment of whole-time Certifying Surgeons for Bombay and Ahmedabad the illegal employment of children has suffered a check as is obvious from the fact that in the first five months in 1923, 36 per cent of the children appearing before the Certifying Surgeon were detected to hold certificates already.†

* Annual Factory Report, Bombay, 1921.

† *Ibid* 1923.

In spite of the best intentions of the administrative authority, it has been found very difficult to prevent the employment of children in two factories on the same day. Very often the management is not aware of the child working in another factory. On the other hand, it is almost universally the case that such employment is obtained under compulsion from or at the instigation of, the parent or guardian. Hence in the latest amended Act of 1926 it has been laid down that "where a child is employed in any factory and such child has already been employed in any other factory, the parent or guardian having control over, or direct benefit from, the wages of the child shall be punished with a fine which may extend to Rs. 20...." This provision is a welcome addition to the law relating to child labour and will go some way to check the abuse of double employment of children.

Another kind of abuse not yet fully set right is the illegal working of part-timers for longer hours than six in the same factory. The profits of illegal working of children are so large compared with any possible fine that may be inflicted, that cases are not wanting where occupiers and employers deliberately take the risk of prosecution rather than conform to law and work prescribed hours.* The temptation to overwork children in textile factories arises partly from the fact that children possess "that nimbleness of fingers which is essential for piecing and are also of a height which enables them to work at the spinning frames without undue fatigue."† The only way of putting an end to this abuse would be the infliction of exemplary punishment at least in a few cases as a first step.

Prohibition of Dangerous Work.—By the first Factory Act of 1881 children were not allowed to clean machinery in motion nor to work between the fixed and traversing parts of a self-acting machine. The law of 1911 prohibited employment of children (and of women) in pressing factories where a cotton opener was at work and the amended Act of 1922 has still further extended protection for children by prohibiting them from working in a number of dangerous places at the factory.

Night Work.—Children were prohibited from doing work at night between 8 P.M. and 5 A.M. by the Factory Act of 1891 and in 1911 the limits of hours between which they might be

* Factory Administration Report, the Punjab, 1918, p. 3.

† Factory Labour Commission Report, 1908, p. 17.

employed were further shortened to between 5-30 A.M. and 7 P.M. The importance of sleep for children and the dangers of permitting them to work in the night have induced the State in all countries to absolutely prohibit night work for children.

Holidays and Rest Intervals.—The Act of 1881 granted 4 monthly holidays for children and an interval of rest for one hour in their working day of 9 hours. In 1891 Sunday holidays were extended to all operatives and an interval of half an hour was allowed for every child who was employed in a factory for 6 hours in any one day. The shortened interval was apparently due to the shorter hours of work, which had then been reduced to 7 a day. The present position is that a child working for more than 5½ hours in any day must be granted half an hour of rest and "the period of rest should be so fixed that no such child should be required to work continuously for more than four hours."*

Presence of young and under-aged children in factories.—Two questions relating to the welfare of children in factories have now to be considered. One refers to the dangers arising from allowing very young children to go with their parents inside the factory and move about near dangerous machinery, Children become thereby liable to accidents and to diseases due to the dust and foul air of the factories. In Bombay the habit of giving opium to infants to force them to sleep still prevails and is bound to have serious reactions on the future progress of the nation. The object of establishing creches in factories is to ensure against these evils. In many countries the law compels employers to provide a sufficient number of sanitary creches, where children are nursed by the mother and taken care of at other times by trained nurses. In India some employers, notably in Sholapur and Ahmedabad and to a lesser extent in Bombay, have provided creches for the children. Some of the creches give the impression of being congested and insanitary but as a rule they are well kept. The Indian Factory Act does not however make it obligatory on employers to provide for these institutions where women are employed. The delay in carrying out this reform is partly due to a feeling on the part of the public that women in India do not readily consent to separation from their children even for a few hours and they would rather keep them close by

* Indian Factory Act, 1911 as amended in 1922.

some measure of protection was sought to be given, but all attempts to introduce in India such a protected class failed in the end. In the very first Draft Bill submitted to the Indian Legislature in 1879 the hours of work not only for children but for young persons between the ages of 12 and 16 were sought to be fixed; but as it emerged from the Select Committee, the clauses relating to young persons were cut out. English Factory Acts since 1833 observed a distinction between children and young persons and the conditions of work of the latter class were all along regulated by the State. Mr. Meade King's proposal to regulate the conditions of work of young persons in India was referred to the Bombay Factory Commission which however negatived it.* Again the Factory Commission of 1908 reopened the question and by proposing to restrict the hours of work for young persons between the ages of 14 and 17 wanted indirectly to regulate men's hours.

In spite of this continuous demand for protecting young persons, the country did not adopt the proposal and the grounds for rejecting it were mainly administrative.† It was felt that the task of administering the law and of securing the proper observance of it in a country which had no system of birth registration, with an inspecting staff wholly unequal to this new and additional burden imposed on them would be so difficult that the advantages of protecting this class could afford no sufficient compensation. Employers too objected to the maintenance of a register, which would become necessary, if young persons were to be protected, containing the names of all persons whose ages were between 14 and 16. And yet in some respects it would seem a decided handicap to a boy of 14 (as by the Act of 1911) or 15 (as by the amended Act of 1922) to be asked to do the work of an adult and to have the duration of his work raised suddenly from six hours a day to 11 hours. The transition is neither easy nor gradual. The factory operative of 15 years is not strong enough to undertake work requiring great muscular energy or work of a dangerous and unhealthy character. This aspect of the matter has recently been recognised in India to such an extent that it is interesting to note that for the first time in the history of Indian factory legislation, a class of young persons is practically recognised by the Factory Amendment Act (1922) and persons under 18 along with women are

* Report of the Bombay Factory Commission, p. 10.

† Report of the Textile Factories Labour Committee, p. 20.

prohibited from being employed in certain processes of work, considered to be dangerous, and except in accordance with certain specified regulations, in operations involving the use of lead compounds.

The following are the processes at which young persons under 18 are not permitted to be engaged: (1) work at zinc or lead furnace; (2) manufacture of solder or alloys containing a large quantity of lead; (3) manufacture of any lead compound; (4) mixing or pasting in connection with the manufacture or repair of electric accumulators; and (5) the cleaning of work rooms where any of the processes aforesaid are carried on.*

* Part 1 of the schedule to the Factory Act (amended), 1922.

CHAPTER IV

WOMEN IN FACTORIES

ALTHOUGH women were heavily overworked in industrial occupations in the pre-factory age, it was not until the beginnings of the factory system that an industrial and social problem of considerable magnitude arose in connection with their employment. The same motives that prompted the employers of the 18th and 19th centuries to employ child labour in large numbers, led to the increasing employment of women in factories. The cheapness of women labour combined with their docility and steadiness of work have induced employers to prefer their work to that of men. Although in itself not objectionable, the employment of women in factories raises certain physiological and social considerations which demand special treatment. The welfare of a nation being dependent upon its progeny, the health of the mother must be safeguarded if society is not to degenerate. It is, therefore, not surprising that even the advocates of a policy of *laissez faire* had no hesitation in treating "*Women*" as a special case justifying a departure from the principle of "non-intervention." In England, Factory legislation for the protection of women came long before *laissez faire* as a principle stood condemned.*

Hours of Work.—In India women are generally employed in textile industries in the reeling and winding departments, and their work-rooms are generally lofty, clean and well ventilated; and their work too is of a suitable character. The Factory Commission of 1908 found their physical condition to be quite good. It would however be a mistake to conclude that this would have been so but for the regulation of women labour. Long hours of work are specially onerous to women, for in addition to their work in factories they have to bear the burden of domestic duties. The time taken to go to and return from work has also to be reckoned in determining the hours of work for women. The first Factory Act in India did not regulate the conditions of employment of women in spite of the example of western countries. It was in 1891, that the hours of work for women were for the first time fixed in factories at 11 a day with an interval of an hour and a

* Hutchins and Harrison ; History of Factory legislation, p. 87.

half. The Factory Commission of 1908 suggested that women should work the same hours as they had proposed to establish for young persons and recommended an increase of working hours to 12. The Government of India rightly refused to accept the reactionary proposal and left their hours untouched but the interval was reduced to half an hour.

But the limitation of their hours of work was robbed of much of its value by the concessions granted to cotton ginning and pressing factories which were allowed to employ women both day and night and in indefinite periods subject to the only limitation—which was no limitation at all—that such a number of women should be employed therein as would be sufficient to make the hours of employment of each woman not more than 11 in any one day.* The idea emanated from a resourceful Collector of Khandesh in Bombay and is popularly known as the Khandesh system. Its arithmetic was unexceptionable but its applications were questionable. The fact was that under the plea of engaging a sufficiently large number of women, employers overworked the same persons both day and night whilst they were able to deceive the Inspector by keeping on their register a number of fictitious names *e.g.*, servants, sweepers etc., to bring up the total. Indeed, as one Chief Inspector of Factories remarked, it would have been far better definitely to allow women to work for twelve hours "than to retain this ridiculous section which is quite unworkable in practice and has been condemned by all Factory Inspectors of India without exception."† The Government of India were warned, by Dr. Nair in his minute of dissent, of the dangers of granting exemptions to seasonal factories but the warning was unheeded. The working of the provision revealed early enough its dangers and the amended Act of 1922 did away with all forms of concessions. The hours of work for women still continue to be 11 a day but subject to a maximum of 60 in a week. However in factories specially exempted on account of the continuous

* To determine the number of women necessary in a ginning factory under the above rule, we have only to multiply the mumber of gins in the factory by the actual working hours and divide it by the legal working hours of 11. If, say, there were 22 gins in a factory for which 22 women are required and the factory worked 16 hours a day then the number of women that must be employed would be $\frac{22 \times 16}{11} = 32$. But as a matter of fact only about 22 to 24 women were employed and additional fictitious names were kept on the register.

† Factory Administration Report, the Punjab, 1916, p. 3.

nature of their production or an account of other causes, 6 hours of overtime work in a week are permitted but in no case could women be employed in any one day for more than 11 hours. The movement towards shorter hours for women is specially marked in Bengal and Assam where they work for forty-eight hours or less in a week in the majority of factories. In Bombay the great proportion of factories employ women up to the full limits permissible under the Act. Over the whole of India 55 per cent of the women employed work for more than 58 hours in the week.*

Women and Night Work.—It is particularly necessary to prohibit women from working in industries at night. Night work is generally unhealthy in itself and it is specially so for women who have to discharge the duties of motherhood and domestic service. Sound sleep so necessary to recover from fatigue cannot be obtained in the day by women who are usually unable to find a moment of undisturbed quiet. Further, serious moral dangers surround the work of women at night † and they are specially likely when women have to travel in the night from and to the place of work. These considerations, the injury to health, the disruption of domestic life, the neglect of children, and the lack of sleep, point to the need for restricting the employment of women to day time. In India women's work was restricted to the period between 5. A.M. and 8 P.M. in 1891 but, so far as factories which worked under an approved system of shifts were concerned, this rule was waived. Thus in the jute factories of Bengal, women working in shifts approved by the Inspector, were permitted to be employed in the night. But the exception proved a decided handicap to the enforcement of the law. It was taken advantage of either to cover violations of the law or to defeat its purpose. In 1911, therefore, the concession had to be taken away. But one abuse was remedied only to give place to another. Cotton pressing and ginning factories were permitted to employ women at night. The legislature was influenced by the peculiar nature of these industries which handled materials which would decay if not ginned and pressed immediately. But grave abuses set in.

* Note on the working of the Indian Factories Act for the year 1923.

† Report of the Indian Factory Labour Commission, 1908, p. 107.

Not merely were women regularly employed at night but the same persons who were engaged for long hours in the day were employed again at night. In 1922, the law relating to night work for women was made absolute and uniform and all concessions were done away with. But as long as there is no adequate inspecting staff and district officials do not exert themselves to make frequent surprise visits, ginning factories lying in rural and out of the way places will continue to violate the law with impunity.* The latest Act (1926) has however made an exception in regard to fish-curing and fish-canning industries and women could be employed at night provided it is proved that their employment is necessary to prevent damage or deterioration.

Dangerous Work.—"The exclusion of women from various branches of industry is based primarily on their inherently weaker resistance to certain dangers to health and sometimes upon moral grounds or upon their special need for protection at certain periods, as just before and after child birth." † The earlier Factory Acts of 1881 and 1891 did not exclude women from any kind of work. But the Act of 1911 introduced two safety conditions.

It prohibited women (and children) from cleaning any part of mill gearing and from working between the fixed and traversing parts of a self-acting machine owing to the dangerous character of the work. It also prohibited the employment of women (and children) in places where cotton openers were at work. The liability to fire accidents was excessive in cotton openers owing to the presence of matches in raw cotton and women succumbed to them more, as a result of shock and panic ; the form of their garment also added to the danger and hence the only practicable method of preventing the recurrence of accidents was an absolute prohibition of the employment of women at the feed end of the cotton openers in pressing factories. Since the operation of this clause, accidents to women from fire in cotton pressing factories have been almost unknown ; but the loss of lives of twelve women from a fire in a cotton opener in a Khandesh factory in Bombay in 1924 caused a rude shock to the feeling of security entertained by the public. There is no doubt that the provision was not

* The largest number of prosecutions of managers of ginning and pressing factories are due to the violation of this law. Note on the working of the Factories Act for the year 1924.

† J. R. Commons & J. B. Andrews: Principles of Labour Legislation, p. 346

properly observed in many places and the provincial factory inspection reports confirm the impression.*

The Act of 1922 has gone one step further in securing safety conditions to women workers. Realising the dangers caused to the reproductive functions of women by their employment in processes connected with white lead, women (and persons under eighteen) have been completely prohibited from working in processes involving the use of white lead and zinc and, except in accordance with certain regulations, in any operations involving the use of lead compounds. These regulations constitute so novel a departure in Indian labour legislation that they are worth summarising. If, in any operation involving the use of lead compounds, women (or persons under 18) are employed, not only should provision be made for draining the fume or dust away from the persons employed by means of an efficient exhaust draught but the following arrangements should be made :—

(1) the persons employed should undergo medical examination and a record must be kept with respect to their health ;

(2) no food, drink or tobacco should be brought into or consumed in the room where the process is carried on ;

(3) adequate protective clothing in a clean condition should be provided by the employer and worn by the persons employed ;

(4) suitable cloak room, mess room and washing accommodation should be provided for the use of the workers.†

These regulations reproduced from the Women and Young Persons (Employment in Lead Processes) Act, 1920 of England, rank in importance with the Welfare Orders issued by the Home Office in England in respect of the pottery industries. The principle is the same in either case viz., unhealthy trades must be regulated to ensure that the health of the operatives is not endangered. But there do not seem to be any valid grounds why in such a matter the provisions that apply to women and young persons should not have been extended to men workers as well.

* Government of India note on the working of the Indian Factories Act, 1924.

† Part 2 of the Schedule to the Indian Factories Act.

Maternity Benefits.—The need for conserving the health of the mother and child about the period of confinement and the dangers arising from permitting women to work till quite close to their confinement and immediately after, have led many countries to prohibit the employment of women for definite periods shortly before and after childbirth. But it has been found by experience that a mere restrictive enactment does not help matters, for by depriving the worker of her earnings exactly at a time when she needs them most it would inflict serious hardship. The English Factory Act of 1891 restricted the employment of women by stating that "an occupier of a factory or workshop shall not knowingly allow a woman to be employed therein within four weeks after she has given birth to a child."* But it failed to serve its purpose and remained practically a dead letter until maternity allowances were granted as part of a general scheme of insurance. Almost all European laws are now rendered effective by their connection with provisions for maternity benefits. Up till now Indian factory laws have not provided either for maternity allowances or for restrictive conditions on women's employment at these periods. An enquiry was however instituted as a result of the recommendations of the Washington Labour Conference† and the Government of India found that the time

* History of Factory Legislation: Hutchins and Harrison, p. 209.

† The relevant Conventions passed at the Washington Labour Conference are set down below:

1. In any public or private industrial or commercial undertaking, or in any branch thereof other than an undertaking in which only members of the same family are employed, a woman—

(*a*) Shall not be permitted to work during the six weeks following her confinement.

(*b*) Shall have the right to leave her work if she produces a medical certificate stating that her confinement will probably take place within six weeks.

(*c*) Shall, while she is absent from her work in pursuance of paragraphs (*a*) and (*b*), be paid benefit sufficient for the full and healthy maintenance of herself and her child, provided either out of public funds or by means of a system of insurance, the exact amount of which shall be determined by the competent authority in each country, and as an additional benefit shall be entitled to free attendance by a doctor or certified midwife. No mistake of the medical adviser in estimating the date of confinement shall preclude a woman from receiving these benefits from the date of the

was not quite ripe to introduce maternity benefits in India. Some of the difficulties in India were stated to be:—

(1) the instability of women labour in India;

(2) the practice among women workers to go home for their confinement making difficult an efficient administration of the scheme;

(3) their unwillingness to go to a doctor to get the needed certificate to enable them to get allowances; and

(4) the probable high cost of the scheme.

But most of them are not insuperable. The fact that within the last few years some employers have been able to work the scheme quite successfully without any large addition to the total wage cost* must be a distinct encouragement both to Government and to those interested in social welfare. A private bill introduced in the legislature in 1925 to afford maternity benefits failed to pass the second reading but action cannot long be deferred if the true interests of women workers are to be safeguarded. At present, except in some factories, they receive no medical assistance or money allowances nor are their places kept open for them when they return. The arrangements in the factories for the nursing of infants are generally far from satisfactory. It is to be hoped that the Government of India would themselves undertake legislation to secure a maternity endowment scheme in India at an early date.

Employment of women as Inspectors.—In 1924 there were employed in factories in India 2,35,332 women and 12,291

medical certificate up to the date on which the confinement actually takes place.

and (*d*) Shall in any case, if she is nursing her child, be allowed half an hour twice a day during her working hours for this purpose.

2. Where a woman is absent from her work [in accordance with paragraphs (*a*) or (*b*) of Article 3 of this Convention] or remains absent from her work for a longer period as a result of illness medically certified to arise out of pregnancy or confinement and rendering her unfit for work, it shall not be lawful, until her absence shall have exceeded a maximum period to be fixed by the competent authority in each country, for her employer to give her notice of dismissal during such absence, nor to give her notice of dismissal at such a time that the notice would expire during such absence.

* In the 5 mills of the Tata Group, out of 2,347 women employed per month, 19 persons received maternity benefits on the average per month; the additional cost thereby being less than 1 per cent of the total wages bill. Labour Gazette Sep. 1922, p. 364.

girls * as against 2,21,045 women and 12,779 girls employed in 1923 and it is likely that in the years to come, their number will steadily increase especially if the Local Governments exercise the powers that have been conferred on them to extend the scope of the Act. Women's needs and comforts require delicate and sympathetic handling and men Inspectors even if they had the time to deal with them are hardly likely to instil confidence in women workers who are generally reluctant to take their complaints to men. In England since 1890 women Inspectors have been appointed and welfare superintendents have, in the west, often been women. In a few factories in India women welfare workers have been appointed. The beneficent work that women Inspectors could do is really great and hence it seems desirable that an experiment be made by appointing a woman Inspector for each major province in India. In 1920 a Woman Adviser to the Government of India was appointed but the post was abolished in 1922, following the report of the Indian Retrenchment Committee. As the financial position of the Government of India and of the provinces improves, and as the value of the work of women Inspectors to the health and comfort of women workers is realised it should be possible for the Government of India to revive the post of Woman Adviser and for the Local Governments to appoint women Inspectors.

* Note on the working of the Indian Factories Act, 1924.

CHAPTER V

MEN IN FACTORIES

State and Adult male Labour.—Until quite recently factory legislation in England confined itself to the securing of safe and healthy conditions of work for men but left the question of their hours of work severely alone. Continental countries were the first to break from the tradition set up by England but the latter was slow to shift from her position. In the two or three cases in which England made a departure she was influenced by certain special considerations. When for instance the hours of work of railway employees—pointsmen, signallers, etc.,—were limited in 1893, it was public safety, and not the health of the persons employed, that induced her to impose the restriction. The Coal Mines Act of 1908 restricted the hours of male labour because of the exceptionally unhealthy and dangerous character of mining work. Recently in potteries the hours of work of men engaged in certain processes have been limited for reasons almost similar to those that led to the Coal Mines Act.

When the question of the limitation of men's hours by the State was raised in India the pros and cons were very warmly canvassed. The Factory Commission of 1890 not only were against any limitation of men's hours but could not "conceive of any conditions which can ever call for State interference in this matter."* The majority of the Commission of 1908 whilst equally definite against the proposal, argued in a different key. But the question so far as India is concerned is relatively a simple one. Admitted that men have been worked long and excessive hours and that physical degeneration if not already apparent was sure to set in, it naturally followed that excessive hours should be put an end to. If that could be achieved by the voluntary and unaided efforts of workers, well and good; but if it could be brought about by no other means except through direct Governmental intervention there was no use of sticking to a principle that broke down so miserably in the face of actual realities. Even the

* Report of the Commission on Indian Factories, 1890, p. 13.

Factory Commission of 1908 had no hesitation in declaring that, were no effective alternative available, they would have placed direct limitation on the working hours of adults. They, however, imagined that the long hours of work for men would be effectively prevented by their proposed measures directed towards restricting the hours for women, children and particularly for young persons. In this they went wrong. In England the ten-hour day for women was keenly "fought out by men behind the women's petticoats." Where 74 per cent of the textile labourers were, as in England, women their working hours must necessarily determine the hours for all others and so a ten-hour day for women necessarily involved the same period for men too. In India conditions are quite different. Not only do women form a small percentage of the total employed persons in textile factories, being no more than 25 per cent but their work too can easily be separated off the main factory. So also do the young persons form so insignificant a portion of the total labour force of the factory that they cannot determine the conditions of work for others. Another equally powerful consideration in favour of State intervention in India is that unlike the English workers the Indian workers have not been organised in trade unions and have therefore not been able to bargain with employers for a shorter working day. The analogy thus fails. In England the eight-hour day prevails in almost all industries but it was brought about by effective trade union action. Indian labour being unorganised does not possess the same strength and hence needs protection. But even in England the passing of the Trade Boards Act in 1909 and the fixing of wages for certain classes of workers constituted as wide a departure from *laissez faire* as could be imagined and she was led to this course of action by the logic of facts, by the bad conditions of work, by low wages and long hours that prevailed in some trades.*

Normal Day for Workers.—We have next to examine what must be the maximum hours of work that may be fixed for men in factories. Long hours are open to certain serious objections. They impose too great a strain on the workers; they cause excessive fatigue; they curtail rest and sleep time; the fatigue caused increases workers' temptation to drink and

* The Trade Boards Acts of 1909 and 1918 not only fixed minimum wages but incidentally limited the hours of work by compelling employers to pay overtime wages at higher rates if the hours exceeded a certain limit.

in any case increases accidents and finally the rate of production too diminishes fast after a certain stage. It is rather significant "that all through the history of the industrial system of this country (England), the dominant evil is not accidents or industrial poisoning but the stress and fatigue due to long and unsuitable hours of work."* But the determination of normal hours is no simple task, involving as it does a weighing of many mutually opposing factors. From the point of view of production the hours should be such that workers are in a position to produce the maximum output without impairing their own efficiency. On the other hand, the workers must have leisure, and opportunities for recreation, for study and other forms of useful activity. In so far as the one conflicts with the other it is also a choice between more material production on the one hand and a more varied human life on the other. In fixing working hours, the time taken to go to and return from the place of work must also be considered. In India the hours of work for men were for the first time regulated in textile factories and were limited to 12 in 1911. The Factory Commission of 1908 reported that in most industrial centres of India the hours of work in textile factories varied from 13 to 15½ hours a day.† This was exclusive of the time taken to reach the mills, which would add another hour or two to the total. There was no doubt that at the time the working hours were too long from the point of view of the men. Although the Factory Commission of 1908 were only able to state that physical degeneration though not apparent was likely to ensue, if conditions were not quickly remedied, recently we have come across a valuable piece of evidence. In his report on Humidification in Indian Cotton Mills, Mr. T. Maloney has laid down three propositions of great significance as a result of his researches into the health of the cotton mill operatives.‡

(1) "That the weight of the average (cotton) mill hand compares very unfavourably with that of workers of the same wage earning capacity in other trades" which work shorter hours;

(2) "That the weights of the mill operatives showed a decrease after a few months' service without leave"; and

* Report of the Munition Workers' Committee, p. 23.

† Report of the Factory Labour Commission, 1908, p. 11.

‡ Report on the Humidification in Indian Cotton Mills by T. Maloney, p. 89.

(3) " That the weights of the operatives increased appreciably when they returned back to factory from their upcountry homes after a long vacation."

Another feature which has long been noticed is the absence in Indian textile factories of men above the prime age. It is rare to find men over 40 working in mills.* The conclusion is irresistible that hours in India were excessive and told on the health of the men. But it was argued that, although hours were long they apparently imposed no very serious strain on the workers because they did not work strenuously but only slowly and leisurely; they were accustomed to take frequent spells of rest and were given to loitering about in the factory premises. Perhaps; but there seems to be confusion in the above argument between cause and effect. Much of the so-called idling habits of the workers is the result of long hours, as is abundantly proved by the fact that in a few mills where moderate hours were worked the management had no cause to complain of the laziness of the workers.

The question to be investigated really is the effect of diminished hours on productive output in India. Experiments carried out in England have led to the conclusion that "a reduction in the weekly hours of actual work varying from 7 to 20 hours a week in no case resulted in more than an insignificant reduction of total output while on the average it produced a substantial increase."† The fact is that workers can work more strenuously and quickly in a short hour week than in a long hour week and hence it is possible to get an increase in the hourly output and keep the total output at about the old maximum. Until recently reliable statistics regarding the effects of diminished hours on production were not available in India. But, thanks to the report on Humidification in Indian Cotton Mills, fairly reliable data have been presented on the point. In a certain mill in Sholapur the hours of work were reduced from 11½ to 10 per day in May, 1920. Production suffered considerably at first as a result of the change, but " after a few months the total output of the weaving department without any drastic changes in the machinery was equal to that when the hours were longer." ‡ In spinning, efficiency increased by more than 10 per cent, although there was a diminution in total output; for the extra efficiency of the

* Report of the Factory Commission, 1908, p. 89.

† Report of the Munition Workers' Committee, p. 79.

‡ Report of Maloney, p. 73.

workmen does not influence production to the same extent in spinning and carding as in weaving since in the former the machine is the dominant factor in production. The evidence so far available thus points to the conclusion that if along with reduction in hours, working conditions are improved and better arrangements made for ventilation and humidification there will be no appreciable diminution in total production. Absenteeism would also diminish with shorter working hours.

But we may be affirming too much; hours may prove to be too short as they have been too long in the past. If a shortened working day with its opportunities for leisure and enjoyment does not lead to a more healthful activity but only to indolence and waste then the reform will not be to the ultimate good of the nation or the workers. The utilisation of the leisure hours of the working classes becomes thus a question of considerable importance. Psychological factors cannot also be neglected. How does the Indian workman react to shortened hours? Does he wish to work slowly and leisurely prefering to take rest frequently, or does he, like the American worker, wish to work at a break-neck speed and take a long holiday in the evening? It is often pointed out as a striking contrast between the Englishman and the German that while the former would work intensely for a short period the latter would work methodically for long hours and that the German's perference for a short working day is not as keen as that of the Englishman.* The Indian worker is in this respect quite unlike the American or English worker. It is therefore a natural inference that the Indian operative would prefer a somewhat longer working day with more frequent spells of rest than a short and strenuous work period. If this be so it follows that, probably except in a few industries where work is by its nature arduous, the country will be well-advised in going cautiously to reduce the hours of work to 8 per day conformably to the Conventions of the International Labour Conference. The present legal hours *i.e.*, 11 a day and 60 a week in all factories and not merely in textile factories as of old, may not satisfy the needs of the worker, especially as he has to work in the terrible heat of the summer months. But a 9-hour day and a 54-hour week would be as wise a reduction as one could suggest in the present circumstances of Indian industry.

* Shadwell: Industrial Efficiency, p. 366.

Actual Hours of Work in Indian Factories.—It would be interesting to compare the legal working hours for men with the hours actually worked in factories in India. In 1923, 27 per cent of the factories in India and in 1924, 28 per cent worked for 48 hours or less a week. 13 per cent of the factories worked between 48 and 54 hours a week both in 1923 and 1924. The remaining 60 per cent in 1923 and 59 per cent in 1924 worked up to the legal limit of 60 hours a week. *

Over-time Work.—By the Act of 1922 exemptions from the operation of the law relating to men's daily and weekly hours of work may be granted to certain special classes of factories. In such cases a worker may be employed sc as *ordinarily* not to exceed 12 hours a day but in no case to exceed 72 hours a week. Thus 12 hours of over-time work per week is permitted for men and the rate of wages for over-time work has been fixed, as in the case of women, at one and a quarter of the normal rate.

Rest-interval.—The importance of an adequate rest-interval arises from the fact that after a certain period of work, fatigue sets in which reveals itself in diminished capacity to work, in a want of co-ordination and concentration in the task and in increased liability to trifling accidents. An interval of rest is needed to enable the workmen to recuperate. The length and frequency of the interval must depend upon the character of the industry in question. It was found by Dr. Taylor for instance, that in the handling of pig iron from one place to another the best results were secured when after each ten minutes of work a spell of two minutes rest was given to the workers.† But legislation cannot concern itself with such details. It can only be framed to suit general requirements and hence only a midday interval of rest is usually provided for in factory legislation. The Factory Act of 1891 obliged every factory, not working under the shift system, to stop work for a full half-hour. But the rule was honoured more in the breach than in the observance. With better inspection, the rule relating to midday intervals was, after 1911, more closely followed. In 1922 the duration of the rest period was increased to one full hour and

* Labour Gazette, Bombay, June 1926.

† Taylor: Scientific Management.

employees were given the option to have two rest periods of half an hour each for every five hours of work, provided the total rest amounted to one hour in all for each period of six hours work done. The working of the rule, however, revealed some ambiguity and the latest Act of 1926 has, besides seeking to remove it, shown considerable latitude to suit the varying character of industries. It is now provided that, in respect of factories working for not more than 8½ hours a day, at the option of the workers and with the previous sanction of the Local Government a half-hour interval could be substituted so that workers might have the advantage of returning home earlier than would be possible if the one hour interval were rigidly observed.

Holidays.—It has been truly observed that "although much seven-day work may be a necessity, the objectionable feature is the seven-day worker." * There are many continuous industries *e.g.*, the steel industry, which cannot afford to have the engine cooled. But as already observed in connection with rest periods, after every day's work a deficit in recovery from fatigue is caused which is compounded from day to day and which must be made good at the end of the week if nervous exhaustion is to be avoided. The holiday on Sunday will enable the worker to recover his equilibrium. It is interesting to notice, however, that production on Mondays is always the lowest in the week in almost all countries, but this is to be explained by the fact that a certain amount of initial inertia has first to be overcome before the human machine is able to adjust itself to work. In India, contrary to the experience in other countries, there is a general tendency for the production rate to be the lowest on Tuesday except in the monsoon.† From Tuesday onwards production improves gradually till Thursday after which it again falls, thus indicating the onset of fatigue.

If there were unanimity among Indian operatives on any single issue it was with reference to the weekly holiday. The Factory Commission of 1890 were so much impressed with the united demand of the operatives for a weekly holiday that they recommended it, and the Act of 1891 provided for a holiday on Sunday or a substituted day. The rule was, however, seriously

* Principles of Labour Legislation. Andrews and Commons, p. 279.

† Report on Humidification in Indian Cotton Mills. See Tables 68 and 69.

infringed; operatives were asked to clean the machinery systematically on Sundays, which was not contemplated by law. No important change was, however, made by the Act of 1911 but the 1922 Act has strengthened the position of the workers by adding that " no such substitution (of holidays) shall be made as will result in any person working for more than ten consecutive days without a holiday for a whole day."

Finally it may be concluded that the investigations of Mr. Maloney have proved that the practice among the cotton mill operatives of Bombay and other places of going to their up-country homes almost every year, however undesirable it may be from the point of view of the employers, cannot altogether be condemned unless factory conditions improve very much ; for it has a distinctly beneficial effect upon their general health as reflected by their weights and general appearance. In 1923 as many as 2,013 factories and in 1924, 1,474 factories were exempted from the operation of the law relating to the granting of a weekly holiday.* The exemptions were granted far too readily in many cases without proper scrutiny. It is, however, a welcome sign that there has been a distinct fall in the number of exempted factories in 1924 and this is specially marked in Bombay and the Central Provinces and Berar.

With the exception of general regulations regarding sanitation and safety which apply to all operatives, male workers do not enjoy any further concessions ; but by section 38 (*a*) of the Act of 1922 the Governor-General in Council reserves to himself the power to make rules for the adequate disinfection of wool used in factories which may be infected with anthrax spores. Workers in wool will soon enjoy special protection because of the specially unhealthy character of the work.

* Note on the working of the Indian Factories Act for the year 1924.

CHAPTER VI

SAFETY AND HEALTH

Safety.—It is not without significance that although the State was loath to regulate men's hours, it was from the beginning quite ready to enunciate safety and health standards for men as well as women and children; for the outstanding characteristic of factory laws is the protection of the life and limb of workers as also of their health. The first safety provisions in Indian Factory Legislation were of the simplest kind. It required every fly wheel, hoist and teagle and any other part of the machinery or mill gearing which in the opinion of the Inspector will be dangerous if left unfenced, to be securely fenced. There were no sanitary provisions in the Act of 1881. Even in 1891, no sanitary regulations were incorporated in the Act itself; but Local Governments were empowered to make rules providing for proper ventilation of factories, their cleanliness (including lime washing, painting, etc.) and freedom from effluvia arising from any drain; for the prevention of over-crowding and for the maintenance of an adequate supply of drinking water for operatives. But the foundations of a truly effective control were laid only by the Act of 1911 so that it would be sufficient to consider its provisions in some detail. First regarding safety: (1) In addition to providing for the secure fencing of machinery, it stipulated that all fencing must be constantly maintained in an efficient state while the parts required to be fenced were in motion or in use. (2) No person was to be allowed to smoke or use a naked light in the immediate vicinity of any inflammable material in any factory. (3) Every factory was to be provided with sufficient means of escape in case of fire, and the door of every factory must be so constructed as to open outwards. Elaborate rules have been framed by the Local Governments to give effect to these provisions. The Act of 1922 considerably strengthened the law relating to safety. By a new clause (18-A) Inspectors were granted the power to order the disuse of any dangerous machinery, plant, ways or buildings, if their use would be dangerous to human life or safety. The new

provision has already proved its usefulness; for example, in a ginning factory in Khandesh (Bombay Presidency) a chimney was in a state of collapse and the Inspector by enforcing the above provision averted what would otherwise have been a serious accident.* Further, the Act of 1926 empowers Local Governments to prohibit "in any factory specified in the notification the cleaning *by any person*, of any part so specified, of any mill gearing or machinery while the same is in motion." Notice of all serious accidents should be sent by telegram or telephone to the Inspector and the District Magistrate. But no amount of safety rules would entirely eliminate accidents in factories,† and as long as they are likely to occur it would seem desirable to provide by legislation for first aid appliances, ambulances and stretchers. The Factory Act does not, however, stipulate this; but the rules recently framed under the Act provide in factories where at least 500 persons are employed for the maintenance, in readily accessible positions, of first aid appliances including an adequate supply and quantity of sterilised dressings.

Health.—The absence of sanitary provisions in the Indian Factory Act was commented upon by Mr. Meade King as a striking contrast that then obtained between English and Indian Factory Laws. It was only in 1911 that sanitary regulations were laid down in the body of the Act itself. The chief among them were :—

1. Provision for cleanliness in factories;
2. Prevention of over-crowding;
3. Adequate ventilation;
4. Sufficient lighting;
5. Provision of sufficient sanitary conveniences;
6. Provision of an adequate supply of good drinking water; and
7. Use of pure water for humidifying purposes.

The Act laid down only very general conditions; the Local Governments were asked to frame detailed rules regarding the administration of the provisions, and the rules, although varying

* Bombay Factory Administration Report, 1923, p. 14.

† The number of accidents reported in 1924 was 10,029 of which 284 proved to be fatal. The Government of India regard the increase in the number of accidents as the most unsatisfactory feature of the year.

slightly from province to province, all bear a family resemblance; for they were the offspring of a general draft for all India. A study of some of these rules in outline is necessary to understand the true import of the health condition of factories. For the purpose of convenience it will be best to consider the Madras rules. With regard to cleanliness, lime washing of all the inside walls of the rooms and all the ceilings of the rooms in every factory was to be done at least once a year. The premises were to be kept clean and free from effluvia, arising from any drain or other nuisance. A standard of floor space and breathing space was fixed and every operative was to have at least 36 square feet of floor space and 500 cubic feet of breathing space if no mechanical power was used and 700 cubic feet of breathing space if power was used. For purposes of calculation no height above 15 feet is taken into account. With regard to ventilation, the Madras rules provide for ventilating openings in the proportion of 5 square feet for each person employed in the room, the openings to be such as to admit of a continuous supply of fresh air. The rules do not prescribe any standard of lighting; apparently it is left to the discretion of the Inspector. The scale of sanitary convenience is in the proportion roughly of 1 seat for every 50 operatives but there must be a minimum of three at least in every factory however small. It may incidentally be remarked that the Madras rules are defective in one respect, *viz.*, in not providing for an adequate water supply in lavatories. Good drinking water at the rate of one gallon per operative must be maintained every day in each factory. But a number of factories do not supply cool drinking water and the rules may as well provide for this since it is so necessary in this hot country.

Ventilation and Humidification.—The two problems connected with the health and comfort of the workers, which have given rise to serious difficulties and which until quite recently baffled solution, relate to the fixing of proper ventilation and humidification standards. The two are allied questions. The processes connected with cotton require a fairly high temperature—although not too high—and a sufficiently high degree of moisture. In order to obtain a comfortable degree of warmth in cold weather, it is the custom in the mills not fitted with modern ventilating arrangements to shut all windows. In hot months, to get a sufficient amount

of moisture, windows and doors are all closed again to prevent the inrush of dry air from outside and various methods of humidifying the air are resorted to. In both cases the absence of fresh air and free circulation of air within renders the work-room stuffy and fatigues the worker. It is not so much that the percentage of humidity used in the weaving department is by itself excessive; but, when high humidity is sought to be obtained in work rooms of high temperature and great heat, the physical discomfort of the operatives is considerably increased. Hence the problem in India was how to enforce such standards of ventilation and humidification as would not injuriously affect production but would at the same time lessen the discomfort of the operatives. So far as the removal of injurious dust and noxious fumes and gases was concerned it admitted of an easy solution and by providing for exhaust ventilators dust and fumes were removed. But there was difficulty in regard to the physiological aspect of the question. The provision of a proper working atmosphere capable of giving a stimulus to muscular activities without prejudicing the needs of the factory was not easy.

The evolution of ventilation standards in India is rather interesting. At one time it was thought that a minimum of cubic air space for each person would afford adequate protection; but as a result of the report to the English Government of the Haldane Committee, 1902, it was realised that "the existence of a certain cubic air space afforded no reliable guarantee of efficient ventilation and that the most highly vitiated air met with by the Committee was in an air space of about 10,000 cubic feet per person or 40 times the legal minimum."* That Committee stated that the best objective criterion of the sufficiency of ventilation in ordinary rooms was the proportion of carbon dioxide in the air. The recommended test was adopted in England and later followed in India and a standard of ventilation based upon the percentage of carbon dioxide was fixed for Indian textile factories. But the fallacy of a standard based on the chemical purity of the air has recently been established beyond doubt by the highest medical authorities and recent researches have amply proved that the chief factor affecting the worker was the cooling power of the air.† Hence it has been

* Report of the Textile Factories Labour Committee, p. 21.

† Report on Humidification in Indian Cotton Mills, p. 30.

proposed that for Indian factories the standard of ventilation should take cognisance of the nature of work performed, and the degree of atmospheric cooling power demanded should be increased in accordance with the degree of muscular activity demanded by the work. In regard to cotton mills, the Government of India have proposed that if ventilation be provided in such a manner as to give a minimum cooling power of 11 milli calories per square centimetre per second, artificial humidification to any degree will be permitted. But where this is not possible, the rules require that cotton mills should stop artificial humidification whenever in relation to the particular temperature then prevailing, humidity is in excess of the *prescribed* standard. A schedule showing the maximum wet bulb readings permitted at different dry bulb readings in cotton mills has been annexed to the rules and it has been laid down that the wet bulb reading in the factory should not, at any time, be higher than that specified in the schedule for the wet bulb reading corresponding to the dry bulb reading hygrometer at the same time. *

In this manner after a series of experiments the question of ventilation in factories in India has been very nearly solved.

* Madras Factories (Cotton Mills) Ventilation and Humidification Rules (*Fort St. George Gazette*, Aug. 1926, p. 1809).

Note.—The Schedule annexed to the rules simply seeks to lay down the percentage of humidity admissible in the workrooms in respect of varying degrees of atmospheric temperature and the rules require that no factory should increase the percentage of humidity above that prescribed as safe in relation to the particular temperature then prevailing outside the factory.

CHAPTER VII

SCOPE AND ADMINISTRATION OF FACTORY ACTS

Scope.—The scope of Factory Acts forms perhaps the most important part of a study of factory legislation in a country. The nature and classes of the industrial establishments that are covered by legislation indicate whether a large proportion of industrial workers is protected or not. The Act of 1881 judged by this test was a modest measure, for it excluded all industrial establishments—

1. that did not use mechanical power;
2. that employed less than 100 persons;
3. that worked only for a period of less than four months;* and
4. that were used solely for tea or coffee plantations.

The Act of 1891 was an improvement over the first Act in two respects: *i.e.*, (*a*) it extended the definition of "Factory" to include establishments that satisfied the old definition in every other respect but employed 50 persons at least in any one day, and (*b*) it conferred on Local Governments the power of extending the scope to those employing 20 persons or more. The only alteration that the Act of 1911 made was the removal of the exemption granted to establishments working for only four months in the year but in other respects it left the old definition intact. The Act of 1922 is notable not merely for the adoption of a widened definition of the term "Factory" but for the application of a new principle altogether. The Act now applies to all industrial establishments, including plantation factories, that use mechanical or electric power and that employ 20 persons or more. But the Local Governments have been for the first time given powers to bring under the scope of the Act "workshops," not using mechanical power but employing at least ten persons. The new Act therefore enables a Local Government to bring under the Act both small industrial

* For instance seasonal factories such as pressing and ginning factories.

establishments using mechanical power and employing at least ten persons in a day, and also establishments that do not use power but employ ten or more persons.

The comparatively slow progress in the extension of the scope of factory legislation in India is to be explained by the difficulties of administration on the one hand and the fear of imposing premature restrictions on infant industries on the other. If legislation is not to be a useless formality but a really effective instrument to prevent abuses, administration must constitute the limiting factor in extending legislation. Where factories are small and scattered, it would not be possible except at too high a cost to make inspection really effective. It was this difficulty that prevented many Local Governments from exercising the option conferred on them since 1891. Bombay was the only province which had applied the Act of 1911 to ginning and pressing factories that employed at least 20 persons; and she has been the first to bring "workshops" under the provision of the Act of 1922.* In 1924, however, other provinces too followed suit. The Central Provinces and Berar brought 23 establishments under "notified" factories, Bihar and Orissa 8, Madras 4, and altogether 60 establishments have been brought into the scope of the "Factories Act" by the action of the Local Governments. But action has not been sufficient to meet the needs of the situation. For it has been found that some power-factories have deliberately kept down the number of their operatives at 19 in order to escape inspection. In other cases power has been dispensed with but a large number of little children and women are employed under dangerous and injurious conditions of work.

In 1924, there were 6,406 factories working in India, which meant an increase of 7 per cent over the number in 1923. The number of operatives employed was 14,55,592 made up of 11,47,729 men, 235,332 women, 12,291 girls and 60,240 boys. This was an increase of 3·3 per cent over that for 1923 and it is interesting to note that while the number of men and women employed increased by 3·1 and 6·5 per cent respectively, the number of boys and girls employed showed a diminution of 2·6 per cent and 3·8 per cent respectively.† The number of

* Bombay Annual Factory Report, 1923, p. 17.

† Labour Gazette, Bombay, May and June, 1926.

factories had increased to 7,251 in 1926 and the number of operatives to 15,18,391.

Administration.—Indian factory legislation is in some respects remarkably efficient, for it has avoided the pitfalls of drafting the law in too general a form to be of any real use or of framing it in too detailed a manner to suit the varying needs of different industries. This has been partly due to the character of the Indian constitution. Although centralisation of administration was the rule, the existence of Provincial Governments could not altogether be lost sight of and hence legislation in India concerned itself with enunciating and incorporating the main and fundamental principles of factory legislation in the Act leaving the task of framing rules and administering the Act to Local Governments. This was an undoubted advantage to the country; suitable modifications might easily be made by Local Governments to suit varying needs and circumstances. But they have not been given entire discretion in every matter. In every respect, the principles are well defined in the Act itself and even with regard to rules a draft framed by the Government of India is issued to Local Governments which may make the needed changes.

Exceptions and Exemptions.—Owing to a variety of causes, concessions have to be granted to special classes of factories in regard to questions relating to holidays; daily and weekly hours of work, midday rest etc. Whilst the actual exemptions are to be granted by the Local Governments, the principles that ought to be followed have been clearly enunciated in the Act itself and they are almost self-explanatory.* (*a*) Exemptions from the limitation of daily and weekly working hours may be granted to factories where any class of work is in the nature of complementary work carried on outside the limits laid down for the general working of the factory, (*e.g.* pumping operations at oil installations) or to factories whose work is essentially intermittent (*e.g.* packing, binding and baling the finished articles, cleaning of walls of factory buildings etc.) Exemption from the operation of the provision relating to the granting of weekly holidays may be granted to factories whose work necessitates continuous production for technical reasons

* Factory Act of 1911 (as amended in 1922) 30 (1) *a* to *e*.

(*e.g.* sugar factories ; cement ; steel works) or to those that supply the public with articles of prime necessity which must be made or supplied every day, in which case exemption from rest interval too may be granted (*e.g.* ice factories, soda factories) or to those where their work owing to the exigencies of trade, cannot be carried on except at stated seasons or at other times dependent upon uncertain natural forces (*e.g.* cardamom factories, coir presses etc.) In addition Local Governments have been empowered to grant special exemptions from the operation of the laws relating to rest periods and weekly holidays to indigo, tea and coffee factories. These powers are freely made use of and the number of exemptions from the various provisions relating to weekly holidays and hours has been too large as will be seen from the following statement :—

—	1923	1924	Diminution per cent
Number of factories exempted from section 22 relating to the granting of weekly holidays.	2013	1474	27
Number of factories exempted from section 28 (daily hours of work).	833	45	95
Number of factories exempted from section 27 (weekly hours).	1809	1096	39

There is danger in this. The need for exempting factories from the operation of certain restrictions is of course obvious but unless in every case the most careful scrutiny is made regarding the necessity for exemptions the purpose of the Act itself might easily be frustrated under cover of exemptions. The Government of India too were so much impressed by the tendency of Local Governments to be unduly liberal in granting exemptions that they expressed themselves against such a policy. The fact that exemptions were granted freely without sufficient justification in 1923 is evident from the significant reduction in exemptions that was made in 1924.

Inspection.—The Factory Acts of 1881 and 1891 limited as they were both in scope and in character would have been somewhat satisfactory if they had been administered efficiently by an adequate inspecting staff. But it was far from being the case. The Factory Commission of 1908 expressed themselves very

strongly on this question :—" When we find that in Calcutta, the headquarters of a special Factory Inspector, from 30 to 40 per cent of the children employed as half-timers in jute factories are under the legal age of 9 years, and 25 per cent of the young full-timers are under the legal age of 14 years ; that in 17 out of the 29 cotton factories visited by us outside the Bombay Presidency all the children under 14 years of age are regularly worked the same hours as adults ; that Factory Inspectors admit that they knew of the existence of these abuses, and took no steps to stop them ; and that in many factories the provisions of the law for a midday interval and an entire stoppage of work on Sundays are more or less ignored—it is evident that, except at a few centres, the present system of factory inspection has proved a failure." To understand the cause of this we shall have to look closely into the history of factory inspection in India. The administration of Factory Acts was from the beginning entrusted to Local Governments and they were given the option to appoint special Factory Inspectors or entrust the work of inspection to District Magistrates. In 1883 Bombay alone appointed a special Inspector but abolished the post in 1887. In 1892, however, two special Inspectors were appointed, one for Bombay and the Central Provinces and the other for Bengal and the United Provinces. But even in 1906 there were (excepting *ex-officio* Inspectors) only six Inspectors distributed as follows : Bombay 3 ; Bengal and Assam 1 ; Madras 1 ; and the Central Provinces 1.

Two questions arise out of this :—(1) should inspection be done by district officials or by specially qualified Inspectors, and (2) quite apart from the answer to the first, could inspection by district officials be ever dispensed with ? To entrust the work of inspection to a body of officials, overburdened with a number of other duties, who could at best give but a small portion of their time was to court failure and the inevitable happened. Nor is inspection a mere police function to be entrusted to District Magistrates. Although originally it was conceived as a police function in most countries and as a result police officials were entrusted with the function of noting whether every occupier duly observed all enactments relating to conditions of work etc., the true nature of the problem was soon revealed. Industrial safety *i.e.*, the protection of workmen against the dangers of accident and of unhealthy

conditions became the sole or at any rate the chief concern of the inspectorate. With the new orientation of the problem, there were required to suit the complexity of the altered conditions of work experts quite different from the mere police officials who would be all right if the qualities required were merely to ensure compliance with certain rules. Factory inspection is thus a dual function—in part it is a police function and in part a developmental one; the Inspector is thus something between a police official and a special adviser and guide to occupiers. In England most of the improvements effected in factories have been inspired by the advice of the Inspectors. With the advance of time the importance of the former function falls comparatively into the background; that of the latter increases. In England police work such as is involved in enforcing provisions of the type of those regulating the hours of work etc., fell into the background long ago, because existing conditions were far superior to the legal minimum. India has not yet reached that stage; and as long as factory conditions are inferior to legal requirements, inspection by district officials cannot and ought not to be dispensed with. For, there are many advantages of such sudden and intermittent inspections by local officials. In the first place, where factories lie scattered over a vast area, it would not be possible for Inspectors to make more than one hasty inspection. Secondly, such inspection would be robbed of much of its value by the ability of the occupiers to get previous intimation. Local officials, on the other hand, would be able to enter a factory suddenly and take the occupier or manager by surprise. And thirdly, in some respects the most important factor, owners of small factories in outlying areas well aware that after one inspection, second visits are exceedingly unlikely, commit deliberate irregularities. This could only be avoided by surprise inspection by an official on the spot. These considerations indicate the necessity for the retention of district officials as *ex-officio* Inspectors.

Duties of Inspectors.—The Chief Inspector of each province is primarily responsible for the administration of the Act. He and other Inspectors are expected to inspect every factory other than a seasonal factory within their respective areas at least twice yearly and every seasonal factory once during

each season of work. But this is often not done owing to inadequate staff.

On each inspection of a factory the Inspector is required to satisfy himself:—

1. that the provisions made in the Act and the rules framed thereunder to secure the health and safety of the operatives are observed;
2. that the children employed in the factory have been duly certified and that none are employed who are unfit;
3. that the register of all persons employed in such factory, of their hours of work, and of the nature of their employment is kept in the prescribed form;
4. that the periodical stoppages of work and holidays provided by the Act are granted and that the limits of the hours of work laid down therein are not exceeded; and
5. that overtime wages are duly paid.

He is required to enquire into the causes of all accidents which have taken place since the previous inspection. Finally it is his duty to note how far the defects pointed out at previous inspections have been removed and how far orders previously issued have been complied with. Assistant Inspectors are not invested with all the powers under the Act. They are generally empowered to enter factories to make examination of premises, machinery and any prescribed registers and to take evidence of any person on the spot. Similarly the powers of District Magistrates are also limited by Local Governments.

To discharge these functions satisfactorily there should be an adequate inspecting staff in each province, and although the number of Inspectors and Assistant Inspectors has been increased since 1911 to 28* all over India, they are insufficient in number, deficient in quality and uneven in distribution. It will be seen from the statement annexed that while Madras altogether has 5 persons including an Assistant Inspector, Bengal, too, has only the same number though they are expected to inspect the factories of Assam as well. A glance at the number of factories

* *Vide* statement on p. 57.

inspected and uninspected in various provinces reveals just the results that one may expect.* On the average nearly 700 factories remain uninspected in Bengal and Assam every year and unless the inspecting staff is strengthened by the addition of more Inspectors, administration will break down especially if the Bengal Government makes proper use of the powers given under the Factories (amended) Act to bring smaller industrial establishments within its scope. Another evidence indicating lax administration in Bengal is afforded by the comparatively few cases that are brought to book in that province. While the number of convictions obtained in Bombay and Madras in the year 1924 was 225 in each, there were only 36 convictions in Bengal. The evidence can, of course, bear a different interpretation *viz.*, the laws were not really violated in Bengal. But that such an explanation cannot bear close scrutiny will be evident from the fact that Bengal possesses, if anything, more factories than Madras and almost the same number as Bombay and that the employers in Bengal are in no way essentially different from those of other provinces. Even in other provinces there is need for more efficient administration. It is true that the number of factories uninspected in any year is falling off steadily in every other province; but those that are inspected twice every year are not sufficiently numerous although the rules of many provinces provide for double inspection of every continuously working factory. One short inspection would not suffice and in certain industries considered to be specially unhealthy, self-inspection is provided for in English Factory Legislation. This, however, is not possible in every case but there can be no doubt that as far as possible factories should be inspected more frequently than is at present done, at least twice or thrice.

Inspectors that have been appointed so far are men possessing knowledge of Engineering and do not have any special medical qualifications.† If the health of the operatives is to be properly looked after the appointment of a few Medical Inspectors for each province seems advisable. At present the sanitary conditions of the factories are to some extent examined by the officers of the Department of Public Health who have been given the powers of inspecting the factories in respect of

* *Vide* statement on p. 58.

† Labour Gazette, Bombay, November 1925.

their sanitary arrangements. But their usefulness is necessarily limited by their want of time and by their regarding this part of their functions as subsidiary and subordinate. One difficulty in efficiently administering the Factory Act is that Magistrates do not understand the need for imposing maximum penalties when deliberate violations of law are proved. They should be taught the principle underlying factory legislation and induced to co-operate with the Inspectors in safeguarding the health of the workers. We have dealt with the questions of inspection at such length because in industrial legislation it cannot be too often reiterated that administration is the most important factor and that the best of laws will not serve its purpose if badly administered.

TABLE I

—	Chief Inspectors	Inspectors	Assistant Inspectors	Total
Madras ...	1	3	1	5
Bombay ...	1	2	3	6
Bengal and Assam ...	1	44	...	5
Bihar and Orissa ...	...	1	...	1
United Provinces ...	1	1 (Additional inspector)	...	2
Punjab, Delhi, North-West Provinces, Ajmer-Merwara.	...	1	1	2
Central Provinces ..	1	...	2	3
Burma ...	1	1	2	4
				28

Factory Inspection : International Labour Office, p. 294.

TABLE II

Province	Number of factories		Total
	Inspected	Not inspected	
Madras	955	89	1,044
Bombay	1,159	52	1,211
Bengal	750	315	1,065
United Provinces	224	33	257
Punjab	378	56	434
Burma	770	88	858
Bihar and Orissa	170	44	214
Central Provinces and Behar ...	606	12	618
Assam	227	352	579
North-West Frontier Province.	10	5	15
Baluchistan	...	6	6
Ajmer-Merwara	29	1	30
Delhi	57	3	60
Bangalore and Coorg ...	14	1	15
Total for the year 1924 ...	5,349	1,057	6,406
Total for the year 1923 ...	4,831	1,154	5,985

Statistics of Factories subject to the Indian Factories Act, 1924.

CHAPTER VIII

FACTORY LAWS AND WAGES

Deductions from Wages.—Factory Laws are not directly concerned with the question of wages. In England by the Wages Particulars clause of the Factory and Workshop Act of 1891 it is the duty of the employers to give to every piece worker in textile factories particulars of the rate of wages, the method of calculation, etc., and the Inspector must see that this rule is observed by all employers. Besides he is also expected to administer the Truck Acts. In India the Inspector is required to see that when workers are employed overtime they are given one and a quarter of their normal wages and this involves an examination of their ordinary rates of wages. So far there are no Truck Acts in India but the need for protecting the workers against various forms of deductions from their wages is acutely felt and legislation cannot long be deferred. At present employers enjoy unrestrained powers of inflicting heavy fines sometimes for trivial offences and of causing large deductions to be made from their wages for spoiling cloth etc. Cases are on record where fines amount to from 1/3 to ½ of the wages of the workers.* These deductions are due to (1) the spoiling of cloth; (2) irregular attendance; (3) negligent work; (4) alleged misbehaviour; (5) absence without leave and so on. Pieces after pieces of cloth spoiled during the processes of work are returned to the workers and heavy deductions made from their wages, often exceeding the actual cost to the employers. Wages that are demanded after a lapse of time are refused. They are also withheld for absence without permission, for failure to resume duty after the expiry of leave owing to illness or employment elsewhere. Again the conditions under which the arrears of wages are disbursed are onerous to the worker who is employed in another place or in another factory in the same place. He has to present himself in the mills on the day fixed for the purpose of payment of wages and authorised agents are not recognised. Amidst these difficulties it is not surprising that the workers do not get back their dues and the large amount of unclaimed wages in the balance sheets of a number of mills is an indication of the measure of the workers' difficulties.

* Memorandum submitted to the Cotton Tariff Board by the Textile Factories Labour Union, Bombay.

Again, the rates of wages for piece-workers and the wages of time-workers are often cut down without notice and workers are therefore not certain of the amount of wages they are likely to receive for their work; nor are they conversant with the methods of calculating the total amount of wages due to them and they run the danger of being exploited. Further, wages in the cotton factories of India are disbursed only once a month and are paid only in the middle of the month following that to which their work relates. This has serious economic and social effects. The workers not merely run into debts thereby but are exposed to the mercy of the employers who, even on the day of payment of their wages, have a fortnight's wages, as security against the workers. Such are the various questions involved in the mere receipt by the workmen of wages due to them and in view of the importance and the urgency of the solution to them it may not be out of place to consider briefly what action has beeen taken by England in the matter. Apart from the question of fixing the wages of workers in certain industries with which we are not at present concerned, legislation in England has been adopted to secure the following ends :—

1. To enable the workers to know the rates of wages for their work and to ensure that their wages are properly calculated ;
2. To secure that wages are given only in the current coin of the country *i.e.*, in cash and not in the form of goods or services with certain minor exceptions ;
3. To ensure that wages are not paid in public houses and licensed premises where there is danger of compulsory extravagance ; and
4. To regulate the amount of deductions allowed from the wages of workers owing to any causes.

Legislation on the same lines with suitable modifications to suit Indian conditions is almost inevitable in the near future. The Government of India too have been convinced that the system of inflicting fines on workmen in industrial establishments has given rise to so much discontent among the workers that steps should be taken either to abolish the system altogether or to reduce it to such an extent as to prevent abuse. But they

are handicapped by want of sufficient and accurate data* regarding the degree in which the system of imposing fines is prevalent in India, the form which it takes, and the amount of hardship it causes to the workers. They have therefore invited Local Governments to furnish information on the question and suggest the lines of action, if any, which they would propose. There is, however, no doubt that the Indian employee must be protected by State action against this form of exploitation, evidence of which already exists to some extent. The illiteracy and ignorance of the Indian workmen and the absence of strong labour organisations make the need for protection in India greater than elsewhere. The experience of Western countries has in many cases led to more or less elaborate legislation on the subject. The provisions of the English Laws are embodied in the Truck Act of 1896.

It deals with (1) disciplinary fines; (2) deduction for spoiled work or damaged material and (3) charges for supply of materials, tools, etc., by the employers. The principles of the Act may be summarised as follows :—

1. There must be something like a contract with the workmen authorising fines or allowing deductions and specifying the acts or omissions in respect of which the fine or deduction may be permitted and the amount of fine or deduction;
2. The particulars in writing stating the acts of omissions in respect of which deductions are made must be supplied to the workers;
3. The deductions must be fair and reasonable and must not exceed the actual or estimated cost of the damage or loss caused to the employer;
4. The charges for the supply of materials to the workers must not exceed the actual or estimated cost to the employer and in the case of the machinery, light, etc., a fair and reasonable rent, having regard to all the circumstances of the case, would alone be permissible.

In India only the first two forms of deductions are widely prevalent and are being abused. The two are so similar in

* Since this was written the Report of an Enquiry into Deductions from Wages or Payments in respect of fines has been published by the Labour Office, Bombay, which gives much valuable information.

nature that in England a departmental committee that considered the whole question of Truck recommended that negligent work should be treated as an occasion for disciplinary fine and that the amount of fine either for indifferent or negligent work should be limited in any one week to 5 per cent of the wages for that week. But there exists a body of weighty opinion which is altogether opposed to the system of fines and is for its total abolition. It is contended that fines are not really deterrent, that they have a bad moral effect, and that being often unfairly imposed they create a sense of injustice and lead to irritation. "If a fine was imposed it was paid and the matter was dismissed from the mind with no abiding influence on the character of the delinquent. The payment was felt to have wiped out the offence and other offences could be cancelled on the same condition."* Better supervision and moral control with the alternative of dismissal as the last resort for persistent negligence or indiscipline are the suggested remedies.† On the other hand, there are dangers in abolishing fines altogether. Workers would prefer fines to dismissal‡ which may often be hasty and for insufficient reasons, and in India the abolition of the fining system may have adverse effects on the punctuality and efficiency of the workers. What is required in India is a simple piece of legislation which would (1) statutorily fix on the employer the responsibility for drafting a set of rules regulating the system of fines, and for posting them in factories; (2) limit the amount of fines permissible for any offence or group of offences within a given period of time and (3) prevent the use of sums paid as fines in any other manner than for the benefit of the workers. This last will be a very salutary provision as it will remove the temptation of the employer to fine the workers for trivial causes. At present, with the exception of a few factories, the great majority of establishments in India appropriate all fines to their own 'Revenue.'

Period of Payment of Wages.—A further line of State intervention not found in England is necessary in this country

* Cadbury: Experiments in Industrial Organisation, p. 69.

† At Bourneville the system of fining was abolished in 1898 and the right of punishment was vested with the directors. As a result, there has been a gradual, but marked, improvement in time-keeping, conduct, and quality of work." *Ibid.*

‡ Report of an Enquiry into Deductions from Wages etc., Labour Office, Bombay, p. 89.

and it refers to the time of payment of wages. In England weekly wages have become universal and the country is so thoroughly accustomed to regulate everything in relation to the week that the State had no necessity to regulate the periods within which payments of wages should be made. In India, as already stated, wages are not only paid only once a month but employers keep in their hands nearly a fortnight's wages as security. Something must be done, therefore, to prevent this. In the Legislative Assembly a private Weekly Payment (wages) Bill was introduced but was not adopted. Since then the Government of India themselves have resolved to take action in the matter although on lines different from those contemplated in the Bill. The reasons why employers prefer paying wages at long intervals are that thereby the risks of workmen stopping away suddenly are minimised, that employers are able to save interest on the wages held over, and that frequent periodical payments often interfere with the normal working of the factory and add to the administrative cost. On the other hand the objections from the point of view of workmen to monthly payments are serious. They constitute one important factor compelling workers to purchase on credit. Everyone knows that credit prices are considerably higher than cash prices and that workers thereby suffer a loss. They again compel workers to incur debts to get certain goods which cannot be secured otherwise than by payment of cash. At any given time, there is in the hands of the employers a substantial part of the workers' wages which are often forfeited for alleged misbehaviour. They thus place in the employers' hands a weapon which could be used against the workmen. Hence payments at more frequent intervals are necessary. Switzerland, Belgium, and a few other countries in Europe fix by legal compulsion the maximum interval (a week or a fortnight) which can elapse between two payments. In India the opinions of various bodies consulted by the Government of India regarding this question revealed considerable differences. It was contended that in India most of the payments that workers had to make were monthly except those for their food purchases which were made almost every day. The factory operatives paid their rent monthly; and the chit system of savings which was so universal in India and to which workers subscribed was usually carried on on a monthly basis. In a few factories in Bombay where the weekly payments system was introduced it

was stated that it had to be abandoned because of the desire of the workers to revert to the old system. But the experiment was not pursued for a sufficiently long time to enable one to judge of its value. In the Jute Mills of Bengal weekly payments are made and in the Railway workshops of the Madras Presidency wages are paid fortnightly. An enquiry made by the Labour Office, Bombay, at the instance of the Government of India showed that, while in the bulk of the factories in the Bombay Presidency wages were paid monthly, a good number were paying their workers at shorter intervals, and there was absolutely no evidence that the workers in the latter were discontented with the arrangements.

Another argument advanced against the introduction of shorter intervals of payments is that the smaller wage earners would not be able to withstand the temptation to fritter away the small sums of money they would be receiving weekly or fortnightly and that, therefore, when the time for payment of certain monthly dues comes, they would have to run into debt. Again it is urged that owing to the habit among the workers of taking one or two days off immediately after pay-days there would be greater absenteeism in the mills. A further argument advanced is that piece-workers would find their earnings reduced as they would lose time frequently by going out to receive payments as often as once a week. Most of these arguments are by no means unanswerable. Savings chits could be organised weekly; rent would automatically adjust itself to shorter periods if weekly or fortnightly payments became the rule. Absenteeism is the result of such a variety of causes that in any case it deserves separate treatment. Again it is not beyond the capacity of the management to devise means of paying piece-workers without undue loss of time to them. But in any case, admitting that some of the difficulties stated above are real, the disadvantages to the workers arising from monthly payments are more serious than those from shorter duration, and hence legislation should be introduced to secure payment of wages at intervals not exceeding a fortnight. The powers of the employers to withhold wages and to forfeit them for alleged mistakes of workers should also be curbed. In these lines lies a measure of reform which will go a long way to promote the well-being of the Indian workers.

CHAPTER IX

MINING LEGISLATION

Principles.—There are such outstanding differences between the mining industry and manufacturing industries that in almost every country legislation in regard to the former has followed lines peculiar to itself and mining legislation presents in many respects striking differences compared with factory legislation. Some of the principles themselves are novel and arise from the nature of the industry. In the first place, the industry is a specially dangerous one; it is not merely that the liability to accidents is greater owing to the sudden and unforeseen explosions caused by the presence of explosive dusts and gases. But the industry is responsible also for causing in the workers certain diseases of an occupational type. The absence of sunlight, the dampness, and the liability of mines to get inundated affect the health of the workers. Accidents being more spectacular have received generally greater attention but there is an equal, if not greater, need for protecting the workers against the health dangers of the mining industry. It is true that there are manufacturing industries equally unhealthy; but the mining industry is the most characteristic of unhealthy industries. The work of the miner is underground and it obviously subjects him to far greater dangers than manufacturing industries do. Secondly, the shafts in certain mines may lie over long distances sometimes extending over three or four miles and at any moment an accident may occur at any spot. There is special need for exercising proper control over all the working places of a mine and responsibility must be fixed on some officials. The need for drafting elaborate safety rules and regulations is nothing so great in factories as in mines. Again the violation of safety rules and regulations is not fraught with so much danger in factories as in mines and hence the infringement of mining rules is generally more severely dealt with. The peculiar features pertaining to the mining industry have called for the application of somewhat different principles of legislation from those applying to factories. Some of them may be enunciated as follows:—

1. The imposition of certain definite qualifications on Managers, Under-Managers, Firemen, Examiners, etc.,

proved for the most part by the possession of a qualifying certificate.

2. The provision for internal inspection and the imposition on mining officials of some of the duties of inspection.

3. The limitations on the sphere of the managers' supervising jurisdiction; and

4. The insistence on the provision, by the managers, of special rules suited to their individual mines and calculated to prevent accidents therein.

The above points are almost self-explanatory but a few words may be said here. In regard to factories, legislation does not concern itself with the qualifications of the manager; the appointment is left entirely to the free choice of the owner or proprietor. But in mining, some definite qualifications are imposed because the dangers of entrusting the lives of thousands of workers to a person who, if he is ignorant, may bring about a disaster, are so serious that in view of the seriousness involved, certificates of proficiency are enforced. Again accidents in mines will be caused by any flaw, mistake or defect of plant, safety-lamp, etc. Everything should be kept in a state of proper repair every day and to ensure this one solitary inspection can never be sufficient; nor can an industry afford too frequent inspections from outsiders without serious dislocation and interruptions to its regular work. The obvious remedy is therefore to hold the very officials working in the industry responsible for the maintenance of safety conditions within and thus shift a part of the burden of inspection. But if this were to be done effectively they must be experts, versed in the technique of mining plant, machinery and safety devices. Hence the imposition of qualifications on all officials holding supervisory positions. In some countries like England the mine manager is not permitted to be in charge of more than one mine unless the number of persons employed in the mine be very few; in which case more than one mine could be under his charge. Even then each individual mine must have a separate under-manager. Finally, although general rules and regulations are laid down to suit all mines, certain special safety rules, designed to suit the particular circumstances and conditions of individual mines, are required to be drafted in the first instance by the

mine managers, and if approved by the Inspector they are treated just like other rules. If not approved, the matter is usually referred to arbitration and the rules as settled are given effect to.

English mining legislation has had a long and interesting history and the mining industry was specially marked out for some experiments in industrial legislation. The following may be noticed.

1. The payment of wages to miners in licensed premises was forbidden in 1842.
2. In 1887 the Check-weighing Act was passed whereby provision was made to enable the miners to appoint a check-weigher to act on their behalf who would see if their tubs of coal were correctly weighed and the deductions made for damaged output were reasonable and fair. The importance of this provision for miners working underground who could not otherwise know the actual amount of their output which was weighed in their absence above-ground can hardly be exaggerated.
3. The Coal Mines Regulation Act of 1908 prohibited a miner from working below ground for more than eight hours during any consecutive 24 hours and in 1919 the hours were reduced to 7 a day.* The importance of this provision will be obvious when it is realised that it was the first real instance in England of state interference in regard to the liberty of adult male labourers to work for any hours they liked.

Indian Mining Legislation.—The progress of legislation in India in regard to mines not only affords a contrast to mining legislation in England but to factory legislation in India. Legislation was undertaken only very late and progress was far from rapid. The first mine in India was worked in 1830; but the development of the industry was rather slow in the beginning. It was only after the sixties of the last century that the coal-mining industry was established on a firm basis. But inspection by Government of a purely formal type commenced only in 1894, and this was owing to the deliberations of the

* The Mines (Amendment) Act, 1926, permits miners to be employed for 8 hours a day.

International Conference held at Berlin in 1890; and it was only in 1901 that for the first time a Mines Act was passed. Although the Act proved to be an effective instrument for securing safe conditions of work for the miners, it did not attempt to regulate the hours of work of any class of operatives working therein.

It provided for certain general rules relating to the safety of the workers such as inspection of plants, raising and lowering of persons from and to the mines, ventilation in the mines, reporting of accidents, etc. Inspectors were appointed to enforce the provisions of the Act and they were assisted in their duties by Mining Boards and Mining Committees. Mining Boards which were constituted for each province or area, scrutinised all the draft rules and bye-laws providing for safety in the mines, drafted in the first instance by the manager or Inspector. They are expert advisory bodies to help the Local Governments in framing suitable bye-laws for the mines. The Mining Committee is essentially a quasi-judicial authority to decide on disputed issues arising between the managers of mines and the Inspector in regard to health and safety devices in the mines and also to investigate into accidents in the mines. The Act of 1901 was strengthened in 1904 and again in 1906 when a number of new rules were added relating to the granting of certificates to mine managers, the conditions under which they were to be granted and the qualifications the managers of various classes of coal-mines should possess. In 1918 a few more rules were added which provided for the adequate acquaintance on the part of coal-mine officials of the number of persons working in a mine at any given time and for the putting up of gates at the entrances to mines, which were entered on foot. So far nothing had been done to regulate the hours of work of children, women, or men. The first International Labour Conference held at Washington in 1919 passed a number of conventions which forced the hands of the Government of India who had now to legislate in a more comprehensive manner and regulate the conditions of work of the various classes of operatives. Further by the Government of India Act, 1920, and the Devolution Rules framed thereunder, the regulation of mines being a central subject, the duty of regulating the mines and securing the safety

of the workers devolved upon the Government of India and they had therefore to make clear the respective functions and powers of the Central and Provincial Governments in respect of mining legislation. The Act of 1923 which replaced the old Act of 1901 follows the line of making the Central Government alone responsible for the technical administration of the Act, leaving only minor matters of administration to Local Governments.

The Mines Act of 1923.—Some of the special features of Indian mining legislation cannot be properly understood unless the peculiar characteristics of the mining population are noted. The Act of 1923, progressive as it is in scope and character, is imperfect in many ways. There is no difference made between the hours of work of children and of men, and all are treated alike, the only exception being that no child below 13 is permitted to be employed underground. But even in respect of persons above 13 there is no insistence on certificates being obtained to testify to their having attained the minimum age. Women in India have been freely permitted to work underground although in England nearly a century ago their employment was prohibited. In respect of the hours of employment there is absolutely no limit to the daily working hours of men or women. The only restriction is on the weekly working hours.* These shortcomings are so serious that some explanation is required for the admittedly unsatistactory Act and the explanation lies largely in the character of the coal-mining population of the country.

Labour for the coal mines of India is recruited from certain classes of aboriginal hill tribes who, accustomed to the peaceful life of their isolated villages, look upon the prospects of settling permanently in the coal fields with aversion. They are agriculturists first and agriculturists last. They resort to the coal fields to add to their meagre agricultural income, and are satisfied as soon as they have earned some wages. Their standard of life is extraordinarily low and they show little desire to raise it. When they find they can earn all they want by working fewer days in the week they limit their work to that number of days. Increased rates of wages do not therefore have on them the

* Since the above was written, a bill has been introduced in the Legislature limiting the daily hours to twelve.

results that usually follow in other countries, but only cause greater absenteeism; and output falls considerably as a result. On the other hand output actually increases when rates of wages are reduced.* There has so far been no sign of a class of hereditary pitmen coming into existence; and special arrangements have to be made to get a sufficient supply of labour. Some of the smaller mines send out sirdars to villages to recruit labour. The more usual practice followed by the larger collieries is to recruit through contractors and often the latter contract not to supply labour but to cut coal and deliver it on the surface at a fixed price.† Contractors make advances to labourers of fairly large sums and have to take the risk of their bolting away even before the advances are cleared off. Thus labour being both extraordinarily fluid and migratory on the one hand and insufficient on the other a large number of women and children have to be employed to make up the needed supply. The evidence tendered before the Coal Committee was absolutely unanimous on one point *viz.*, that if women labour underground were prohibited the coal mining industry would be faced with an acute crisis and the Committee has endorsed the view! The reader must bear in mind these observations for they have left their mark on the Mines Act.

Scope.—The Mines Act of 1901 applied only to those mines, minerals or quarries which were more than 20 feet deep and thus excluded a number of small mines. The Act of 1923 extends to all excavations where any operations for the purpose of searching for or obtaining minerals are carried on, whatever the depth of the mine, and all works, machinery, tramways and sideways whether above or below ground are included in the term "mine." Those of the manufacturing processes other than coke making and the dressing of minerals are excluded from the operation of the Act. The number of mines within the scope of the Act of 1901 was 1,543 in 1923, of which 942 were coal mines. Of those 559 were worked by mechanical power and 984 not worked by mechanical power. The new Act has brought a good number of the smaller mines within its scope as will be evident from the fact that, in the six months of the working of

* Report of the Indian Coal Committee, p. 35.

† Census of India, 1921, p.

the new Act, the number of mines that were brought under its operation had increased to 1804.*

Children in Mines.—In no respect was the earlier Mines Act so defective as in its failure to regulate the conditions of child employment. Little children went down the mines with their parents and worked for long hours and were exposed to the dangers of mining work. Even in 1923 there were 7,250 children under 12 years of age working in the mines.† There could be no justification, whatever might be the peculiar circumstances, for denying to the children opportunities for education and recreation. Work in mines being particularly dangerous and unhealthy, children ought to be absolutely prohibited from undertaking that work. The Mines Act of 1923 has done something to protect child labour. It lays down that no child below 13 shall be employed in mines and further, that no child below 13 shall be allowed even to be present in any part of the mine that is below ground. But it has not gone far enough. In the first place, by allowing certification of the age of children‡ to be entirely optional it exposes under-aged children to the danger of being employed by the less scrupulous agents of mines. The difficulties of getting certificates for children prior to employment arise from the fact that mine labour is far too fluid and migratory and the same children would not continue to be employed for any considerable length of time. Hence in the Act it has only been provided that in case of difference of opinion, the question, whether a person is a child or an adult, must be referred to a qualified medical practitioner whose decision will be final.

But this is most unsatisfactory. Either the age limit should have been raised to 15 or certification should have been made compulsory. Even if the law were properly observed, children of 13 would by no means be fit to do underground work. But where even this security is absent, the protection becomes illusory. It is true that Local Governments have been empowered to enforce

* Report of the Chief Inspector of Mines, 1923.

† *Ibid.*

‡ *Note.*—The use of the term 'child' is perhaps not technically correct; for the Mines Act defines a child as a person under 13. All above that age are "adults." But following the practice of Factory Acts, the term is used in the chapter to include all persons under 15 years.

by rules compulsory certification of children but it remains to be seen how far they would take advantage of the provision. Another weak point in the Act is that when once a person is declared to be 13 years old there is no restriction imposed on the hours of work of the person. There is no part-time system of employment for miners below 15 as there is for factory children ; they are permitted not merely to work full-time which is bad enough, but while in factories, no person has to work for more than 11 hours a day, in the mines persons above 13 years might be employed for 14, 15, 18 or even 24 hours a day, of course with frequent breaks, and the law at any rate does not prevent their being overworked in this manner. Such an extraordinary position is only explicable by the difficulty of introducing a shift system in Indian mines and by the dangers to the industry of limiting the hours of work in the absence of a workable shift system. But even such a weighty consideration should not be allowed to stand in the way of improving the lot of the young ones between 13 and 15 years and suitable alterations in the law relating to the working hours of such young persons should not long be deferred.

Women in Mines.—India stands unenviably unique in the world in employing women in underground work. It is true that not all mines employ women labour underground. Metal mines do not employ them nor do even the coal mines of the Punjab, Baluchistan and parts of Assam. But the bulk of the Indian coal mines not only employ them but depend to a considerable degree on their labour. This excessive dependence of the mining industry on the labour of women constitutes a weakness in the organisation of the industry which even the Act of 1923 has not removed. It still permits women to work underground and exposes them to all the dangers to which women more than men are easily liable. Few will deny that mines are no place for women to work in and that in the interests of the future of the race they must be prohibited from undertaking work of a dangerous and unhealthy character. In the Draft Mines Bill there was a clause permitting Local Governments to frame rules for prohibiting, restricting, or regulating the presence or employment in mines of women either above or below ground. But the clause was removed in the later stages of the Bill. The reason for this can be understood from the fact that in 1923, out of a total of 147,250

operatives working in mines, 80,254 were adult females and the proportion of women employed to the total works out at 55 per cent. If we take the figures of the number working underground only, we have, out of a total of 1,45,831 operatives, 52,676 women employed below ground, thus constituting about 36 per cent.* The fear of sudden dislocation, the inevitable fall in output, and the difficulty of quick adjustment have induced the Legislature to remove even the option given to Local Governments to prohibit the work of women, and thus a very desirable measure of reform sought to be effected as early as 1881 at the suggestion of the Secretary of State for India could not be carried out even in 1923, because conditions had turned for the worse during the 30 years that elapsed.† Even now there does not seem to be much chance of the country taking effective steps to prohibit women labour underground. The Act empowers the Governor-General-in-Council to make regulations prohibiting or restricting the employment of women below ground, but it is most unlikely that such a regulation will be made in the near future. The Indian Coal Committee was so much impressed by the weight of the unanimous evidence of the coal owners and managers on this question that it was compelled to recommend the retention of the *status quo*; but on grounds both humanitarian and economic, the Act must be amended ere long. Temporary disorganisation there will certainly be at first, but after some time adjustment will take place and, as mechanical methods of cutting coal are more and more adopted, the need for depending on the precarious supply of women labour will come to be less felt. Arguments that cannot bear close examination are often advanced in favour of the continuance of the admittedly unsatisfactory system. It has been stated, for instance, that work in mines is by the family system; that a man goes down the mine with his wife, that he cuts coal, that his wife loads the tub, and that conditions leave nothing to be desired. This is far too idyllic a picture, and is not borne out by facts, for as the Chief Inspector of Mines states in his report for the year 1923, "the family system is not always what it seems, for it is not unusual to find the carrier to be someone else's wife." Another argument of even less weight

* Report of the Chief Inspector of Mines for the year 1923. Appendix II, p. 41.

† Council of State Debates, January, 1923.

that is often urged is that, if women were prohibited from working below ground, men will not go down leaving their wives to work alone on the surface.

There are no special provisions in the Act relating to women. The one special protection which women and persons under 18 enjoy is that conferred by a regulation framed by the Governor-General-in-Council, *viz.*, that no person under 18 years of age and no woman shall descend or ascend a shaft in a cage, tub, or bucket unless accompanied by a person over 18 years of age.

Hours of Work.—The Mines Act does not make the slightest distinction in regard to hours of work between men, women, and young persons above 13. All are treated alike. Clause 23 of the Act lays down that no person shall be employed in a mine

(*a*) on more than six days in a week;

(*b*) if he works above ground, for more than 60 hours a week;

(*c*) if he works below ground, for more than 54 hours in any one week.

As is obvious, there are no limitations in regard to the daily hours of work of women or men. This again is alleged to be the result of the special characteristics of the mining population and the difficulties in introducing a shift system. It is said that mine owners themselves are anxious to introduce a system of shifts, either a double shift of 12 hours or a triple shift of 8 hours each, but that the workers would not submit to it. On the other hand, in the gold mining industry of Mysore, the three shift system of 8 hours works without any complaint from the workers.* Whatever be the differing conditions in Indian coal fields the present system that permits workers to work continuously (with occasional or frequent intervals) for 16 or 18 hours a day is unsatisfactory. It is true that the total hours worked by any miner in a week hardly exceed 50 but the daily average is often anything between 12 and 16 hours a day. The frequent and long spells of rest taken by the miners are the explanation for the absence so far of any sign of deterioration in the health of the operatives due to such excessive hours of work, and the introduction of the shift system with its logical legal

* Report of the Chief Inspector of Mines for 1923, p. 4.

limitation of daily hours will be not merely desirable in the interests of the workers but in the interests of the industry itself.

Rest Interval.—It need hardly be stated that, until a shift system of work is organised in Indian mines, there will be no need for legally granting an interval of rest. Miners come and go as they like. They enjoy rest whenever they please and work as long as they like. Under the circumstances, any legal fixing of a rest interval is wholly unnecessary.

Safety and Health.—The provisions relating to the health and safety of the miners in the Act itself are of the simplest character. The Act provides for a sufficient supply of good drinking water, for sanitary conveniences, and for the supply of ambulances and stretchers and of splints, bandages etc., to be kept ready at hand in all mines, specially notified by the Local Government. With regard to safety, powers have been conferred on the Inspector (*a*) to require the agent or the manager of the mine to take such action as he may direct to secure safety conditions (not expressly provided for by the Act or regulations) and (*b*) to prohibit the employment of any person, man or woman, if he apprehends danger to the lives of such persons. These general powers have been made use of with great advantage by the Inspectors and many serious accidents averted thereby.* Notice of accidents must be given by every agent or manager of a mine, whenever accidents occur causing loss of life or serious bodily injury and, by the new Act, whenever an explosion, ignition or outbreak of fire, or eruption of water occurs in or about a mine. Such are the only safety provisions, besides certain qualifications imposed on mining officials, incorporated in the body of the Mines Act of 1923. But a student of mining legislation should study the regulations framed by the Governor-General-in-Council under the Act to obtain a real insight into the elaborate measures of safety taken by Government and it is to these regulations that we must now turn our attention.

The regulations are of two kinds, those for coal mines and those for all others. We shall deal with the Coal Mines Regulations for they are far the more important. They cover

* Report of the C. I. of Mines for the year 1924, p. 34.

a very wide ground and deal in elaborate detail with the qualifications and duties of managers of various classes of mines, with the plans of mines, with shafts, outlets and various entrances to mines, with the raising and lowering of persons and materials, with roads and working places, with the use of explosives, with ventilation and lighting, with fencing and provision of gates, and other miscellaneous matters.* It is not necessary to deal with every one of them but a few of the more important of the provisions may be briefly selected for study.

Certification of Mining Officials.—The insistence on the possession by certain mining officials of certain minimum qualifications proved by their holding certificates of proficiency has become a common feature of mining legislation in all advanced industrial countries like England, U. S. A., Germany, and the British Dominions. But Indian legislation until recently required only the manager to be certificated; the regulations issued by the Government of India in September 1926 provide however for the certification, as from 1st January 1927, of every person employed underground as an official subordinate to the manager and superior to the underground sirdar and such officials must hold either a manager's certificate or a sirdar's certificate. It has also been provided that no person shall be employed as a surveyor unless he holds a surveyor's certificate. The certificates are granted to persons who undergo an examination, written and oral and satisfy the examiners about their competency. There are two classes of certificates for coal-mine managers, first and second class. No person will be admitted to the examination for a first class certificate unless he had worked in a coal mine for at least five years, or, in the event of having received a diploma in mining at an educational institution, at least for three years. The candidate for a second class certificate should have worked in a coal mine for at least three years, which may be reduced to two in the case of a person having received a diploma in mining. Similar conditions are imposed on candidates for sirdar's certificates and surveyor's certificates. These regulations must really be regarded as part of the safety code contained in the mining law, for they are designed to ensure that workers are not exposed to accidents owing to the incompetence or ignorance of mining officials and subordinates.

* Coal Mines Regulations. Gazette of India, September, 1926.

Internal Inspection.—On the manager and various other subordinate officials are imposed quite a large number of duties intended to safeguard the life and limb of the operatives. The kind of internal inspection enforced on mining officials in India will be evident from the following:—

1. A competent person over 21 years of age appointed by the manager for the purpose must examine, once at least every week, the state of the shafts by which persons ascend and must record his inspection with dates in a paged book.
2. Once at least every 24 hours a mining official must examine the state of the external parts of the machinery and of the head gear, ropes, chains, guides, and conductors in the shafts and must record his inspection in a paged book with date.
3. A competent person having the prescribed qualifications must, just two hours before the commencement of work in a shift, inspect in a thorough manner every part of a mine and all working places temporarily stopped, to ascertain the condition thereof so far as the presence of gas, ventilation, roof, and sides and the general safety are concerned and the result must be recorded in a book. Such an inspection must be made with a locked safety-lamp of a type approved by the Chief Inspector.
4. All airways and travelling roads leading to second outlets must be inspected by a mining official appointed for the purpose at least once a fortnight and the result of the inspection recorded in a book.
5. A competent person must examine every safety-lamp at the surface immediately before it is taken underground for use and must assure himself as far as practicable that each lamp is in safe working order and securely locked.
6. A competent person appointed for the purpose must keep a correct record of the number of persons going underground and returning therefrom daily.

These provisions indicate the extent to which inspection has been shifted to officials employed in the mine itself and reveal the difference between mining legislation and factory legislation.

Plans and Maps.—The coal-mine regulations require the owner, agent, or manager of coal mines to keep detailed plans showing all workings of the mines, the position of all shafts and inclined openings, the position of any railways, roads, rivers, streams, etc., which overlie any part of the workings, the general direction of the strata, the depth of every shaft, and various other things. The plans must be always produced before the Inspectors at any time they ask for them.

Shafts and Outlets.—It has been laid down that no mine may be worked unless there are two shafts or outlets so that separate means of ingress and egress may be available to persons employed in the seam. Proper arrangements must be made for descending to or ascending from the mine at each of such shafts. Every working shaft used for the lowering or raising of persons must be provided with guides. Adequate stationary light must be provided during working hours at all places where persons have to work underground in the immediate vicinity of shafts.

Roads and Working Places.—The largest number of fatal accidents is usually caused by the fall of roofs and sides and hence regulations in regard to them are detailed and elaborate. They require, among others, that all roofs and sides of working places and travelling roads must be kept secure. If the roofs require artificial supports they must be provided for. By a very important regulation (No. 72) it has been provided that, if the presence of inflammable or noxious gases in a mine is noticed by the person in charge for the time being of the mine or any part thereof, it is his duty to withdraw all workers from the mine or the part until the same is reported again to be safe for work. When any part of a mine is likely to be affected by the eruption of surface water into the mine, adequate protection against such an eruption must be provided and maintained. Provision must also be made in every mine to prevent an outbreak of fire, inundation by water from a neighbouring mine, and the premature collapsing of workings. The regulations impose on every worker the duty of examining carefully his own working place before commencing work and he must, if any dangerous condition is observed by him, either remedy it if possible or otherwise leave the place immediately and report the same to an official of the mine.

Haulage.—Every haulage road where haulage is worked by gravity or mechanical power must be provided with sufficient manholes for refuge, placed at intervals of not more than 60 ft. Every haulage road exceeding 100 ft. in length must be provided with proper means of communicating distinct and definite signals from all regular stopping-places to the place or places at which persons controlling the haulage machinery are stationed.

Explosives.—The use of explosives has been regulated by the regulations. It has been stipulated that no explosives should be used in a mine except those provided by the manager and that no explosives be stored in the workings of a mine or taken into or kept in a dwelling house. Gun-powder must not be issued for use in blasting operations in a mine or used except in the form of cartridges. No explosive might be taken into a mine except in securely closed cases each containing not more than five pounds and no person might have in use or keep at one time in any place more than one such case. Persons firing shots must give sufficient warning to all persons likely to be endangered by the same.

Ventilation and Lighting.—Adequate ventilation in mines must be provided so as to clear away smoke and to render harmless inflammable and noxious gases so that the working places, the shafts, and the travelling roads to and from these working places may be absolutely safe for the workers. No lamp or light other than a locked safety lamp of an approved type is to be used in any place in a mine where there is likely to be a large quantity of inflammable gas.

Fencing and Gates.—Every entrance to a mine from the surface must be kept properly fenced and every entrance to a mine from the surface if it is regularly used as a travelling road must be provided with a gate. The gates and fences that are provided at entrances to mines must be so constructed as not to prevent egress in case of emergency. Every flywheel and all exposed and dangerous parts of the machinery of whatever kind, used in or about a mine, must be kept securely fenced and guarded in such a manner as to prevent accidents.

Such are some of the most important coal mine regulations which have been issued under the Indian Mines Act of 1923 and they are evidence at once of the character of the industry

and of the special precautionary needs that have to be provided to ensure safe working conditions for the workers.

Mining Boards and Committees.—In addition, there are rules framed by Local Governments to deal with certain (comparatively) less important matters of detail. The Local Governments are empowered to constitute Mining Boards and Mining Committees under the Act. The composition of the Board which may be constituted for each province or each group of mines is as follows : an official, not being an Inspector or Chief Inspector, as Chairman ; the Chief Inspector or Inspector ; two persons nominated by the Local Government, one of them representing the interests of persons employed in the mines ; and two persons nominated by the owners. The Board is primarily concerned with considering and settling the bye laws drafted by the Inspector or Chief Inspector in respect of individual mines, which are not agreed to by the owners thereof. The points of view of all the classes interested are sought to be obtained by giving representation to owners, workers, and the public. The purpose of the Mining Committee being somewhat different, its composition differs from that of the Mining Board. The Mining Committee is constituted by Local Governments and it is an *ad hoc* committee which consists of a chairman, a person nominated by the chairman, and two persons representing the interests of owners and workers. No Inspector is permitted to be a member of the Committee. When an Inspector gives notice to the management of a mine that any part of it is dangerous or defective in any particular and must be remedied within a given time, or when, owing to his apprehending danger to the life of the worker, he prohibits his employment until the dangerous condition is removed, his orders which must be obeyed in the first instance may be appealed against before a committee constituted as above. It is but proper that neither the Inspector nor the manager of the particular mine concerned should have a place in a committee of the kind which is, as already pointed out, a quasi-judicial authority. The Mining Committee is also required to enquire into the causes of accidents and fix responsibility for them. Both the Mining Board and the Mining Committee are empowered to exercise such of the powers of the Inspectors as they think necessary or expedient. They have the further power of enforcing the attendance of witnesses and compelling the production of documents and material objects.

Besides the above statutory bodies there are semi-statutory oards of Health constituted for mining areas and two of them, ie Asansol Board of Health and the Jharia Board of Health, ive done a great amount of valuable work in preventing seases and in improving the health of the miners. Recently, ey organised effective measures to improve the housing of lliery labour and the improved housing accommodation thus ovided is much appreciated by the workers. The funds for e work of the Boards are raised by a levy of a certain amount every ton of coal raised in a year, and they are utilised for irposes connected with the social well-being and recreation the miners and with mining education and research.

Accidents in Mines.—It is of course obvious that despite e most minute and elaborate safety regulations and rules cidents are bound to occur. But the recent regulations ve in many ways imposed stringent restrictions and imposed ditional duties on the management with a view to reducing the ances of accident. The regulation for example which prohibits e storing of explosives in or about the mineworkers' dwellings quite a recent one and has been introduced to prevent the large mber of explosive accidents that often occurred in the miners' vellings owing to the absence of rules regulating the use of plosives.

The number of fatal accidents that occurred in 1924 was 233 hilst the average for the five preceding years was 220. They re responsible for the loss of 281 lives, of whom 247 were males d 34 females. In 1923 the number of fatal accidents was 237 d the number of lives lost was 387, of whom 297 were males d 90 females.

The largest number of fatal accidents is caused by falls of of and sides and these were responsible for 122 in 1924 and 133 1923. Hence under the new regulations inspection of every rking place and travelling road which formerly was to be made ce in 24 hours has been required to be done *twice* in each shift. xt in importance are accidents in shafts and in the lowering l raising of persons. Their number was 28 each in 1924 and 23. Accidents in haulage roads numbered 20 in 1924 and 29 in 23. In 1924 there was a lamentable increase in the number fatal accidents caused by explosives. Twenty-four accidents ok place in 1924 involving the loss of 42 lives. The death-rate

in mines for thousand persons employed above and below ground was 1.09 in 1924, while the average rate for the five preceding years was 1.22. At coal mines the average rate for thousand employed for the last ten years was 1.23, while in England it was 1.08. The number of fatal accidents reported was 410 in 1924, as against 320 in 1923, thus showing an increase of 28 per cent. The causes of fatal accidents have been classified as follows:—

	1923	1924
Misadventure	112	133
Fault of deceased	89	60
,, fellow-worker	7	7
,, subordinate officials ...	14	10
,, management	13	23

Administration and Inspection.—While factory laws are administered by the Local Government, the Mines Act is administered by the Central Government. The inspecting staff consists of a Chief Inspector, an Electrical Inspector and two Senior Inspectors who divide the mines between them. The Senior Inspectors are in their turn each assisted by two juniors. But the strength is insufficient to cover the wide area over which the mines are scattered in India. More mines will be brought under the scope of the Act of 1923 and the need for increasing the inspecting staff will then be more acutely felt. Of the 1,543 mines at work in 1923 only 903 were inspected and 540 were left uninspected. The position was much the same in 1924. Of the 1,804 mines at work in 1924, only 763 were inspected.* But it must be remembered that most of the uninspected mines were small ones and practically all the important mines were inspected. Even so, there is room for improvement. For example, among coal mines, of which there were 942 and 846 working in 1923 and 1924 respectively, as many as 218 and 194 remained uninspected, and quite a large number of persons were employed in them although in the absence of detailed statistics regarding the numbers employed in each mine, it is not possible to state the exact figure. One noteworthy feature of the Mines Act is the imposition of heavy penalties for the infringement of the provisions of the Act or the regulations and rules framed thereunder, in contrast to the mild penalties imposed under the Factories Act. Whilst the maximum penalty provided for in the Factories Act for gross breaches

* Report of the Chief Inspector of Mines for 1923 and 1924.

of law is Rs. 500, in mines for most cases of infringement of rules and regulations the punishment is more severe and the penalty is imprisonment for three months or a fine of Rs. 500 or both. For contravention of rules that results in loss of life, the penalty is increased to a fine of Rs. 2,000 or imprisonment for one year or both. These are wholesome provisions which make it not worth the while of the mining officials to violate the law as is often done by the less scrupulous of the factory employers and managers.

Conclusion.—It is difficult to speak with certainty about the course of mining legislation in the future because of the peculiar characteristics of the mining population in India. That the Mines Act needs revision in respect of the age of employment of children, the prohibition of women from employment underground, the fixing of the daily hours of work, etc., can hardly be denied. The difficulties of the industry in introducing a workable shift system are real and obvious. But the vicious circle must be broken and the sooner it is done the better for all concerned. The pressure of international action in seeking to raise the standard of working conditions for all persons cannot long be resisted, and mine owners must set themselves to the task of thoroughly re-organising their industry and adopting up-to-date mechanical means of raising coal. As a first step the introduction of some kind of shift system must be made obligatory on the employers. In a few cases the employers have already adopted it and if the State imposes it on all it will be solving one of the most difficult problems of mine labour.

The "Butty" system of wage payment obtains in the coal mines because the contractors contract not to supply a certain number of labourers but to cut so many tons of coal and get them on to the surface. They get so much per ton of coal raised but engage the workers on time-wages and thus workers are inevitably exploited. But State action however desirable will be ineffective, for so long as the reaction of the miners to higher wages is negative legislation will only hinder industrial development without in the least improving the miner's lot.

Note.—Since the above was written, the Government of India have introduced an amending bill with the object of enforcing a shift system in the mining industry and of regulating the daily hours of the miners. Under the bill, mine owners will

have the option of limiting the hours of working over the mine as a whole to 12 daily or of introducing a system of shifts not exceeding twelve hours each, so arranged that the hours under two shifts of the same type of workers do not overlap. The bill makes it unlawful to employ any person for more than twelve hours in any consecutive 24 hours.

CHAPTER X

WORKMEN'S COMPENSATION

Introduction.—In spite of the elaborate precautions taken to prevent accidents in mines, in factories and other employments the number of accidents that result in serious bodily injury to the workmen is ever on the increase. This is due in India not merely to the fact that new industries are being established year by year but also to the fact that some of them are in their nature dangerous and un-healthy. When accidents occur causing personal injury to the workers, the inevitable result is a loss of earning power and therefore of wages. The family of the injured worker is deprived of the necessary means of livelihood and the worker, unless provided with free medical aid, suffers doubly; his needs increase whilst his income vanishes. It is true that if the accident of which he is the victim is the result of the personal negligence of the employer, he will be able to get damages from the latter ; but apart from the difficulties inherent in carrying on a litigation against the employer, the money damages he will obtain will come to him only late and the immediate suffering is in any event serious and inevitable. And there is no security that he will succeed at all as against the employer. Under the Common Laws of England, no injured worker had a right for damages unless it was proved that the injury caused by an accident was directly the outcome of the employer's negligence. This was always difficult to prove especially in large industrial establishments where responsibility could not easily be fixed on the person of the employer. Thus the rights enjoyed by the injured worker under the ordinary laws were illusory. English workers laboured under another severe handicap from which Indian workers were apparently free. The doctrine of *assumed risks arising out of a common employment* was stretched beyond belief by English courts, much to the chagrin of the worker. Under the above doctrine no injured worker could claim damages from the employer if the accident was due to the negligence or wrongful act of a fellow-worker; for it was held that the risk of injury at the hands of a negligent fellow-employee was one of the risks normally assumed by a worker when agreeing to work on a contract of service. Most of the accidents in an

industrial establishment were either accidents of the above type or "pure" accidents, not caused by any body's negligence, and thus the law as it obtained in England until 1880 in effect precluded any worker from getting compensation for injuries sustained in the course of his work. In India the position of the worker seems to be somewhat uncertain; the courts have not interpreted the ordinary laws as narrowly as British courts and the theory of the assumption of risks from common employment has never been so rigidly applied.

The Employers' Liability Act was passed in England in 1880 which removed the disability of the worker in respect of injuries by accident caused by the negligence of a fellow-employee.

But the measure, important as it was, had only a limited range of usefulness, the majority of accidents in industries being what are called "*pure accidents*" i.e., accidents that arise in the course of employment, not necessarily caused by the negligence of someone or other. Hence it became evident that unless compensation be provided for workmen for all injuries sustained in the ordinary course of employment and not caused by their own acts, or defaults, no real benefit would accrue to workmen from an act of the type of the Employers' Liability Act. The English Workmen's Compensation Act passed in 1897 was a recognition of this and it broke away from the conception of negligence as the only basis for compensation. It may be noted that there is a difference in principle between the Employers' Liability Act and the Workmen's Compensation Act. The former is only a modification of the principles of the Common Law and is designed to remove some of the unexpected anomalies arising from its interpretation. The latter is a recognition of a new principle altogether. It is not, like the Employers' Liability Act, a removal of a disability but a conferment of a new right. It is designed to give relief to the injured worker even when there is no negligence, no fault or blame, attached to any person. It is based on the humanitarian ground of alleviating the hardships of the sufferer and his dependents and of promoting national efficiency by removing one element of fear from the minds of the workers.

The Indian Compensation Act.—The demand for Workmen's Compensation dates back in India to the period of the eighties of the last century when the factory workers of Bombay

passed a resolution asking for a Compensation Act and backed it by by a petition to the Government of India. But the agitation was not continuous nor was it of such a compelling nature as to force the hands of Government to undertake legislation. It was only during the war when a wave of intense dissatisfaction with the existing conditions passed through their minds that workers in India really began to press for compensation. Every other country of any importance had already established a compensation scheme providing for payment of compensation to workers injured under certain circumstances. Germany led the way in Europe by passing as early as 1884 a comprehensive Insurance Act of which compensation for accidents formed a part. It was not long before other countries followed in her wake. When therefore the question of passing a Compensation Act in India came to be discussed at the end of the war, opinion was singularly unanimous in its favour. One contributory cause was the voluntary arrangements made in many an individual factory for the regular payment of compensation in all cases of accidents and the success of such schemes. The Government of India therefore were quite willing to take up the question and indeed were so much impressed by the need for quick action, that they managed to insert a temporary clause in the Indian Factories Act of 1922 (section 43-A) which empowered the Court to pay compensation to injured workers out of fines imposed on employers. With the passing of the Indian Compensation Act of 1923 which was brought into force as from 1st July, 1924, the need for the above clause ceased to exist and the clause was removed from the Factories Act.

Scope of the Measure.—The Indian Workmen's Compensation Act of 1923 designed "to provide for the payment by certain classes of employers to their workmen of compensation" is one of the most important measures of welfare undertaken by the State as an examination of the provisions will show. The first important test of a beneficent measure is the width of its scope. In other words what are the industries covered by the Act, what workers are compensated, are they few or many and are many industries and workers left out of the orbit of the beneficent measure? These are vital questions. If the scope of a Compensation Act is extremely narrow and if the Act compensates only a few among the large masses of industrial workers in

the country, its usefulness is thereby considerably impaired. Speaking generally it may be said that no Compensation Act exists in any country which includes all its workers. But the English Workmen's Compensation Act of 1906 covers almost every kind of employment and applies to accidents on the sea as well as to those on land. Only casual labour engaged for purposes other than those of the employers' trade or business is precluded from getting compensation under the Act. Even persons employed by way of non-manual labour are included with the exception of those getting over £250 per annum. The comprehensive character of the Act is obvious; but a departmental committee which reviewed the working of the Act reported in favour of extending the scope still further and recommended that the income-limit in the case of persons employed by way of non-manual labour should be raised to £350.* They were also for bringing certain special classes of workers, who were not under the Act eligible for compensation, within the scope of the Act. These were casual labourers engaged or paid by a club for the purpose of any game or recreation. On the other hand compensation laws like those of Russia for example grant compensation only to workers engaged in factories, mines, and metallurgical establishments. The principle that most countries have followed is to draft the law in the first instance to include only hazardous and organised industries and to proceed, after the lapse of some time, to extend the Act to non-hazardous and unorganised industries.

This is not because there is any logical or theoretical justification for such a differentiation. When a worker is injured from an accident in a comparatively safe industry, his sufferings and those of his family do not in the least differ from those of another who is injured in the course of employment in a dangerous industry. The needs that have to be provided for are the same in either case. If it be argued that the fear of accidents is more imminent in one case than in the other, it may be answered that to some extent it will be compensated for by higher wages. In reality the difference is one of cost and convenience, and is the result, in the case of small industries, of their inability to bear the cost of compensation. The Indian Compensation Act covers a fairly wide class of industrial workers although workers in the smaller industrial establishments have been excluded

* The new English Act of 1923 has given affect to the recommendation.

from the benefit of the Act. The following are "workmen" entitled to compensation under the Act.

1. Railway servants with the exception of those that are permanently employed in any administrative, district or sub-divisional office of a Railway—whatever be their wages ;
2. Tramway workmen ;
3. Workers in factories using mechanical or electric power and employing not less than 20 persons in any day of the year ;
4. Workers in mines subject to the operation of the Indian Mines Act of 1923 ;
5. Seamen ;
6. Those of the dock labourers engaged in docks where mechanical or electrical power is used ;
7. Those employed in the construction, repair or demolition of buildings, of over 20 feet from ground level if intended for industrial or commercial purposes and if otherwise, of more than one storey in height above ground level ;
8. Those engaged in constructing a bridge exceeding 50 feet in length ;
9. Telegraph and telephone linesmen ;
10. Underground sewage workers ; and
11. Fire-brigade workers.

Casual labourers who are employed otherwise than for the purpose of the employers' trade or business are excluded. Another point to be noted is that whilst in the case of Railway servants everyone whatever be his earnings or wages is entitled to compensation (with the exception of men employed in any administrative, district, or sub-divisional office of a Railway) in the case of all other classes of workers enumerated above in items 2 to 11, persons employed by way of non-manual labour are excluded if their monthly wages exceed Rs. 300. It will thus be seen that the Act covers a fairly large number of employments although it is not so wide as the English Act. It excludes agricultural workers and workers employed in smaller industrial establishments and in industries not employing power of any kind. When the Bill was before the Legislature, an attempt

was made but without success to bring the workers employed in tea, coffee, and other plantations within the Act. There is danger in attempting too much in industrial legislation as will be shown towards the end of the chapter and if the experiment now undertaken be successful, there will be no difficulty in extending the Act still further. But even so it cannot be denied that a few more employments might have been brought within the scope of the Act and already a few anomalies have arisen in the working of the Act.*

Injuries for which Compensation is payable.—It is not for all injuries sustained by the worker that compensation is due under the Act. There are certain important limitations restricting the award of compensation and some of these limitations are in most countries the cause of never-ending litigation in courts. In the first place the injury for which compensation is sought must have been caused by an "*accident.*" Now what is an "accident"? The term has given rise to many disputes in England but as a result of many legal decisions a certain measure of agreement has been reached in interpreting it. It is now agreed that two or three elements are the determining factors and that an event would be an 'accident' only when it is sudden, unexpected, and fortuitous. It is "an unlooked for mishap or an untoward event which is not expected or designed." But the element of suddenness is equally a determining factor. Thus occupational injuries *i.e.*, diseases gradually developed by work in an industry do not come within the category of 'accident.' If however a disease is caused by a sudden event, and there exists a connection between the event and the resulting injury, the beginning and end of which may be determined, then it will come within the meaning of an accident. Subject to this, the Indian Act excludes 'diseases' from being made the basis for claiming compensation. There are, however, three diseases which have been specifically enumerated in the Act, the contracting of

* Labourers employed by contractors on railway work such as repairs to culverts are not covered by the Act; but if they were employed directly by the railway administration they would come under the Act. Blasting operations which are extremely hazardous are not covered by the Act. Again while some men employed in the docks in loading and unloading are given the benefit of the Act, others engaged in laying anchors and chains, salving sunken materials, heaving materials, etc., are not given the benefits of the Act.

which is deemed to be an injury by accident. They are anthrax-poisoning contracted by work in wool, hair, hides and skins, lead-poisoning due to work involving the use of lead and lead compounds and phosphorus-poisoning due to work involving the use of phosphorus, and it is necessary to note that when a workman claims compensation for a disease, he must show not merely that he had contracted the disease but also that he was engaged in the particular occupation mentioned. Further, unless the disease is anthrax-poisoning, he is further required to prove that he entered the service of the employer and worked continuously for a period of six months. The Governor-General in Council reserves to himself the power to add any additional disease and bring it within the meaning of accident. This power has been already made use of to include mercury-poisoning resulting from work in mercury or its compounds within the term "*accident.*"

Conditions of Compensation.—Perhaps the most important limitation of compensable injuries by accident is the conditions under which they occur. There is no Compensation Act in any country that compensates for all injuries by accident, irrespective of the time and place of their occurrence. In most laws, the accident must happen "in the course of employment" and in many more instances, must also arise "out of the employment." The Indian Act states that "if personal injury is caused to a workman by accident arising out of and in the course of his employment, his employer shall be liable to pay compensation." The expressions "arising out of" and "in the course of" employment have given rise to considerable litigation and some of the states in the United States of America have sought to get over the difficulty by holding that if accidents arose in the course of employment, it did not matter whether or no they arose out of employment and therefore have removed the latter expression altogether. The Indian law has however retained both the qualifying statements, and in this, the legislature was influenced by the fact that a departmental committee on the Workmen's Compensation Act in England concluded that no better terms could be suggested or adopted. In spite however of the inherent difficulties of interpreting them, their meaning has been made more or less settled as a result of a large number of English and American cases. It may be stated generally that an accident arises "in the course

of" employment when it occurs while the workman is doing the duty which he is employed to perform. It does not mean "during the currency of the engagement, but means in the course of the work which the workman is engaged to do and what is incident to it, absence or leave for the workman's own purposes being an interruption of the employment."* Difficult cases often arise in regard to accidents during rest intervals, and during the time that the workman goes to or returns from his place of employment. With regard to the first it is generally agreed that the "employment may begin as soon as the workman has reached the employer's premises or the means of access thereto" and it may be considered as continuing until the workman has left his employer's premises. Accidents occurring in canteens and other places of recreation separated off the factory premises will not be construed as in the course of employment. (But in one case a girl who had an accident on her way from the canteen to her work-place was held entitled to compensation in England). In regard to the second, accidents caused to the workman at the time of transit in a public highway to and from the employer's premises will not fall within compensable injuries. If, however, his employment itself involves going about the public highway as when an errand boy goes on his bicycle in the streets to carry out the master's orders, any accident occurring at the street will be "in the course of employment." Thus both the time and the place of accident are very important determining factors in interpreting "in the course of employment."

When we come to consider accidents arising "out of the employment" the all-important question is the *cause* of accidents. The determining tests are: Did the accident arise from a risk which is reasonably incidental to the employment and was it part of the injured person's employment to hazard, to suffer, or to do that which caused his injury? The workman must prove that the risks to which he was exposed are risks peculiar to his work and not common to the neighbourhood; that it was incident to the character of the business and arose out of the relation between master and servant. If, however, the accident arose from a risk which was created by the workman himself in the course of doing something he was not employed

* Tillyard : Worker and the State, p. 206

to do, then it would not arise out of the employment. When for instance a coal miner strikes a match in violation of rules which causes an explosion leading to his death, his family would not be entitled to compensation, for the accident was caused by something extraneous to his employment.

It is true that however much the expressions are amplified and illustrated there will be difficulties in deciding some border-line cases and it is probably desirable for the Government of India to issue along with the Act a straightforward summary of the illustrative English and American cases bearing on some of the common difficulties of interpretation for the guidance of workers, employers and the Compensation Commissioners appointed to administer the Act.

Further restrictions.—There are further limitations imposed in the Indian Act on the claim for compensation. No compensation will have to be paid in respect of any injury resulting in death or otherwise from an accident which is directly attributable to (*a*) the workman having been at the time thereof under the influence of drink or drugs ; (*b*) the wilful disobedience of the workman to an order expressly given or to a rule expressly framed for securing the safety of the workman ; and (*c*) the wilful removal or disregard by the workman of any safety-guard or other device. In England, however, compensation is disallowed for injury resulting from accidents due to serious and wilful misconduct of the workman but if the injury results in death or in total permanent disablement, compensation will be paid. The idea involved in this is that whilst the temporary deprivation of compensation will be a reasonable punishment for serious and wilful misconduct, if the worker dies or is permanently disabled, he has already "suffered a punishment more severe than human tribunals inflict even for very serious crimes, short of murder, and to add a further punishment which must also in large part fall on the man's family seems unnecessarily harsh." * The Workman's Compensation Bill, as originally drafted and introduced in the Legislature, followed the English practice except for the fact that only half the prescribed compensation was to be allowed. But the Joint Committee of both the Houses of Legislature made the deprivation of compensation

* Tillyard : Worker and the State, p 201

quite absolute in all cases, and were apparently influenced by the feeling that it would be unjust to the employer who had incurred heavy expenditure in providing safety-guards, etc., to make him pay compensation in cases entirely attributable to the gross negligence and wilful misconduct of the workers. Another factor that probably influenced the decision was that it would lead to abuses by the workers and result in a larger number of accidents. But this is very doubtful and if, as we may believe, workers in India will not wantonly violate safety rules to get the meagre half compensation sought to be provided in the original draft, the deletion of this provision is much to be regretted.

Again compensation cannot be claimed under the Act unless the disablement due to the accident lasts for a period exceeding ten days, and whatever be the duration of disablement there will be no compensation in respect of the first ten days of disability. This period of ten days is usually known as the "waiting period" for which compensation is not paid. Here again there is a difference between the English and the Indian Act; in England compensation was not paid for the first week of incapacity in cases wherein the period of incapacity was less than two weeks in duration; but in all cases wherein incapacity lasted for two weeks or exceeded that period, compensation was payable for the entire period. The reason for this was stated to be that the workman would ordinarily be able to bear the burden for a week and that the expenses of administration, were compensation paid for every trivial injury, would more than balance the small gain to the operatives. But the considerations against such a rule are weighty and almost decisive. By allowing compensation for the whole period, if incapacity lasts for two weeks or more, it directly leads to "malingering" and prevents recovery in the first fortnight. On this ground, if on none else, the principle in the Indian Act providing for an absolute waiting period is quite sound but ten days is really too long and should be reduced to three. The Departmental Committee in England already referred to recommended the amending of the English Act to provide for an absolute waiting period of three days and the Act of 1923 accordingly provides for it although in respect of incapacity lasting for over four weeks compensation is payable from the first day.

Principles of Compensation.—The centre of interest in all compensation schemes lies in the scales of compensation adopted *i.e.*, the amount of benefits awarded to injured workmen. But this raises one or two questions of principle which may be discussed here briefly. First, is compensation in the nature of an indemnity or merely a measure of relief during the period of workers' hardship and suffering? Some contend that the entire cost of rehabilitation and restoration of the injured worker should be borne by the industry and if the employee is totally incapacitated, a full life pension ought to be granted. A few countries have indeed, following this view, adopted liberal compensation scales. But there are reasons to think that such a view is not altogether correct. For instance, most countries have adopted a maximum and minimum scale of compensation, and make the amount of award depend upon the *needs* of the family *i.e.*, upon the number of dependents. If compensation were merely based upon the loss of earnings alone then the question reduces itself to a calculation of the total estimated loss of earnings of the worker due to the accident and the sum may be re-imbursed to him, or to the family. In other words if a person of 30 years loses his life by an accident, it is possible to calculate on an actuarial basis the money equivalent of his expectation of future wages and compensation must correspond to it. But his needs may be very different, he may have few or no dependents at all or possibly a good many. If compensation be based upon loss alone, the question of need and dependence on the injured worker does not arise and may be neglected; the amount paid will depend entirely on the loss of earnings sustained. But this is not the principle on which compensation laws have been based. Almost everywhere, a minimum scale of compensation not at all dependent upon the rate of wages earned by the injured worker has been prescribed; and similarly most countries have based the amount of compensation on the number of dependents and on the degrees of dependence although the measure and degree of benefits granted vary with the industrial conditions of different countries, with the social conscience of the people and with the financial position of the countries. Hence the basic principle of compensation is the relieving of distress and not the indemnifying of loss.

Compensation for different injuries.—Secondly, there is the question of the principles that ought to govern the payment of compensation for different kinds of injuries and here we have four cases to be distinguished, *viz.*, (1) death ; (2) permanent total disablement ; (3) permanent partial disablement ; (4) temporary disability. As regards temporary disability the matter is very simple. The object must be to afford the best medical aid possible in order that the incapacity may be got over as quickly as possible and to pay, at the same time, at regular intervals an amount of money based on the worker's earnings, during the continuance of the disability to enable him to tide over his distress without sufferings of an economic kind. As regards the other three cases they do not admit of a ready answer. But it may be stated that so far as death is concerned, the loss to the family is never so great as it would be, if the worker survived but was totally and permanently disabled. For in the latter case the family will not only have to support itself but also assist and maintain the disabled worker, whilst in the former, only the family will have to be provided for. Therefore as between death and permanent total disability, the latter requires a greater degree of compensation. For all practical purposes, we may regard death as disability of such a degree that the diminished earnings are just sufficient for his upkeep. The family remains to be provided for, and this should be done preferably by making a series of payments based of course on the past earnings of the deceased worker and of the number of dependents of the deceased worker, the scale of benefits and the duration of their continuance depending upon the general beneficence of the compensation scales adopted. But as regards total permanent disability, in addition to the benefits available for death, the worker must be granted a pension for his life ; because his existence is a clog to the family and his life a source of trouble and distress.

As regards permanent partial disability, the basis for compensation should be the *reduction in earning capacity* due to the accident. But it is always difficult to determine accurately the exact loss of earning power caused by an accident. It cannot be measured for instance by the mere difference between the worker's average earnings before the accident and the earnings soon after it, because what he will earn in the future

may be considerably affected by many factors whose effects will be felt only later. For example if a youth sustained partial injuries, he may be expected to have greater powers of adjustment and recovery, but on the other hand, if the injury was irreparable, the duration of distress being much longer, the amount of compensation must also be correspondingly greater. An old man may be less able to recover from an injury, but in his case the impairment of his earning power would in any case have occurred sooner or later; and account must be taken of it in the payment of compensation. Another factor is the nature of the occupation. The loss of a limb to a person engaged in one kind of work will be one thing but the same injury to another in a different employment may have more serious effects and this would depend upon the nature of the employments in question. There are other minor relevant factors to be taken account of. The complexity of the problem has therefore led England and certain Continental countries to leave the whole matter to be determined by courts or other tribunals who decide each case on its merits based on the experience of insurance rates and on medical opinion. The scales of compensation are made elastic to suit the special needs of individual cases. The advantages of this course are obvious. Full consideration may be given to each factor that determines the loss of earnings of a worker consequent on injury. For example when an aged worker about to retire from employment sustains a partial injury sufficient allowance can be made for the fact that even were there no accident, his earnings would have soon diminished and after some time altogether ceased. But in spite of these advantages, the shortcomings of the system of leaving it to the courts to decide the amount of compensation in each case are so serious that the Government of India have rightly refrained from following that procedure. The courts often fix the loss of earning power apparently in a capricious manner and the merits of the supposed elastic system are purchased at the cost of accuracy, definiteness and certainty. Extraordinary divergences in regard to awards occur between quite similar cases of compensation claims merely because the tribunals are different. There is no certainty or definiteness in the scales of award and the discord and litigation likely to result especially in India, were this system followed, have compelled the Government of India

to depart from British practice and turn to the United States of America for guidance.

The Schedule System :—In America what is known as the "schedule" system has been adopted. Appended to every Compensation Act are schedules in which the more common forms of injuries are enumerated and the amount of compensation is fixed for each of those cases either in terms of the weeks during which the compensation is to run or in terms of percentage loss of earning power. Thus a worker losing, say, his arm has only to look into the schedule and find out from it the loss of earning power fixed therein and his compensation will be paid accordingly. Certainty and definiteness are thereby ensured. The fixity of the scales is the characteristic feature of the American system but it suffers from the defects of its quality. Some of the schedules are obviously not applicable to varying circumstances and others are fixed without adequate regard to the varying needs of different individuals as affected by age, occupation, etc. It is true that some states in America, notably the state of Pennsylvania, have adopted a schedule based upon a careful, elaborate and searching examination of all possible injuries in their relation to age and occupation. But even then it is admittedly unequal to all posssible contingencies that may arise. Many countries usually copy these schedules so that they all bear a family likeness to one another. The schedule appended to the Indian Workmen's Compensation Act contains a list of 14 injuries for each of which the loss of earning power has been estimated and laid down. * For other injuries not enumerated in the schedule, the Compensation Commissioner is expected to estimate the loss of earning capacity and award compensation accordingly.

Now the scale of compensation fixed in the Act and the procedure to be adopted to recover compensation are characterised by simplicity and convenience. In one respect indeed the Indian Act is unique. As already stated, the amount of compensation is usually based on the past earnings of the injured worker and upon the number of his dependents. The Indian Act has excluded the question of dependence altogether and does not base the amount of compensation on the number of dependents. This is a real merit, for otherwise the scheme will only become

*List of Injuries Deemed to Result in Permanant Partial Disable-

more complex without any compensatory advantages even to the employer, because in India there are few workers without dependents.

Compensation for Minors and Adults:—Before passing to a consideration of the scales of compensation prescribed in the Act for different forms of injuries, it may be stated that the rates of compensation payable to minors in respect of every kind of injury differ from those payable to adults. Minors are those below 15 years. When an adult worker dies from an accident compensation allowed to his dependents is a lump sum equivalent to 30 months' wages of the deceased subject to a maximum of Rs. 2,500. In the case of a minor a lump sum of Rs. 200 is all that is paid to the minor's family. The reason for this is that the sufferings of the family on account of the death of a minor are not of an economic kind (and compensation is intended to relieve only the economic or material distress of the worker and his family) but are such that no money compensation can alleviate. In the case of permanent total disability,* the worker, if an adult,

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ment as given in the Schedule.

INJURY	Percentage of loss of earning capacity.
Loss of right arm above or at the elbow	70
Loss of left arm above or at the elbow	60
Loss of right arm below the elbow	60
Loss of leg at or above the knee	60
Loss of leg below the knee	50
Loss of left arm below the elbow	50
Permanent total loss of hearing	50
Loss of one eye	30
Loss of thumb	25
Loss of all toes of one foot	20
Loss of one phalanx of thumb	10
Loss of index finger	10
Loss of great toe	10
Loss of any finger other than index finger ...	5

* A worker is said to suffer from total disablement when he is totally incapacitated from all work which he was capable of doing at the time when the accident occurred.

will be entitled to a sum equal to 42 months' wages subject to a maximum of Rs. 3,500. But in the case of a minor the sum payable will be equal to 84 times the monthly wages subject to a maximum of Rs. 3,500. Two points deserve notice. The large compensation paid for total disablement is a recognition of the greater needs of the disabled worker and his family. The other point is that compensation to the disabled minor is far above that payable in case of death because the minor must be provided for during the long period of his disabled life. It is however somewhat amusing to note that the difference to an employer in point of liability between the minor's death and his survival in a totally disabled condition is so serious that probably every employer would in case of serious accidents in his factory prefer the death of the minor to his survival in a totally disabled condition.

Where permanent partial disability * results the worker is to be paid such a percentage of the amount of compensation payable for total disablement as is proportionate to the loss of earning capacity, sustained by the injury. For about 14 injuries, the loss of earning capacity has been estimated and laid down, as has been pointed out, in the schedule to the Act. In respect of other injuries, not included in the schedule, the percentage of compensation is left to be settled by the parties themselves if possible; if not the Commissioner is to decide the loss of earning power and award compensation accordingly.

In respect of temporary disability, the injured worker is given, after a full waiting period of ten days, half monthly payments (the first of such instalment being paid on the 26th day after the accident) equal to one-quarter of the monthly wages subject to a maximum half monthly payment of Rs. 15. In other words, the worker receives per month during the period of disablement one half of his monthly wages subject to a maximum of Rs. 30. These payments may go on for a period not exceeding five years but very likely disablements of such long duration will have become permanent by the time and the scale of compensation will in that event be determined on the basis of permanent disablement. In any case, provision has been made in the Act for commutation into a lump sum at the option of either of the parties. The

* A worker is said to suffer from partial disablement when the disablement is such as to reduce a workman's earning capacity in every employment which he was capable of undertaking at that time.

amount of compensation payable to a minor is one-third of his monthly wages; that is to say the minor will get per month two-thirds of his wages. But if during the continuance of the disablement he reaches 15 years of age the half-monthly payments are increased to half his monthly wages, so that he would draw in full the wages he earned before the accident.

Features of the Scheme.—A study of the scales of payment for different injuries reveals certain features. In the first place compensation is based in all cases (except that of the death of the minor) on the wages of the workmen. Secondly, compensation payable to a minor is different from that payable to adults. Thirdly, with the exception of compensation for temporary disablement, in all other cases, lump sum payments are the rule in the Indian Workmen's Compensation Act. Fourthly, there is no minimum scale of compensation fixed in the Act in India as is usually done in other countries. However, the method of calculating the wages prescribed in the Act ensures incidentally a minimum compensation; for the Act provides that all calculated wages of less than Rs. 9 must be taken as Rs. 8 and hence every case of injury is compensated on the basis of a minimum scale of wages which is Rs. 8. This implied minimum is admittedly inadequate. The death of certain workers will bring to the family only Rs. 240, and although there is no doubt that it is quite just to base compensation on the amount of wages of the injured worker, an exception should be made so far as the workers of the lowest grade of wages are concerned. A minimum of Rs. 500 will be about a fairly reasonable scale of compensation in case of death. In England the minimum death benefit was £150 and was increased to £200 in 1923, on the recommendation of the Departmental Committee on Workmen's Compensation.

The provision for payment of lump sums raises a somewhat complex issue. Many countries provide, in cases of permanent total disablement, for regular periodical payments and except in extraordinary circumstances, refuse commutation into lump sums. The idea is based on quite a sound principle. Lump awards are likely to be frittered away by ignorant workers who later would suffer severely. The evils of such a system were felt to be so serious in England that the original law in respect of lump sum awards was amended to ensure periodical payments.

Indian workmen are not necessarily more thrifty or less extravagant than English workers and hence it may be asked if the Indian law would not be more serviceable if fortnightly payments be adopted. But there are arguments on the other side, which cannot entirely be ignored. The Government of India were impressed not merely by the difficulties, by no means trivial, of transmitting small payments at regular intervals to the distant homes of the workers whose whereabouts may not often be definitely ascertained but also by the probable usefulness of a good round sum to the injured worker who could make use of it for some small business or some other useful purpose. The casual nature of Indian labour adds to the difficulty. It may therefore be concluded that the operation of this provision of the law must be watched with great care, and experience must be acquired before any further action is taken.

Calculation of Wages.—Since compensation depends upon the workers' wages, it is of the utmost importance to be quite definite regarding the method of calculating the workers' wages. The Act itself has laid down the method of calculating the wages of every worker. Two types of workers are distinguished and for each a different method of calculating wages is adopted. First there are workers who may have served under an employer for a continuous period of 12 months, without any break in service for a period greater than 14 days. There may be others who may not have served continuously for a year, but only with breaks. As regards the first, monthly wages are calculated by adding all the wages, allowances, bonuses, and the value of all such benefits and advantages as may be deemed to be a part of the workers' effective wages, that have either been paidor have "fallen due for payment," and by dividing the total by 12. The term "have fallen due" is important because the monthly wage would therein include not merely amounts actually received but also the amounts due in respect of the service put in immediately prior to the accident. In the second case, monthly wages are calculated by multiplying the total wages earned in respect of the last continuous period of service immediately preceding the accident by 30 and by dividing this product by the number of days comprised in the period covered. It is important to note that the total is divided not by the number of days actually

worked, but by the number of days included in the period regarded as one of continuous service. Thus absenteeism will be heavily penalised and the worker should realise that compensation will be in proportion to the regularity of his work.

Medical Aid.—The need for providing medical and surgical aid to the injured worker is as important as the payment of compensation, and some countries have placed an obligation on the employers to afford free medical assistance to the injured worker. In India the Act does not enforce it on the employers but by affording certain privileges and facilities to those of the employers who are willing to render medical help to the worker, acts as a stimulus to the voluntary adoption of such a method. For instance, it has been provided that if the employer offers to have the injured worker examined free of charge within 3 days, after notice of the accident was served on him, the workman must submit himself for medical examination. If he either refused to agree to medical examination by a qualified medical practitioner or in any way obstructed such examination, the workman's right to compensation would be suspended during such refusal unless he was prevented by sufficient cause. The workman must stay on in the vicinity of the place of his employment for three days after the notice was served on the employer within which time the employer must make up his mind if he would offer free medical examination and assistance. If the workman leaves the vicinity of the place of employment within three days, his right to compensation will be suspended until he returns and offers himself for such examination, and no compensation will be payable during and for the period of suspension. The effect of this will be that in cases of temporary disablement, refusal to undergo medical examination or going out of the place of employment will involve loss of compensation for as long a period as he refuses or fails to return to the scene of his former work. Of course, if he suffers permanent injury, suspension involves only postponement of his claim. But even then, it will be open to the employer to plead that the injuries were aggravated by the refusal of the workman to submit himself to his offer of free medical assistance, and if his contention is proved to be valid, only that amount of compensation due to the nature of the injury which might reasonably have been expected

to have occurred if medically examined and treated at once, will have to be paid. However, in cases where the workman dies during the period of suspension of compensation, the Commissioner is empowered to award compensation if he thinks fit and this is because in India the desire among the workers to return to their native villages is so strong that the law would work unduly harshly if compensation is denied in such cases. It will thus be seen that the employers have very good reasons for taking advantage of these provisions and thereby incurring only the minimum expenditure in connection with compensation payments.

Procedure.—The first thing to do for a worker in a case of injury by accident is to serve notice of the accident on the employer. This must be done " as soon as practicable " after the accident and before the workman has voluntarily left the employment in which he was injured. The notice must contain three sets of facts :

1. the name and address of the person injured ;
2. the date of the accident ; and
3. the cause of the injury.

Failure to do this will involve forfeiture of the right of compensation. The insistence on prompt notice in the Act is designed to enable the employer first to verify the facts relating to the accident and secondly to have the workman medically examined without delay. But as sometimes there may be unexpected difficulties preventing the worker from giving notice immediately, the Commissioner is empowered to admit claims to compensation if it be proved to his satisfaction that the failure was due to sufficient cause. The Act also requires that a claim for compensation should be instituted within six months of the occurrence of the accident causing the injury or in the case of death within six months from the date of death. Otherwise compensation will be disallowed.

Apportionment of the Cost of Compensation.—We now come to the question of the burden of compensation payments. The Workmen's Compensation Act of India follows the principle of the English Act in fixing the entire burden on employers. In some countries, compensation payments are part of a comprehensive scheme of social insurance to which

employers, workers and the state contribute in varying proportions. It was obviously impossible in the present industrial position of India to organise a general social insurance scheme. To invite the workers to contribute a part will add to the complexity of the scheme and reduce their low wages still further. Hence the entire burden was thrown on the employers. But the incidence of compensation does not in reality rest with the employers; it is ultimately on the consumer, for the burden of compensation payments is a cost like other elements that enter into the cost of production of an article and hence will in the long run be borne by the consumers. The "*Employer*" in the Act is defined very broadly to include any body of persons whether incorporated or not, and any managing agent of an employer and the legal representative of a deceased employer. The worker is given the further security that when he works under a contractor, he has got the right to get compensation from the principal for whose business the contractor engaged his services, subject however to certain conditions. It is also important to notice that the Act prohibits all forms of "*contracting out*" of the Compensation Act and any agreement whereby a workman relinquishes his right of compensation under the Act will be null and void.

Guaranteeing of Compensation.—Since compensation has to be obtained from the employers the question arises as to what guarantee there is that the employer will be in a position to discharge his obligation. In some countries, therefore, the law requires the employer to insure in a specified manner and in a specified institution to cover the full amount of his liabilities. There are other countries which do not go so far as this but still require the employer to take out insurances in some approved private companies or in State institutions or at least to furnish some guarantee. But a few countries, notably Great Britain and France, have imposed absolutely no obligation either to insure or produce a guarantee but have rested content with trusting the solvency of individual employers to discharge their obligations. India has chosen to follow the British practice in this as indeed she has done in other matters.

There are, however, two sorts of protection afforded to the workman in the Act. If an insured employer becomes bankrupt, the workman is entitled to get compensation from the insurance

company. If the employer has insured in full against claims, there will be no difficulty to the workman; but if the insurance was only for a part, the workman must sue for the balance in the bankruptcy proceedings. If, however, the employer had not insured at all the workman can apply for the whole of the claim in the Receiver's Court and his compensation claim will get priority to the fullest extent to which he is entitled. Secondly, the workman's compensation is not liable to be attached by any creditor against his debts.

Compensation and Prevention of Accidents.—Now the question of insurance may be discussed from the point of view of the prevention of accidents. There is no doubt that the scheme of compensation for accidents may itself be made the means of encouraging measures for accident prevention. The Workmen's Compensation Act is bound to force on the employer the need for adopting all safety devices and reducing the number of accidents in his establishment. But probably on the whole employers would prefer to insure against their liabilities; for however big and financially strong an employer may be, he will carry a very heavy liability indeed if he does not insure; and although there are big employers who adopt self-insurance in America, the number of self-insurances will be very few. Hence there is no doubt that insurance companies will be established to take up the task of insuring against the employer's liabilities. But they can and do contribute much to the prevention of accidents. In America "merit rating" is the means by which accidents are reduced. Insurance companies impose higher premiums on establishments in which the accident rate is high and charge lower premiums where safety devices are well laid out and the accident rate is lower. Merit-rating has taken the form either of "Experience Rating" or "Schedule Rating." In the first case, the premiums are based on the past rate of accidents in the firm; in the latter the rate of premiums is fixed in accordance with the physical condition of the plant and of the safety guard sprovided for the machines, etc., as determined by detailed inspection. By such methods employers are compelled to raise the general level of safety conditions in their factories if the rates of premiums charged for them are not to be weighted against them.

Administration.—It is unfortunate that the Indian Compensation Act framed expressly to ensure quick and easy means of adjusting claims for compensation has a little overshot the mark, and if it has avoided litigation, neither has it enabled the injured worker to enforce his rights. It is no doubt too early to pass judgment on the working of the Act which has been in operation only since July, 1924, but the limited experience of its working has already revealed certain serious errors of omission and commission in the Act which unless rectified immediately will deprive the workers of the benefits that the Act had intended to confer on them.

The Act has provided for the appointment of special Compensation Commissioners to administer it, settle disputed claims, register agreements voluntarily reached between the parties, distribute compensation to dependents in case of death, etc. The Commissioner is given the powers of a civil court and appeals to a High Court are allowed only when questions of law are involved. But the Commissioner is not given any powers of initiating proceedings and no case can be considered by the Commissioner unless an attempt has been made without success to settle it by private voluntary agreement between the parties. When an agreement has been arrived at, a memorandum stating the particulars must be sent bythe employer concerned to the Commissioner who is empowered to register the agreements after giving notice to the other party or refuse to register in case he suspects that the agreements were obtained by fraud, or other illicit means or even where the amount of compensation was in his opinion unduly low. It is only when private negotiations fail and an application is presented to him that the Commissioner is empowered to act. This may be all right in an advanced country like England where workers know their rights and Trade Unions exist which are prepared to enforce them. But in India where the workers are illiterate and ignorant, unless in the initial stages at least the Commissioner is empowered to go and find out the facts and initiate proceedings on his own motion the usefulness of the Act will be much impaired. This is all the more necessary in cases where accidents take place in small ginning and pressing factories in the interior where workmen are thoroughly ignorant of the existence of the Act and could therefore be easily deprived of their compensation. The

procedure enforced under the Act is also unduly severe against the workman, who must give notice in proper form "as soon as practicable" after the accident. Many an ignorant workman fails to do it and thereby loses his rights.

It will be desirable, therefore, to alter the law to enable the Commissioner to initiate proceedings and to facilitate this, it should be made part of the duty of every employer who has to give immediate notice under the Factory Act of any accident to the Inspector of Factories to send a copy simultaneously to the Commissioner for Workmen's Compensation.

A grave omission in the Act remains to be noticed.

(1) The Act requires every employer to deposit compensation with the Commissioner in all cases of fatal accidents. Out of 15 cases of fatal accidents reported in 1925 in the Presidency of Madras, only in 5 cases were such deposits made. In other cases the compensation paid was very inadequate.* The minimum compensation that must be paid in all cases of death is Rs. 240 and the failure in all the cases above mentioned to pay the sum reveals the extent to which the Act is disregarded. But there is no penal provision in the Act to enforce the deposit and the Commissioner can plead and request but not enforce.

2. Again Section 16 of the Act requires all employers to submit returns to the Commissioner specifying the number of injuries in respect of which compensation was paid and the amount of compensation and other particulars asked for by the Commissioner. But no penalty has been provided for in the Act for failure to send returns and refusal to comply with the wishes of the Commissioner. It is not surprising under the circumstances that in the Madras Presidency, 275 employers did not care to send in their returns during the year 1925. The need for amending the Act to remedy these defects is too apparent to require further arguments.

Conclusion.—The Workmen's Compensation Act of 1923 is the first national scheme of workmen's insurance in this country and marks the beginnings of a comprehensive scheme of social insurance which should ultimately include provision against

* The following were the sums paid as compensation in five cases :—

(1) Rs. 30 (3) Rs. 67 (5) Rs. 50
(2) Rs. 67 (4) Rs. 25

sickness, unemployment, etc. Its principles have been universally accepted but in its working certain defects have been revealed. The scope of the Act must be widened to cover a larger number of occupations and employments. The power which the Governor-General-in-Council has reserved to himself to extend the scope of the Act to other workmen must be more freely used. The administrative authority must be given greater powers to find out facts, to compel the submission of returns and to effectively carry out the intentions of the Legislature. There is need for a closer co-ordination of work between the Factory Inspectors and the Compensation Commissioners. The information about accidents reported to the Factory Inspectors must be placed readily in the hands of the Compensation Commissioners.

PART TWO

EMPLOYERS AND WELFARE

XI. Principles of Welfare Work.

XII. Welfare Work in India.

CHAPTER XI

PRINCIPLES OF WELFARE WORK

Introductory:—The various Acts and administrative rules so far examined seek to secure for the workman certain minimum standards of health, safety and comfort as regards conditions inside the factory. They constitute what may be called statutory welfare secured by the coercive power of the State and may be distinguished from the voluntary Welfare Work, the growth of which during the last few years is undoubtedly fraught with great possibilities for the well-being of the industrial workers in each country. The movement of industrial welfare is the result of a fundamental change of outlook on the part of the employers towards their workpeople. When the Industrial Revolution broke up the old ties of semi-feudal relationship between the master and the servant, there was substituted a new relation which is best described in the language of Carlyle as one of cash-nexus. It was a bargain or a contract by which the employer agreed to make a money payment in return for a certain service. For a long time it was supposed that this was the sum and substance of the whole matter. The employers thought that their duty ended with the payment of a wage for the work obtained whilst the workpeople on their side thought that they must turn out some work for the wages received. Neither of them realised that there were other elements in the bargain. The employers did not regard it as their duty even to provide safe and healthy conditions of work and the State had to intervene to save the workers from dangers to their life and health. Thus Factory Acts were the result of the clear failure of the employers to discharge their duties towards the workpeople whom they employed and as Dr. Marshall has said of the British Factory Acts—an observation of wider application—"they are a standing disgrace to the country." In other words, the existence of Factory Acts in a country is from one point of view a reflection on the employers' sense of duty and hence the employers should endeavour to make the Factory Acts superfluous by giving such conditions of work as would be far superior to those required by legislation.

It has however recently been realised that whatever be the organisation of industry, its function is service, that it has certain duties towards the community and that the different parties performing the service have mutual rights and duties towards each other. The frank recognition "of the mutuality of those who give their toil to the enterprise and those who accept that toil" * marks a great step forward in the movement towards industrial harmony. Welfare Work at its best is the result of this new orientation of outlook. It is the voluntary expression on the part of the employer of his recognition that the employees in the firm are his fellow-workers in an undertaking for the service of the community. It gives a new and a wider meaning to the term employment and no longer regards it as a mere question of wages and work; for of his own free will the employer undertakes far more in respect of his work than is demanded either by legislation or by the pressure of organised labour. At the heart of the welfare movement there is something reminiscent of the feudal relationship between master and servant the loss of which is deplored to-day; but Welfare Work seeks to restore a new relationship which differs from that which obtained in the middle ages in that it is based not on purely economic and selfish motives but on higher and more ethical foundations.

Opportunities for Welfare Work.—There are reasons why this new obligation should be fully recognised by the employers. The men who work for them stand towards them in a very special relation of dependence; a very large part of their lives is spent in the buildings provided by them and in attendance on machinery set up by them.† It would therefore be a heavy responsibility on the employers to subject their workpeople to conditions that would be injurious to their health and safety and from their own point of view it would, in the long run, be uneconomical to do so. But if they have by virtue of their position important obligations to discharge, they also enjoy, for the same reason, unique and exceptional opportunities to fulfil those obligations. For the money and energy spent by them in improving the conditions of their workpeople are bound to react directly to the benefit of the workpeople and indirectly to their

* John Lee—Principles of Industrial Welfare, p. 52.
† Pigou—Essays in Applied Economics, p. 15.

own advantage. Public money spent in promoting the well-being of the workers may fail in its purpose "because the workers may for one reason or other fail to avail themselves of the opportunities."* But when an employer spends money and energy in improving the conditions of the workers, the results are bound to be certain because the workers are definitely tied down to the factories for a certain number of hours every day and thus "in bettering these conditions, there is a splendid opportunity for reacting beneficially on their character and their lives".†

Again the employer occupies an unique position by virtue of "his power, within limits, to exercise a sort of paternal supervision over young employees" and can influence them to pursue their education and to use the various other things provided for by him.

Another consideration which is of great force in countries like India is that often a mere increase in wages may not increase the efficiency of the workers for they are content with a low standard of living and higher wages only result in greater absenteeism. But if some part of their needs is met by providing them with better amenities of life, and opportunities for education and recreation, the resultant efficiency will soon be evident.

Legislation and Welfare Work.—The term Welfare Work is used to designate the voluntary activities of the employers to secure for their workpeople good working conditions inside the factory and to provide, outside the factory, facilities for recreation and other amenities of life that contribute to their well-being. Thus the work undertaken by the employers is not obligatory or forced on them by legislation. There is however a very important relation between legislation and Welfare Work. Legislation may be termed as statutory Welfare Work as distinguished from the voluntary Welfare Work of the employers. Both subserve the same end *viz.* the promotion of the welfare of the workers; but there are considerable differences both in scope and in results between the two. Legislative action is by its very nature limited in scope and concerns itself primarily

* Pigou—Essays in Applied Economics, p. 16.

† *Ibid.*

with working arrangements inside the factory while men and women work therein and is not concerned with "the quasi-permanent relation between those who work and those who employ." The provisions enforced by the State relate to the *special* arrangements for health and safety necessitated by the nature of the occupations whereas voluntary Welfare Work is concerned with the *general* well-being of the workmen. Further, being applicable to a large number of small establishments, legislation can do no more than prescribe a minimum standard. Nor can it secure that which is perhaps most needed *viz.* the promotion of the well-being of the people as an essential function of management. This could come only from the voluntary action of the employers acting as far as possible with the co-operation of the workers. Even if the State were to compel the creation of a definite welfare organisation, it could not achieve the same results as a voluntary organisation and, what is worse, it would lack the necessary spirit by which the organisation should be animated.* No enforced scheme of Welfare Work is ever likely to be successful.

Although this important distinction may be recognised the field of legislation and that of Welfare Work often overlap. The law is continually encroaching upon what has been deemed the province of the individual employer and what in some countries are left to the option of the employers are in others enforced by legislation. This may suggest at once a reflection that the more the restrictive conditions imposed by the State, the less wide will be the field open for the voluntary action of the employers. This however is not, and indeed need not, be the case ; for "to the possible ways of caring for the welfare of a group of men and women there are no limits."† Indeed legislation is a great aid to well-meaning employers for by making minimum conditions general and applicable to all, it directly paves the way for securing further improvement in the working conditions and thus well-conceived legislation furthers Welfare Work. But if legislation acts as a spur to voluntary Welfare Work, it is in its turn powerfully influenced by the latter. The evolution of industrial legislation follows closely the standard set by good employers. The comforts and luxuries provided by the more

* Survey of Industrial Relations, (Committee on Industry and Trade) p. 182.
† Proud, Welfare Work, p. 68.

enterprising and philanthropic employers soon come to be regarded as a necessary and essential element in the securing of the workers' health and legislation follows and enforces their provision on all employers. Indian industrial legislation affords an illustration of this. The Workmen's Compensation Act would not have passed through the Legislature so readily and with so little opposition, as it did, but for the fact that compensation for injured workers formed part of a regular and well-established scheme in many of the more enlightened firms. It was felt that what was possible for so many firms should be possible for others and that, in any case, the need for it being great and its practicability illustrated by the experience of several firms, it should be statutorily provided for. The payment of maternity allowances for women workers is now a feature in some individual establishments and there is little doubt that before long the State will step in and enforce payments of maternity allowances on all. Thus the work of individual employers has a great reaction on industrial legislation and thus gradually raises the general standard of comfort in all factories.

Significance of Welfare Work.—Although Welfare Work is in one sense almost as old as the Industrial Revolution itself and from the early days of the factory system was in vogue in some form or other, it has been only in recent times, especially since the war, that it has taken deep roots in most countries and particularly in England. There have always been in all ages employers who, like Robert Owen, showed remarkable sympathy for the workers and tried to promote their happiness and well-being. They were, however, mostly influenced by a sense of pity or at best, of sympathy. But the importance and true nature of Welfare Work has come to be understood only quite recently in all countries. It has only now been recognised that Welfare Work has two aspects of equal significance—a business aspect and a human aspect. Until recently, only the latter feature was stressed in most countries and Welfare Work, associated in England with a few notable individual employers, revealed itself in its humanitarian aspect at its very best. But there is a serious danger that Welfare Work prompted by mere sympathy may degenerate into charity and self-respecting workers will surely resent it. Indeed the emphasis on the benevolent side of Welfare Work has not been

productive of good results. Hence, in America, the movement lays stress on its other side. Welfare Work is there regarded as an essential part of good business organisation, rather than as a philanthropic adjunct having no organic connection with the main structure of industrial enterprise. It is a recognition of the indisputable fact that to cultivate industrial welfare is to cultivate efficiency and "the supreme principle has been the belief that business efficiency and the welfare of the employees are but different sides of the same problem."* Thus conceived, Welfare Work is to be regarded as a vital part of factory organisation and the duties involved should be shared by all as far as possible including Directors, heads of departments, foremen and the mass of workers.

There is however a grave danger particularly in the U.S.A. that in the insistence on the business aspect, the spirit of Welfare Work may be lost sight of. Too often the motto of American employers has been "it pays" and however satisfying it may be from the employers' point of view, it may fail to satisfy the feelings and emotions of the workers. For, after all the true function of Welfare Work is to humanise the industry. The intimate personal relationship that subsisted between the employer and the workpeople in early times became well-nigh impossible as industries grew bigger and bigger in size and workers came to be regarded as mere hands and treated as no more than profit-producing instruments. The re-establishment in some measure in industry of this personal touch and the recognition of the worker's individuality give character to Welfare Work. Hence its success or failure is to be tested by the spirit in which it is worked. If it is carried on without sympathy, or insight into the needs and feelings of the workers, all the schemes of welfare, provided for them will be "mechanical and lifeless and evoke no true response from those for whom they are designed." For after all, the canteens, medical services, and the libraries playgrounds and other forms of recreation which generally accompany Welfare Work are in reality not ends in themselves; they are in fact "but the outward and visible signs of a mental outlook on the part of both employers and workers which while it almost inevitably finds expression in the provision of such amenities, is

* Cadbury-Experiments in Industrial Organisation, p. xvii.

itself the only thing worth seeking." * It is the presence of this mental outlook which makes life in small firms under physical conditions far from ideal, preferable to that in large concerns which do not possess this necessary spirit. Herein lies the explanation for the failure of many welfare schemes carried on in some of the factories in India and elsewhere, though the employers are amazed at the lack of appreciation of the schemes provided by them and at the ingratitude and sullenness shown by the workers.

All this however is not to deny that genuine Welfare Work will pay and will be productive of great results to the industry. As has been already pointed out the increased efficiency resulting from diminished sickness, will surely increase output and lessen cost. An atmosphere of goodwill in the factory which Welfare Work is bound to create, promotes discipline and instils loyalty in the workers and "when discipline is good and elicits the goodwill of the employees, the staff and foremen can give practically all their attention to organising their departments instead of their energies being diverted to anticipating and dealing with breaches of discipline."† But the results should be regarded as only incidental and the only true foundation on which Welfare Work should be built is a genuine and disinterested desire on the part of a firm for the well-being of its employees.

Growth of the movement.—The chief development of Welfare Work has been in France, Belgium, Holland, Switzerland and the U.S.A. Until recently, the movement was not very prominent in England, although there had been in that country splendid examples like Lever Brothers, Ltd., Cadbury Brothers, Ltd., etc. The extreme conservatism of English employers prevented them from making bold experiments in new fields and the welfare of the workers was secured chiefly by trade union action. For quite a different reason, Germany too was until recently not among the foremost countries that carried on voluntary Welfare Work. This was owing to the all-embracing influence of State Socialism which by legislation gave to the workers for more than what employers did in any country Hence comparisons as to the degree of Welfare Work undertaken in different countries are always difficult to make; for as has

* E. Kelly: Welfare Work in Industry, p. 14.

† Cadbury: Experiments in Industrial Organisation, p. xviii.

been pointed out, the field for legislation and voluntary Welfare Work often overlap.

The War however quickened the pace of the movement in all countries and particularly in England, where the movement received a strong impulse from the establishment of a Welfare Department of the Ministry of Munitions in 1916. The appointment of a welfare worker in all government and "controlled" factories was made obligatory, "stress being laid upon the importance of the improvement of physical conditions in factories as a means of increasing output and as a safeguard to the health of the operatives". Efforts were also made to induce employers to appoint competent supervisors to look after the welfare of the workpeople and to superintend the arrangements for meals, washing, etc. After the war, Welfare Work undoubtedly received a check because of the closing of munition factories and of the great trade depression which set in in 1920; but the less on of war-time experience was not lost by the nation. The Industrial Welfare Society and the Institution of Industrial Welfare Workers founded after the war have both greatly assisted the voluntary welfare movement and they issue a monthly periodical wherein details are given of new developments in individual firms. Annual conferences are held and other measures taken to ensure a constant exchange of thoughts among the welfare workers. Thus the movement has now taken deep root in England and it is said that about 1,300 welfare schemes are in operation. *

Scope of Welfare Work.—Welfare Work comprises all matters affecting the health, safety, comfort and general welfare of the workmen and includes such matters as housing, insurance against sickness and unemployment, thrift schemes, pensions, medical attention, education, recreation, amusements of all kinds and arrangements for holidays. The arrangements for the benefit of the workmen outside the working hours, desirable and necessary as they are, represent only one side of Welfare Work and that not the most important. For after all the arrangements inside the factory are the primary concern of the employer, and from the workpeople's point of view also the most important thing is "that their work should be made, at the worst, tolerable

* Survey of Industrial Relations, p. 191.

and at the best, actively pleasant. No amount of amenities provided outside the working hours can really compensate for work which is felt to be a burden." * Hence welfare equipment inside the factory such as canteens, mess rooms, cloak rooms, rest rooms, baths, lavatories, recreation rooms, etc., is very important and generally, subject to the exigencies of finance, each firm tries to provide for most, if not all of them.

Organisation for Welfare Work.—For the successful working of welfare schemes, it is essential that they should not be regarded as something outside the general organisation of the factory. Welfare Work is not an embroidery on ordinary management; but is a vital part of factory organisation and it should be shared by all and should not be left entirely to those who are specially set apart for the work.

This leads to the question whether there should be a separate department for Welfare Work or whether the work involved should be distributed over all the departments and shared by all. It will be, of course, difficult to give a conclusive answer as much will depend on the size of the firm, its financial position and the conditions obtaining therein. But it could safely be said that in all except the smallest firms, the need for specialists would be felt and that the promotion of welfare would be quickened by entrusting the work to a special department with a welfare supervisor at its head.

At the same time there can be no doubt that, unless there is full recognition of the fact that all are equally responsible for the welfare of the workers, and that only for purposes of convenience has the work been entrusted to a separate department, it is not likely to be successful. The idea should never get into the minds of the general heads of departments that Welfare Work is none of their concern and that it is only the duty of the department specially created for the purpose. Indeed, instances are known where some of the larger firms "meet the need of the hour by the employment of welfare supervisors whose work however is hampered all the time by the management either as a bungling interference or as a kind of meaningless fad." Such an attitude is fatal to the success of Welfare Work. Even the foremen and overseers of the factory should enter into the spirit of the work and success depends very much on their co-operation.

* Survey of Industrial Relations, p. 193.

One might go further and suggest that even in the matter of working conditions in the factories, the workers' interest should be kept up. Suggestions from the workers for improving working arrangements in the factories should be freely welcomed, and in this and other ways they should be made to feel that in the daily working of the firm, they are as much concerned as the employers. All this depends primarily upon the spirit in which Welfare Work is carried on, and any firm that is not able to evoke in the workers a stimulus to co-operate should be held to have failed in its essential purpose, whatever be its outward show.

Workers' attitude towards Welfare Work.—No scheme of Welfare Work is ever likely to be successful unless it is worked with the consent of the workers and with their willing and active co-operation. Although the initiative may come from the management or the welfare worker, it should never be forgotten that the final test of success will depend upon how far the workers take an active interest in the management of the various schemes of Welfare Work. Too often the success of Welfare Work is imperilled by the autocracy, albeit unselfish, of the employers and by their attempts to do too much on their own initiative. Such overdoing may be an ultimate disaster for it may weaken the initiative of the workers and may impoverish their mind and soul. Hence all things that could be entrusted to the management of the workers themselves should be given over to them. For example, canteens, libraries, sports, clubs, etc., might well be handed over to the workers to be managed with the assistance of the welfare department.

Workers are sometimes hostile to Welfare Work because they feel that it is only a cloak to cover the fundamental defects of workshop conditions. Further there is a danger that Welfare Work by giving better conditions than could be hoped for by trade union action, may have the result of weakening the hold of trade unionism on its members. But this cannot be helped and provided the employers do not do anything with the intention of lessening the influence of trade unionism, they should not be blamed. Indeed at Bourneville in England "it came about that the employees of the Firm, with the wages well above the highest standard in the district, with sick pay assured, with free medical advice when ill and a pension when the time came to take a well-earned rest, felt little need of the membership

of a trade union."* But with the better education of the employees the value of trade unionism came to be appreciated and there were in the works strong branches of various unions whose membership was increasing steadily. Thus, if only the employers did not use Welfare Work as a lever with which the strength of trade unions was sought to be broken, there is no reason to think that workers' attitude towards Welfare Work will be anything but friendly.

Results.—It will not be possible to assess the results of Welfare Work in terms of cash value. Where the test of success lies largely in the attitude of the employer and the employed and in the strength of their desire to co-operate for these purposes, it would be obviously impossible to conclude anything from the outward forms of welfare activities. Further the necessary data from which one can appraise the value of Welfare Work are lacking. But speaking generally, successful Welfare Work is bound to show its results in increased output, diminished sickness and absenteeism and reduction in strikes. As has already been stated, the increased efficiency of the workers owing to the provision of comfortable working conditions in the factory is bound to increase output. The sickness rate would also go down in establishments noted for their beneficent activities for the greatest possible care will be given not merely to select the proper men for the various kinds of work but to see that their work does not fatigue them. A large diminution in labour turnover is another result of successful Welfare Work.

Above all, in firms noted for Welfare Work, there does exist a better relationship between the workers and the management. All minor differences due to personal complaints, etc., will readily be adjusted and the welfare department will be able to create an atmosphere of goodwill and harmony so essential for the avoidance of strikes and lockouts.

But the limitations of Welfare Work should not be lost sight of. It cannot be a substitute either for legislation or trade unionism. There are questions of wages and workshop control which can be decided only by the political or industrial action of trade unions. Nor can even the most well-intentioned schemes of Welfare Work entirely prevent industrial disputes. The discontent of the worker with his conditions of work and

* Cadbury: Experiments in Industrial Organisation, p. 269.

living is almost eternal and no agency can by itself hope to remove it. But within its own sphere, Welfare Work can accomplish much. It is of course true that not all the industrial problems of the country can be solved by it. But there can be equally no doubt that the solution of some part of them can be effected by an improvement in the conditions of work and that modern industry "can solve some of its own problems by giving a wider meaning to the idea of employment. Just as in recent times the idea of education has been extended so as to include not only instruction but physical training, medical attendance, the feeding of children, the provision of play-centres, and home visiting, upon all of which public funds may now be expended in the name of education, so the idea of employment is being extended from the mere payment of wages for attendance in a factory so as to include responsibilities for health, recreation, and housing. A large part, that is to say, of the social problem is being attacked *through industry*" and . . . . "the idea of employment, like that of education, is felt to *involve* in its very nature this wider endeavour." *

* McGregor, Evolution of Industry, p. 143.

CHAPTER XII

WELFARE WORK IN INDIA

The Need and Scope.—Of the various means for securing the well-being of the workers in India, special importance should be attached to the voluntary Welfare Work of the employers in view of the peculiar circumstances of the country. It is of a kind that is most suited to the national temperament of the people. A certain paternal outlook on the part of the employer will not be resented by the Indian worker, if he is convinced of his good intentions. The Indian operative has an innate regard and respect for the employer and will be prepared to look to him for assistance and help, if it is rendered in the right spirit.

There are various reasons why the need for Welfare Work of a very comprehensive character is so great in India. Labour is largely migratory and unwilling to settle down definitely to factory work. Partly as a consequence of this but also owing to other factors labour is very inefficient. To secure a stable class of industrial workers and also to make them efficient, conditions in and outside the factory have to be improved and Welfare Work is one means of bringing about this end. As Sir Stanley Reed has pointed out, the immediate problem of Indian industry is not so much the raising of wages as the extraction of higher service for the wages paid.* An increase in their wages does not raise their efficiency because of their low standard of living and of their unwillingness or inability to spend their wages in directions that would promote their physical and mental well-being. Hence their efficiency can most certainly be increased by improving their working conditions, by a careful and scientific selection of workmen and by affording them facilities for recreation and healthful enjoyment. There is a very large percentage of daily absenteeism in factories and mines often ranging from 10 to 15 and it should be possible to bring about a considerable reduction in absenteeism by efforts directed towards the improvement of working conditions on the one hand and living-in-conditions on the other. Thus even from the purely utilitarian point of view Welfare Work is sure to be a paying proposition; but it is also certain to produce other equally valuable results.

* Burnett Hurst, Labour and Housing in Bombay, Introduction, p. vii.

Welfare Work of the right kind is bound to exercise a great influence in improving industrial relations and in promoting good-will and harmony between the employer and his workpeople. It is not without significance that the committee of enquiry appointed to recommend machinery for the prevention and settlement of industrial disputes in Bombay placed Welfare Work among the foremost agencies for securing industrial peace. For the organisation which accompanies Welfare Work will bring the employers and workpeople together in personal contact and will enable each side to appreciate the other's feelings and difficulties. Further, India can avoid much of the misery and conflict of the West, if her employers genuinely seek to re-establish that personal relationship, which was characteristic of her industrial life in the past. If the rising trade union movement of India is not to be unfriendly to the employers as a class, it is up to them to take early steps to remove the factors which cause ill-feeling and misunderstanding.

Indeed in Welfare Work employers in India can find a distinctive means of securing industrial harmony. It is not inevitable that India should reproduce in all their ugliness the same feelings of hostility and mutual ill-will characteristic of industrial relations in the West for so long. By means of works committees and welfare committees meeting at regular intervals, it is possible to secure an intimate contact between the management and the workers and this will go a long way in removing the psychological factors that cause discontent and unrest. Complaints and differences in themselves unimportant often develop into big disputes because of the lack of opportunities for mutual understanding. The very purpose of Welfare Work being to recognise the personality of each worker it would be easy to remove all minor personal difficulties and create an atmosphere of goodwill and harmony. This is more easy to achieve in India because the Indian worker responds most readily to kind and generous treatment and his loyalty is a great asset to the industry, and can easily be secured by the disinterested and generous action of the employers.

The employers in India have indeed a vaster and wider field to cover in regard to Welfare Work than those in the West. Workers are illiterate and unsophisticated. They afford good raw material to be exploited by unscrupulous men who call themselves their leaders and hence in removing ignorance,

the employers will be able to secure an intelligent body of workers who will not allow themselves to be used as pawns in the personal or political game of interested outsiders.

A General Survey.—But, as yet, in spite of the great leeway to make up, employers as a whole have failed to take advantage of the great and unique opportunities which the peculiar circumstances of India afford. The efforts so far made have been for the most part isolated and irregular and confined to a few individual establishments noted for their general liberality and beneficence. It is true that in many other establishments in India employers have been compelled, by the special circumstances of the industry, to take some action. Thus when factories are established at new centres labour cannot be attracted unless employers afford them housing accommodation. Similarly, the provision of schools and technical instruction is much more necessary in a country like India, where elementary education is still primitive and where technical instruction is only given in a few large cities. It should also be remembered that there is a constant shortage of labour in India particularly of the semi-skilled and the skilled types. The aim of the employer must therefore be to retain his skilled labour force by offering attractions of all kinds. This driving force of necessity has led a number of individual factories to organise elaborate welfare schemes. But as yet there is no evidence of any general recognition on the part of employers as a class of the value of Welfare Work both in its business aspect and in its human aspect. Welfare Work has not become a regular feature in all industries and factories and still remains associated with about 20 to 30 individual establishments. Even among those that have established regular organisations for the carrying on of Welfare Work, they have been regarded more as factors in raising the efficiency of the workers and getting better service from them than as agencies for securing contentment among them and for affording them an opportunity for self-expression. It is not uncommon to find, in some establishments noted for their Welfare Work, that the workers therein are sullen and discontented and hostile to the management. Where such conditions obtain, whatever be the outward manifestation of Welfare Work, the firms should be held to have failed in their main purpose.

To estimate the extent and appraise the value of Welfare Work carried on in India is a very difficult task as the necessary

data are lacking. In regard to the Bombay Presidency alone, the report of Welfare Work published by the Labour Office gives some information, but even there the enquiry was of a very limited scope and did not concern itself with all aspects of Welfare Work. For the rest of India, reliance has to be placed on the Factory Administration reports in each province and on the occasional reports published by some firms giving an account of the nature of their welfare activities. A study of these reports and publications enables one to form a rough idea of the extent to which Welfare Work is carried on in the country. First, in Bombay, the group of mills managed by Messrs. Tata & Sons, Ltd. and Messrs. Currimbhoy Ebrahim & Co., Ltd. are the most famous for their comprehensive schemes of Welfare Work. They were the pioneers in this field in that province and have provided not only for medical aid, maternity benefits, crèches, etc., but have also built houses for the workers. More than all, they have entrusted certain forms of Welfare Work to an independent organisation, the Social Service League, which is liberally financed for the purpose. The League maintains schools, both day and night schools, libraries and reading rooms, organises lectures of various kinds, and provides for other forms of recreation and enjoyment.

The volume of Welfare Work carried on in Sholapur is by no means insignificant and the example set by the Sholapur Spinning and Weaving Mills is keenly and quickly followed by other mills in that city. Almost all the mills have established crèches, and maintain schools for half-timers. In the Sholapur Spinning and Weaving Mills a full-time welfare officer is employed in addition to a full-time doctor. A well-equipped hospital is maintained and the extent of medical activities may be gauged from the fact that over 50,000 outdoor patients were treated in 1923, whilst nearly 500 operations were performed. Nearly 80 per cent. of the children attended school and troops of boy scouts under a scout master have been organised. A restaurant and a reading room have been provided for the employees who also receive the benefit of loan funds, employees' stores, a provident fund and a gratuity fund. The houses provided by the firm are neat and cheap. The Mills spend nearly a lakh of rupees per annum on the various forms of their welfare activities. The good work done at Sholapur has revealed itself in diminished illiteracy among the children so that, as the Chief Inspector of

Factories in Bombay points out, the percentage of literacy amongst mill children at Sholapur is the highest of the main centres of the industry in the Presidency.*

In Ahmedabad too a number of mills have been doing a considerable amount of Welfare Work and the Ahmedabad Mill Owners Association annually hands over Rs. 15,000 to the Labour Union to be utilised for the maintenance of schools.†

In the United Provinces, Welfare Work is for the most part confined to two or three firms in Cawnpore. A dozen mills maintain schools, only three have provided crèches but a good number of firms supply medicine free and housing is provided by about 30 firms.‡ But the British Indian Corporation, Cawnpore, is notable not merely for the wide range of its welfare activities but for its special attention to certain forms of Welfare Work not generally adopted in India. Its welfare organisation concerns itself with such matters as methods of employment and discharge, encouragement of better workmanship, labour-saving devices, prevention of accidents, care of women and juvenile employees, prevention of petty tyrannies, etc. It is not to be concluded that every one of these items of activity receives as much attention as is supposed to be given to it; but it serves to indicate that at least one or two employers in India are not blind to the wide scope and usefulness of Welfare Work.

In the Punjab there is very little of Welfare Work to speak of. In the Punjab and Bihar and Orissa most of the factories have provided houses for their operatives and they are said to be spacious, well-built and sanitary and comparatively cheap.

Special mention should also be made of the most elaborate lines of action taken at Tata Nagar by the Iron and Steel Co., Ltd. Schools, libraries, hospitals, houses, etc., have been provided; co-operative credit societies and stores established for the operatives; savings banks and provident funds instituted and the latest development is a scheme of bonus to be paid to all workers based on their total production in each department in every month. It should however be pointed out that most of their schemes were practically forced on them by the needs of the situation for an entirely new city was built out of what was

* Factory Administration Report, Bombay, 1923.

† Labour Gazette, Bombay, February, 1924.

‡ Factory Administration Report, United Provinces, 1923.

a barren tract and hence all the ordinary amenities of life had to be provided by the company itself.

In the South, the Buckingham and Carnatic Mills of Madras managed by Binny & Co., Ltd., afford the most outstanding example of what employers can achieve if only they are earnest about it. The start first made as early as 1904 with educational and medical work has now expanded into various lines of activities and Binny & Co., Ltd. is now rightly regarded as the model employer over the whole of India. With the exception of a few employers in Mangalore in the West Coast, there is no other firm in the Madras Presidency which does anything to improve substantially the condition of the workers.

In the Central Provinces, the Empress Mills, Nagpur, have been doing very much to promote the welfare of the workers during the last 16 or 17 years and their work runs in several useful directions. Besides schools, crèches, dispensaries, etc., they supply cheap grain, and have provided maternity benefits, sickness insurance, etc.

A study of the various forms of useful activities pursued by employers in India shows that, in the main, Welfare Work has been conceived as consisting of the provision of housing, the maintenance of schools, libraries and reading rooms, the creation of facilities for play and recreation, etc., with a view to improving the general well-being of the workers outside the factory. This is a serious misconception, for however important the provision of amenities of life outside the factory, the improvement of the working conditions inside the factory is of greater importance. It includes such factors as factory hygiene, the provision of well-lighted and well-ventilated workrooms, the prevention of noise and dust, the reduction of fatigue, the provision of proper rest-pauses, the provision of rest rooms, cloak rooms, mess rooms, and canteens, etc. The classification of welfare schemes into those inside the factory and those outside is, however, a serviceable one because it is possible to devise separate organisations for each. In Bombay, for instance, Messrs. Tata & Sons, Ltd. and Currimbhoi Ebrahim & Co., have both entrusted the maintenance of the Workmen's Institute to the Social Service League which is liberally financed by the firms and which conducts schools, provides recreation and facilities for reading, etc., out of the funds thus provided. In a few other

cases the employers have used the agency of the Y. M. C. A. for carrying on a part of the welfare schemes organised by the firms.

Welfare Department.—But, as has already been pointed out, the cardinal feature of Welfare Work is the recognition that the welfare of the worker is an end in itself and that the worker should be regarded as a person with an individuality of his own. Now in a factory employing thousands of labourers how could each worker be recognised individually and his wants and feelings studied and appreciated? Even with the best possible intentions, no employer can come into personal contact with all his work-people without assistance; but with an organisation well-staffed and equipped it is possible to re-establish the personal relationship between the worker and the management and hence it is that in all but the smallest firms a welfare department is created, whose duty is to initiate and supervise all forms of Welfare Work.

The head of the department should be a person of eminence, able to command the respect of the management and the confidence of the workers. In partnership firms, if one of the partners becomes the head of the welfare department it would ensure success. For the work of the welfare department would, so far as it relates to activities inside the factory, affect internal organisation and management and hence unless its head is one enjoying in a large measure the confidence and respect of both employers and workers, the usefulness of his work will be seriously limited. But in regard to activities outside the factory the organisation may be different. Educational activities of various kinds, the establishment and conduct of stores, even the provision of medical aid, etc., may all be entrusted by the employers to outside agencies and the employers while financing them may remain content with supervision of a most general kind. But whatever be the nature of the organisation created for the purpose, its success depends on the amount of willing co-operation it is able to secure from the workers and hence opportunities should be given to the workers to take an active part in the daily work of the welfare department.

Work of the Welfare Department.—The work of the welfare department commences from the entrance to the factory of a new recruit. In well-organised factories in the West, the welfare department does the work of the employment department also. The selection of workers according to some definite

procedure is in itself an important task; but it affords also an opportunity for the welfare department to come into personal contact with the new entrant and to know his life-history and appreciate his difficulties. The personal records containing a brief summary of the career of the workers in the past will serve to indicate the most useful lines of promoting the worker's efficiency. In India the task of scientifically selecting the workers has not been attempted at all and one of the weakest spots in the organisation of her industries is the method, or absence of method, of recruiting the labourers. The sirdars, the jobbers, the maistries, the middlemen, the contractors, such are the various names by which they are designated, are the men who are depended upon for the supply of labour to industries. The management has often no direct control in the selection of workers and this leads to endless difficulties and makes the task of management difficult. The 'badli' system whereby each worker is allowed to send a substitute whenever he is absent is another source of difficulty and a factor in inefficiency. The first duty therefore of employers interested alike in improving the business efficiency and in promoting the welfare of their work-people is to entrust the work of selection to an employment department which must work in close unison with the welfare department.

After the new recruit commences his duties at the factory, the welfare department must watch his progress. It is true that the welfare department as such has no direct interest in the question of his wages. But it must be its duty to see if each worker earns what is considered at the factory to be the normal earnings of an average worker and if anyone fails to do so, the head of the welfare department must ascertain the causes thereof. Are the low earnings due to his sheer inefficiency? If so, what sort of training should be given him? If his low earnings are due to absenteeism, then a series of enquiries must be resorted to. Is absenteeism the result of sickness, or of fatigue or of any domestic inconveniences? It is extraordinary that in this country with absenteeism ranging from 10 to 20 per cent. every day * there is an entire lack of any comprehensive data regarding the causes of absenteeism. "Thousands drift in and out of

* Labour Gazette, Jan. 1926. Absenteeism was 23.3 in the city of Bombay for the month ending with 12th January 1926.

employment without the management having any definite knowledge of the causes influencing this ebb and flow."* Workers often complain that they are compelled to be absent because of the severe working conditions and their inability to bear the strain of continuous employment without an extra day in the fortnight. The question must be investigated and here again we see the inter-dependence of the business aspect and the human aspect. The problem of industrial fatigue in relation to absenteeism and low earnings needs to be studied with care. In so far as fatigue is due to work done for which the worker is temperamentally not suited, the remedy lies in the adoption of an improved system of vocational selection. But often fatigue is due to making unnecessary, ineffective and wasteful motions and here the problem is to study the most easy motions and train the workers to adopt them. Sometimes the supply of a small thing like a foot-stool to workers diminishes fatigue and increases output and the need for resting arrangements is specially great among women workers. There is however a deep-seated prejudice among Indian employers against giving their workers these small comforts; but in the interest of productive efficiency alone the provision of seats will be more than justified.

Fatigue may also be due to ill-arranged or insufficient rest pauses. The special needs of the workers in relation to intervals of rest should be thoroughly examined and the interval of rest should be so arranged that fatigue may be prevented. One of the most important of the causes that have occasioned strikes in the textile factories is the alleged strain and stress of increased work involved in looking after more looms. Some of the factories have tried to lessen cost by asking workers to supervise more looms but this has resulted often in disputes, the workers complaining of strain and fatigue. To lessen discontent and unrest and to secure efficiency, it is necessary that fatigue in its relation to work, rest pauses, etc., should be investigated by the welfare department.

Canteens.—The provision of a canteen which is a place where workers can have their lunch and spend their rest intervals in quiet comfort has come to be recognised as a very important

* Broughton: Labour records in factories, Bulletins of Indian Industries and Labour, February, 1922.

part of welfare activity. The midday hour is the critical one from the point of view of efficiency, for the meal is received into the stomach when the body is in a state of partial exhaustion and is quickly followed by mental and physical activity which draws the blood away from the digestive organs. Hence it is necessary that the meal should be composed of digestible and appetizing food and should be taken in a bright and cheerful place so that the body and mind might get proper nourishment. In an exhausting climate like that of India where the day's work takes a heavy toll of the individual, nature demands some mild stimulant and the best and most innocuous is tea. The tea shop with a restaurant attached to it ought to have a valuable place in the organisation of the factory in India. The Committee on Industrial Disputes in Bombay in 1922 recommended* that clean and pleasant tea-shops should be established for the large body of workers because they recognised that the tea shop was both an educative force and a real convenience. And yet in many parts of India, the most disheartening sight is that of workers not provided with a special resting place but compelled to eat their little food under the machines or in the side-ways, and the result is that not merely are they deprived of their much needed rest but dust and flue get mixed with food causing serious damage to the health of the operatives. There are of course notable exceptions. To mention one instance, the Buckingham and Carnatic Mills in Madras managed by Messrs. Binny & Co. have provided two spacious halls in front of their works with comfortable seats in each, and separate private accommodation for family members. Cooking facilities are also afforded to those desiring them and the arrangements on the whole are quite convenient. But there is a sense of barrenness about the halls and they do not provide that refreshing atmosphere so necessary for a real resting place. With a very little additional expenditure the place could be rendered beautiful to look at and the mind of the workpeople could be brightened and cheered with much good effect. So little has been done in the direction of providing canteens by employers as a class that one feels that in all but the smallest of factories, the State should compel the provision of an eating place that will be separated off the workplaces. At present, legislation in regard to this applies to certain special

* Labour Gazette, Bombay, April, 1922.

industries *e.g.* those connected with the use of lead and lead compounds, but compulsion may be made more general.

Employers may also provide for the supply of good and fairly cheap refreshments at the canteen and where workers are willing to make use of them, the comfort of the workers will be considerably increased.

Baths and toilet facilities.—An item of Welfare Work most appreciated in Western countries is the provision of bathing and toilet facilities, the establishment of cloak-rooms, etc. The climate of India makes it necessary for everyone to have a bath at least once in the day and the workers will appreciate bathing facilities and are sure to use them. It is unfortunate that so far facilities on a sufficiently large scale have not been provided in India and this must be done soon.

Medical Aid.—So far attention has been directed to some of those forms of Welfare Work that do not constitute a regular feature in the organisation for Welfare Work in India and emphasis has been laid on the dangers of neglecting those lines of action. It is now necessary to sketch the commoner forms of welfare activities and to suggest improvements wherever necessary. As has been stated before, the lack of data renders the task of judging the quality and quantity of Welfare Work very difficult. But it will be true to say that the provision of medical aid of some kind or other seems to be practically universal among the larger industrial establishments in India. Out of 76 textile mills in Bombay city which supplied information to the Labour Office, 68 mills reported that they maintained dispensaries for the supply of medicine.* Only one mill reported that no provision had been made for medical attendance or for the supply of medicines. Out of the 59 working mills in Ahmedabad, 49 have made provision for medical aid and in Sholapur all the five mills provide both medical attendance and medicines. Although there has not been any such detailed enquiry in regard to other parts of India, there is little reason to doubt that practically the same conditions hold good in other provinces as well. The jute mills of Bengal and the tea and coffee plantations also provide for medical attendance and for free supply of medicines. Many textile mills in Bengal have provided a well-built dispensary with a compounder and a good

* Labour Gazette, January, 1927.

stock of drugs and workers may attend at stated hours daily for out-door treatment. For medical attendance and medicines usually no charge is made. Only in a very few cases a charge of about one anna per month per worker is made.

But there is great room for improvement and reform. In many cases the dispensaries are badly kept * and the average mill doctor does not take much interest in his work. Even the bigger firms that could afford to employ a whole-time doctor are content with a compounder or at best with a part-time doctor who is not available except for a limited time in the course of the day. The records of illness are not properly maintained with the result that they do not afford any basis for drawing inferences. The Railway Workshops maintain good dispensaries and whole-time doctors are employed to attend to the needs of the workers. But often there seems to be a difficulty in the proper working of the organisation for giving medical assistance in many firms. The workers imagine, often wrongly no doubt, that the doctor is there not to treat and dispense medicine when they are ill but to refuse them leave. However unfounded may be such a suspicion, unless it is cleared Welfare Work will never be successful. Only very few establishments maintain hospitals for their operatives. The workers have few facilities outside their factory for medical aid and even in the few cases where municipal or local board hospitals exist and are open to the workers, they are not availed of by them. Again as long as trained female nurses or preferably female doctors are not employed, women workers are most unlikely even to use the dispensaries kept for them because they will not go with the men workers and be treated by male doctors. Special attention should therefore be directed by employers to the needs of their women operatives.

The extent to which the men and women workers use the dispensary cannot be definitely stated in the absence of information about the number of persons treated each month, the causes of illness, etc. But there is need for educating the worker to avail himself of the provision of medical aid in the factory more freely than has been done so far. This is part of the duty of the welfare department. One way of inducing the workers to make use of the mill dispensary is not only to

* Bulletins of Indian Industries and Labour, No. 31, p. 18.

keep the dispensary in an efficient condition but to create a feeling among them that it is their own and that they have a right to be treated with care.

Crèches.—A crèche is an institution where the young children of the women operatives of mills are taken care of, whilst the mothers are at work. A trained nurse helped by a few assistants is in charge of the crèche which is fitted with good cradles where the young ones are made to rest and sleep. Milk and other food is given to them at definite intervals and the mothers are given facilities for nursing their babies at suitable intervals. The establishment of crèches is of very great importance for children would otherwise breathe the foul and contaminated air of the factory laden with dust and dirt. In India the workers dope their children with opium to make them sleep whilst they are at work and this practice is very injurious as the health of the children is seriously endangered. Further the liability of the children to be injured by accidents will be serious in the absence of definite provision for the care of the children. This is therefore a side of welfare activity which is bound to react favourably on the health of the future workers but unfortunately so far very little has been done by employers in this direction. The conditions in the jute mills of Bengal are specially bad in this respect and so far no crèche has been established there for the protection and care of the young children of the workers employed therein.* They take their children into the mill with them and feed them whenever they please. In South India too there is no crèche at all in any factory. The Buckingham and Carnatic Mills so famous for their welfare schemes, have not established one for they employ very few women workers in the mills. But the other factories in the Presidency employing hundreds of women workers have also failed to provide crèches. In the Bombay Presidency, Sholapur takes the lead and all the mills have excellent arrangements for the nursing of the children of the workpeople. Only about a dozen mills in the city of Bombay and about six mills at Ahmedabad have established crèches. But the arrangements in some of the mills at Bombay leave much to be desired. The rooms are congested, too many children are huddled in a small room and the general appearance is not pleasing to

* Curgel: Women Labour in Bengal Industries (Bulletins of Indian Industries and Labour, No. 31), p. 23.

the observer. Of course it is no use disguising the difficulties of the employers, particularly in Bombay. Land space is so costly that often it would not be possible except for the larger factories to incur the expenditure involved in the establishment of crèches. Further the prejudice against crèches on the part of workers has to be overcome and it takes time to secure the confidence of the workers. But even after all these are allowed for the failure of the employers to provide crèches is deplorable, for the need is indeed obvious.

Maternity Allowances.—The granting of maternity benefits to women workers combined with medical assistance during childbirth is a phase of Welfare Work which deserves more general adoption by the employers in India than has been the case so far. In most countries the law has provided for them; but in India owing to certain difficulties, the extent of which has been overrated, it has not been possible to legislate for the providing of maternity allowances. In the absence of legal compulsion the duty of the employers becomes all the greater and they should grant women not only leave of absence for a period before and after their accouchement but also adequate allowances. At present the arrangements in regard to the granting of leave, medical attention at child-birth, etc., are far from satisfactory. Although no fines are imposed when women workers are absent, there is little effort made to find out if their absence is due to any cause connected with maternity. Nor do the employers keep the place open to them when they return, although in practice the difficulties of re-employment are not serious under existing conditions. Here again the Bengal jute mill industry compares unfavourably with the textile industry in other parts of India. In Bombay the Tata and the Currimbhoi groups of mills have established maternity benefit schemes and allowances amounting to two months' wages are given to all women workers about to be confined, who have put in 11 months of service in the mills. The Empress Mills, Nagpur, grant maternity allowances on similar terms and in 1922, 155 women received the allowances due to them under the scheme and the sums paid out amounted to Rs. 2,836, thus each worker receiving on the average a little more than Rs. 18, which was equal to twice her monthly wages. The payment of such a small sum in a factory with a total wages bill for the year amounting to Rs. 17½ lakhs cannot be considered as an

appreciable burden on the management.* The Sholapur mills and a few of the Ahmedabad mills afford maternity allowances and some of the tea estates also have provided for allowances to be paid at each birth. But on the whole it must be said that very little has been done so far and herein lies a great opportunity for employers to add to the health and comfort of the women workers in their mills.

Education.—The establishment of schools for general and technical education in a country where the working class population is mostly illiterate and unskilled hardly needs emphasis and education of some kind or other has had a place in the scheme of Welfare Work among far-sighted and progressive employers in India. But the field to be covered is so wide and the work done by employers as a whole so far short of the needs that education of the most elementary type must be provided by the local bodies, leaving to the employers' good sense the task of providing education of a more advanced character. In England until the Education Act of 1918 provided for compulsory continuation classes for young men and women, the work of the employers consisted chiefly in providing voluntarily for continuation schools where classes were held in the evening and systematic teaching carried on. Today employers support and take advantage of all kinds of facilities provided by educational bodies outside the factory. The close co-operation in educational work between employers and local authorities in England has been productive of very beneficial results.

In India even elementary education has not been made compulsory in all industrial areas and the factory schools are in many cases merely a place where boys and girls spend an hour or two when they are off work, and little real schooling is given. There are however notable exceptions. The joint school attached to the Buckingham and Carnatic Mills, Madras, is a model of what an educational institution should be. It is built in the midst of very spacious grounds with large open space reserved for games and sports. There are as many as 23 class rooms and the number of teachers employed is 15. A lady principal looks after the institution and the staff consists of trained men. The attendance in recent years has been ranging from 1,200 to 1,500. The curriculum includes reading,

* Annual Report of the Welfare Work in the Empress Mills.

writing, arithmetic, history, hygiene, drawing, gardening, etc. An industrial section is attached to the school where the boys are taught the crafts of the textile trade. They are also taught carpentry, button making, smith's work, etc. Two things in the school deserve special mention. A school kitchen has been started where boys coming from afar are fed free of charge at midday and others served with refreshments at nominal charges. The other interesting feature is that every boy is taught to do gardening work and each set of four boys is given a plot to manage and the vegetables and fruits obtained therefrom are made over to them. The boys have taken keenly to the work and the results have been very encouraging. The school has been in existence for nearly 24 years and is easily one of the best schools found in India, private or governmental.

Of other schools established in Indian factories, mention should be made of the educational institutions conducted by the Y. M. C. A. on behalf of the Empress Mills, Nagpur, by the Social Service League on behalf of the Tata and the Currimbhoi Mills and of the Labour schools at Ahmedabad financed by the employers although conducted by the Labour Union.

Continuation Schools — Adult Education.—In other countries much pioneering work in continuation education has been done by employers and the experimental work carried on inside factories has been responsible for much of the progress in continuation school work and adult education. Some part of the instruction was given during working hours and employers were not unwilling to bring a certain amount of pressure on the workers to attend the evening classes. In regard to education, this element of compulsion imposes no hardship on the young boys and girls who otherwise might not be making the most of their opportunities. In the absence of a general provision for elementary education, the provision for continued education in India by employers would be barren of results. But educational classes for adolescents might very well be established with great benefit both to the workers and employers. Originally factory educational policy centred round strictly technical education and each firm thought that the best way to secure efficiency was to give the workers technical instruction in the arts of production. It has now rightly been recognised that technical education should itself be based on a sound liberal general education and the general cultivation of the mind is often more fruitful in the long

run than mere technical instruction that is not broad based upon a wider general education. Hence the employers in India have an opportunity to provide for some kind of adult education which may be given in night schools. The curriculum for adult education should be so devised as to be specially suited to the more aged workers that attend them. The choice of the subjects and the method of treatment are very important governing factors in the success of the scheme. Teachers who are employed for the purpose should be men of considerable experience, able to deal in a practical way with the various subjects that are to be taught and to rouse the workers' interest by illustrations from their own life and work. The subjects that are generally much appreciated by workers in India are the Economic History of India, Civics Public Administration and other allied subjects besides of course the vernaculars, English and Arithmetic. One serious difficulty in the way of imparting efficient instruction to adolescents is that the workpeople come to school late in evening quite worn out and tired after the day's hard toil and are not able to absorb the instruction they receive. The reduction of the working hours should from this point of view be greatly welcomed and the result will surely reveal itself both in the quality and quantity of instruction at the schools.

Very little has been done by employers in India to meet the needs of the adult workers. The Buckingham and Carnatic Mills, Madras, conduct a night school which is attended by about 300 adult workers and besides instruction in several subjects, lectures on subjects like hygiene, history and geography are given with the aid of lantern slides. But regular instruction reaches hardly even 10 per cent. of the workers in the mills. The Y.M.C.A., the Social Service League, and other agencies do useful work in respect of adult education in some of the industrial centres in India both independently and on behalf of the employers. But much yet remains to be done.

Reading Rooms, Libraries, etc.—Very little provision is made by employers for providing reading rooms or libraries for their employees. The main factor governing this, appears to be the illiteracy of the majority of Indian workers. But it is desirable to combine with day and night schools a good reading room with a library attached to it. A few factories have indeed done so and the Currimbhoy Workmen's Institute in Bombay has a good library and a reading room for the benefit of the operatives

of the six mills under the control of Currimbhoy Ebrahim & Sons, Ltd. Apart from this only 4 other mills out of the 70 textile mills in Bombay city which furnished returns to the Labour Office provide reading rooms.* In Bengal owing to the greater diversity of the jute mill population and the more general illiteracy among them, the provision of reading rooms and libraries is rendered more difficult and practically no mill has provided for them. The Buckingham and Carnatic Mills, Madras, have established a spacious reading room which contains some vernacular papers and a few picture journals and the library that is attached to it is a fairly big one containing many vernacular books of a popular kind. From the records of consultation and loan of books it is clear that vernacular novels are widely in demand and constantly used. Younger men use the reading room and library more freely and this is a very promising sign for the future of adult education in the country.

Recreation.—The establishment of various forms of healthy recreation holds an important place in the scheme of Welfare Work in every country and is all the more necessary in India where workers after long and unaccustomed work in factories come out exhausted. Sporting activities, musical and dramatic entertainments, cinema shows, and katha performances are some of the enjoyments most appreciated by Indian workers. The Currimbhoy Institute in Bombay has probably gone farther than any other in India in regard to the provision of varied forms of recreation among which may be mentioned the social club, gymnasium, lathi club, sports, excursions, wrestling matches, dramatic entertainments and katha performances.† Similar facilities have been provided in the Empress Mills, Nagpur. But probably the most characteristic features of this aspect of Welfare Work have been revealed in the organised attempts made at the Buckingham and Carnatic Mills, Madras, where, besides a gymnasium and an extensive play field, there are football and hockey teams for each mill and inter-mill matches are annually played. The Athletic Association also sends its hockey and football teams for playing matches with other teams in the city. The workpeople seem to take genuine interest in these sporting activities. A dramatic society has been organised and it has been

* Labour Gazette, Bombay, January, 1927.

† Report for the period November, 1921 to December, 1922. Social Service League, Bombay.

staging four dramas every year and the report states that each of the performances was attended by about 1,500 workpeople and that the histrionic talents of the actors were of a high order.* The workpeople in India show a distinct preference to katha performances especially if they are combined with devotional music. They also seem to appreciate cinema shows and here is an opportunity to educate them, which employers would do well not to miss. Much will depend on the selection of proper films and those that have no educative value should be rejected. Dramatic entertainments too should not be allowed to degenerate into vulgar display. Subject to these conditions, the provision for healthy recreation for workers is bound to react very favourably on their health and efficiency and therefore be productive of valuable results.

Housing.—Although the provision of houses for workers by their employers is not free from its characteristic defects, it should be admitted that owing to the special circumstances of the country the housing of the workers must for a long time to come be a regular feature of Welfare Work in India. The workers want what have been described as "strike free" houses for they do not like to live in the houses built for them by the employers, which they will have to quit the moment they go on strike. But as long as other means of housing are either not available or wholly inadequate to the needs, it will be no use condemning a system which probably is the only effective way of overcoming the shortage of houses. This is particularly the case in India where the housing conditions of the operatives are almost as depressing as they could be. The chawls of Bombay, the bustis of Calcutta and other huts for "warehousing" the large number of the labouring classes are most insanitary and overcrowded. The heaviest burden which the factory operatives in most of the industrial centres in India have to bear arises both from the deficiency of housing accommodation and the very low quality of much that is available. Increases in wages bear no fruit in the improvement of social conditions because they are all swallowed up in high rents. The quality of housing in Bombay has been well described in a recent book,† which is dismal reading. The percentage of the total population, and not merely the working class population,

* Report of the work of the Welfare Department of the Buckingham and Carnatic Mills, Madras, for 1923.

† Burnett-Hurst: Labour and Housing in Bombay.

that lives in rooms each occupied by 6 persons and over is 36 in Bombay and 48 in Karachi. Sixty-six per cent of the total population in Bombay city live in one room tenements and according to the census of 1921 there were in Bombay city no less than 135 instances in which a single room was occupied by six families and more. Conditions in some of the other centres are by no means better. Calcutta gives as distressing a picture of housing conditions as Bombay and the bustis of Calcutta and the chawls of Bombay have been described as "pestilential plague-spots". With such overcrowding, lack of ventilation and absence of drainage, it is not surprising that the rates of infant mortality in some of the industrial centres are the highest in the world. In 1921 infant mortality per 1,000 births was 667 for Bombay, 876 for Poona, 330 for Calcutta and 282 for Madras.*

In spite of the valiant attempts made by municipal authorities and provincial governments to improve the housing conditions, they have fallen short of the requirements. The Bombay Improvement Trust and the Calcutta Improvement Trust have built houses intended for the labouring classes. The Development Trust in Bombay has gone far in overcoming the shortage of houses and by its bold policy of housing schemes has been able to construct improved types of *chawls* which ultimately will be sufficient to accommodate about 50,000 labourers. And yet, in spite of these notable efforts, there is a large field of work for the employers in general and it would be a serious blunder if the house-building schemes of employers are looked upon with suspicion and distrust. So far, the housing provided by employers has been insufficient to cater to the needs of more than a small percentage of the workers employed by them. An exception should of course be made in the case of the employers at Tatanagar and the Railway Company at Golden Rock, Trichinopoly. In these instances the employers have been compelled to provide their workpeople with houses, as a new factory town has had to be built in each case. In Bombay city, out of 76 textile mills, only 22 mills have provided even for partial housing and the accommodation is sufficient to house only about 20 per cent. of the workers employed in those 22 mills.† Again although

* Report of the Public Health Commissioner with the Government of India for 1921, p. 69.

† Labour Gazette, Jan. 1927.

all the five mills in Sholapur provide housing for their operatives, only 12 per cent. of the total mill population have been housed in the premises built by employers. The houses built by the employers of jute mills in Calcutta are both insufficient in number and defective in quality. Some mills have erected lines of bad and insanitary type, the rooms being placed in a line back to back, and with no proper arrangements for ventilation, the worst feature being evident in houses which are double storied.* About 30 factories in the Madras Presidency have built houses for their employees.† The Commonwealth Trust, Mangalore, have elaborated a scheme by which employees are given a liberal advance for house building, out of the profits of the rice stores which have been established for them. The advance is recovered in small instalments extending over 20 years and many houses have been built under the scheme. Messrs. Binny & Co., Ltd., have built two model 'villages' as they are called, capable of accommodating about 300 families and the rent charged for each house is Re. 1-8, which is less than the economic rent. The building of other villages too is in progress and with the completion of the scheme another 500 families would be provided with houses. But even this is admittedly inadequate to house all their operatives and nearly 50 per cent. would yet have to live in private houses. The villages are very neatly planned and the houses are clean and sanitary. A village hall has been constructed in which the residents hold their meetings, social entertainments, etc. For each village there is a small committee or panchayat elected from among the residents, which is expected to look after the sanitary condition of the village, inform the mill authorities of any improvements felt to be necessary, settle amicably petty disputes arising among the residents, etc., and represent their needs and difficulties in regard to their living-in conditions to the authorities concerned. The mill-school nurse periodically visits the villages which are made a centre for propaganda work connected with temperance, child-welfare, etc. Women are given training in some home-industries and lace-making, sewing, knitting, tailoring, etc. are some of the occupations in which the women of the villages are usefully engaged.

* Bulletins of Indian Industries and Labour No. 31, p. 15.

† Report of the Chief Inspector of Factories, Madras, 1923.

Economic Improvement: Development of Thrift, etc.— The work carried on under the above head usually comprises the establishment of co-operative credit societies, savings banks, stores and the provision of certain provident benefits to workers. The industrial worker receiving his wages for the first time six or seven weeks after he has worked in a factory, starts his career with a load of debt and is never able to rise above the current. The establishment of co-operative credit societies will afford undoubted relief to the worker and would serve both to prevent his falling into the clutches of the exorbitant money-lender and to reduce his indebtedness. The Social Service League, Bombay, has paid considerable attention to this aspect of the workers' needs and has established about 30 co-operative credit societies in all. It is interesting to note that of those 30 three have been organised for women workers and the report adds that women workers are thoroughly punctual in regard to the repayment of loans—a striking testimony to their honesty and reliability. The League also runs a store on a co-operative basis and the turnover amounted to Rs. 61,666-9-3 in 1922 not a high sum considering the number of workpeople for whom it is intended. Of a different order is the store started by the Empress Mills, Nagpur, where all the necessaries of life are sold out to their employees at less than the cost price, involving a loss of over two lakhs of rupees for the Mills in 1922. However justifiable as a temporary measure in view of the high prices obtaining between 1919–1922, this cannot be regarded as on a sound basis and even the workers would not like to be under the charity of the employers, and even if they do, they should not be encouraged to do so. The best thing will be for the employers to run the stores at cost and ensure to the workpeople good quality and the cheapness arising from getting things in bulk.

In South India the co-operative movement has not spread among the workers and employers have made no efforts to introduce co-operative societies for the benefit of the workers. It is desirable that the employers should take the initiative in the matter; for the organisation and management of co-operative credit societies and stores would not merely increase the well-being of the workers but afford them an invaluable lesson in the art of self-government and business management within a

limited sphere. The Buckingham and Carnatic Mills have established a store which sells to the operatives of the mills all that they want at market rates and the quality of the articles sold at the store is distinctly good. The store is run entirely by the management with their capital. Credit is allowed to each worker up to about 50 per cent. of the wages he has earned in the month and deductions are made from the wages of the next month. The monthly sales amount to over Rs. 60,000 and the popularity of the stores is beyond question.

Some firms have established a savings fund to which employees can voluntarily contribute from time to time part of their savings and from which they can draw at any time the whole or any portion of the deposits they have made. Interest is allowed at a rate varying from 4 to 6 per cent on the daily balances remaining to their credit.

Gratuity schemes.—The Buckingham and Carnatic Mills have instituted a pension or gratuity scheme which has been in existence since 1904. According to the scheme, the employers contribute annually on behalf of each worker 5 per cent. of his annual wages and this is allowed to accumulate for ten years and is payable to the worker at the end of ten years of continuous and satisfactory service. A worker who begins his 11th year of service in the firm will be eligible to get gratuity at the rate of 10 per cent of his annual wages for the next decade of satisfactory service. The scheme has been working fairly satisfactorily, and quite a large number of workers have been able to obtain considerable sums of money as gratuity. And yet there is no doubt that the gratuity scheme has in part been regarded by the employers themselves as a good safety valve against strikes and denounced by the workers as an engine of oppression. The conditions of the scheme are really onerous to the workers, who will forfeit their gratuity if they take part in any strike. Again a worker who has put in nearly 9 years of service is said to be dismissed for offences which usually would entail a less severe form of punishment and he thus loses his gratuity. Occasionally he is reinstated but is regarded only as a new entrant and no credit is given for his past service. Thus a scheme obviously devised to promote welfare degenerates into one tending to cause discontent and unrest. Hence too much care cannot be taken by employers to see that gratuity and

other pension schemes are really worked in the right spirit and the only satisfactory way of doing this is to associate the workers in the administration of the scheme.

Benefits—Accident and sickness.—In some firms provision had been made for compensating the workers for injuries arising out of their work in factories; but with the passing of the Workmen's Compensation Act, 1923, accident benefits have come to be legally enforceable and their provision cannot therefore be regarded as part of the welfare arrangements in factories. It is however quite open to the employers to go further than the law; the scale of benefits may be made more liberal than that provided in the Act; and medical assistance, which is only voluntary under the Workmen's Compensation Act, may be given to the workers as of right. In some cases indeed the passing of the Act has contributed to a reduction in the scale of benefits as firms which were paying more liberally are now content with just satisfying the provisions of the Act. This is a retrograde step but the employers cannot hold the Act responsible for this result. Indeed the Buckingham and Carnatic Mills, Madras, which were paying accident benefits on a very liberal scale have now made arrangements to continue their own scheme and grant benefits in addition to those provided under the Act.

Little has been done in India by employers by way of providing sickness benefits. When workers are ill, medical aid varying from the giving of some medicine out of a medicine chest to free medical attendance by a doctor is afforded but so far no scheme of sickness insurance has been organised successfully in any firm. A few mills have tried to organise a sickness benefit scheme on a voluntary basis. In the Empress Mills, Nagpur, for example, a monthly subscription of Re. 1-2 entitles a worker to Rs. 25 for the first 6 weeks of illness and Rs. 15 for the next 8 weeks. It is not altogether surprising to read in the report that not a single worker had joined the scheme so far.* The contribution of the worker is far too high considering his wages and he cannot afford to incur the certain loss of considerable sums of money for a contingent gain by way of sickness benefit. But a sound sickness insurance scheme organised by the employers, which will exact little from the workers as

* Annual Report of the Empress Mills' Welfare Work, 1922.

contribution is sure in the long run to increase the efficiency of the workers, increase output, diminish cost and thus react beneficially to the firm's advantage.

Bonus schemes.—In addition to the usual methods of paying the workers, *i.e.*, the time-wage and the piece-wage, employers have endeavoured to secure an increased output and to raise the earnings of the workers by the offer of a bonus for those who turn out more work than that prescribed. But a general bonus scheme such as was in operation since 1917 in the Bombay Textile Industry is more in the nature of a sharing in the profits of the industry than a method of wage payment. The war bonus of 10 per cent. of the wages of the worker given in 1917 was increased to 15 per cent. in 1918 and to 35 per cent. in 1919 and when it was stopped in 1921 owing to the depression in the textile industry, a very protracted strike followed and thus the bonus scheme became a source of endless disputes and discontent. The so-called labour profit-sharing scheme initiated by the Tata Iron and Steel Co., Ltd., recently, is in reality a production bonus scheme and likely to prove very beneficial both to workers and employers. The essential feature of the scheme is a bonus on production to subordinate workers which involves the company in bonus payments roughly amounting to Rs. 10 lakhs per annum. The bonus will be paid on the total monthly finished production for each producing unit and for the workers as a whole. It will be reduced if production falls below a certain figure and increased if it rises above that figure. The Company pays approximately 5 weeks' wages per annum extra to workers included in the scheme.

Profit-sharing.—It is indeed unfortunate that very few attempts have been made to establish profit-sharing schemes in industries in India. The failure of profit-sharing schemes in England has possibly contributed to the unwillingness of employers in India to initiate similar schemes in their establishments. It is however open to doubt whether profit-sharing was tried under proper conditions in England and even if it were so, whether the failure of profit-sharing in England is conclusive against its adoption in this country. It is true that the fate of any profit-sharing scheme will be sealed if it is designed to wean the workers from the influence of trade unionism or prevent them from joining a strike. The two or three schemes of profit-sharing

established in India suffer from these defects. For example, in the scheme instituted by the Birla Cotton Spinning and Weaving Mills, Ltd., Delhi, it is stated that any one who takes part in a strike against the management or has disobeyed his superior's orders will forfeit his right to a share in the profits.* Again the management have reserved to themselves the power to refuse to any worker the benefit to which he is entitled under the scheme without assigning any reason and the decision of the management cannot be challenged by the workers. Schemes of this nature do not deserve to succeed and their failure should hardly be regarded as conclusive against profit-sharing schemes in general worked under proper conditions.

Profit-sharing as a method of stimulating effort may not be successful, for the essentials for any satisfactory system of payment by results are that the payment should follow immediately or soon after the effort and that the reward should bear a direct relation to the effort. Profit-sharing does not satisfy these tests but it goes a long way in overcoming the psychological difficulties that hamper co-operation and mutual understanding and as a factor tending to promote good-will and lessen misunderstanding, is of the greatest value. Rightly or wrongly organised labour in England has regarded profit-sharing with distrust and suspicion but fortunately in India there is a more favourable atmosphere in which the schemes can be initiated and administered. Employers have thus a great opportunity in this country and it would be a serious blunder if they mark time and allow things to get out of their control. The fact that in the Cocoa Works at York in England which is justly famous for the large volume of Welfare Work carried on therein there has been practically no strike at all for the last 20 years† should be an eye-opener to all employers in India and stimulate them to organise profit sharing schemes which would avoid some of the pitfalls of the earlier ones. If labour is to accept willingly any profit-sharing scheme it would do so only if the workers are given a legal right to their share and are not dependent upon the bounty of the employer. They should be free to join a trade union and strikes should not be penalised.

Works Committees.—The re-establishment of the personal contact in industry gives character to Welfare Work and nothing

* Proceedings of the Sixth Annual Economic Conference, Lahore, 1923, p. 182.

† Report of an interview with Mr. S. B. Rowntree at Bombay in 1926.

can help to bring it about so much as the organisation of a joint committee of the management and the workers, variously known in India as Works Committees, Welfare Committees, Staff Councils, etc. The idea is to promote better understanding and remove the psychological factors of discontent in the industry by holding meetings at regular intervals at which matters concerning the working conditions of the operatives may be discussed and grievances ventilated. In many cases, certain subjects like wages, hours of work, etc., are shut out of the sphere of works committees and there are indeed few works committees in India which enjoy unrestricted freedom to discuss any matter they like. Works committees are generally entrusted with the task of supervising all the welfare activities in the firms and this in itself will afford a great opportunity to the workers.

The first works committee in India was set up by Messrs. C. T. Allan & Co., Cawnpore. Numerous small committees with a central co-ordinating committee have been established at the Tata Iron and Steel Company, Jamshedpur. Works committees were established in the Tata Mills, Bombay, in 1920 and have been doing good work since then. The Currimboy Ebrahim & Sons, Ltd., have also established works committees in their mills and they afford an opportunity for the workers to bring up before the management minor grievances and difficulties which are easily removed. Most of the Railway Companies in India have organised what is known as a staff council for each department and the representatives of the workers in the council are thus given an opportunity to bring before the management any matter concerning the working conditions in the department.

Scope of the Committees.—Speaking generally works committees in India have not concerned themselves so far with the more fundamental questions affecting the life of the workers. The fear of the employers that in the first flush of excitement, all sorts of questions will be discussed has been responsible for strictly limiting the powers and functions of works committees. Indeed some employers have gone so far as to taboo all personal questions and individual grievances, which are to be referred directly to the departmental heads in the first instance and then to the general manager. This however is a serious mistake and will defeat the very purpose of a works committee which is intended to lessen discontent and promote mutual understanding.

It is true that at first petty grievances might be ventilated at the meetings but time is a great educator and the patience of the management is bound in the long run to be amply rewarded. The best thing therefore to do is not to forbid any topics at all but leave the whole matter to the good sense of the members. Suggestions for improving the working conditions should be freely welcomed and the workers should be made to feel that in the management of the factory, they have as important a place as the employers themselves.

Nothing will tend to create a sense of responsibility and be of great educational value so much as the entrusting to the joint committee, of the management of a certain income to be utilised for the welfare of the workers. Hence the practice in some of the firms in India of entrusting to the works committee the task of supervising the welfare activities of the factory is of the greatest value.

Again whether the works committee should be an executive body or an advisory one is a most important question. But, at all events, in the early stages of the career of works committees in India it would not be advisable for the employers to definitely commit themselves to the carrying out of all the resolutions of the works committees. In practice however it should not be difficult for the employers to adopt the more reasonable and practicable of the suggestions of the committee; so that although technically advisory, the committees may virtually become executive.

Constitution.—The constitution of the works committee varies as between different factories. In the Tata group, for example, the committee consists of 70 persons, each department sending five workers and the jobbers, mukadams and firemen electing each five among themselves. The heads of departments and representatives of the management make up the remaining twenty members. In the Currimbhoy group, there are for each mill a general committee and a working committee. The general committee consists of about 48 representatives elected by the workpeoples and five *ex-officio* members and it discusses the grievances of the workmen and submits recommendations to the working committee which consists of about 20 members. Recently however the working committee was dispensed with and all the work is done by the general committee. Although apparently the representation is weighted in favour of

the workpeople its importance should not be overrated as the resolutions are only recommendatory and the final voice in all matters rests only with the management.

In Madras, a Joint Welfare Committee was started for the Buckingham and Carnatic Mills by Binny & Co., in 1922, with the object of bringing about greater contact between representatives of the management and the workpeople and of discussing matters affecting the interests of the latter. The Joint Committee is composed of, on the side of the employers, the two managers of the mills, the Principal of the Mill School and four representatives of the management while, on the workers' side eleven workers from each mill are elected. The Welfare Superintendent is the secretary and convener of the Committee. Meetings are held once a fortnight; and reports of the activities of the different committees of Welfare Work namely the Athletic Association, the Dramatic Society, the Workmen's Stores are read and discussed at the meeting. The Committee also discusses the grievances or difficulties of the workpeople or of a considerable section of the workpeople; matters of a purely individual character are left to be settled by the labour representatives with the officers in charge of the Departments, although the Committee does not specifically exclude them. During the brief period of its existence it has done something to improve the working conditions inside the mills and create a sense of responsibility among the workers.

Conclusion.—A study of the welfare movement in India reveals certain striking features. First, the development of welfare has been carried to its farthest point in the case of certain individual firms with whom "care for the health and happiness of their employees is almost traditional." The welfare schemes of these firms comprise such matters as housing, education, recreation, amusements of all kinds, thrift schemes, pensions and medical aid. The work done by these firms while invaluable in itself, as setting an example to other firms, cannot be considered as typical of India as a whole. Secondly, while much has been done for the benefit of the workmen outside the factory and while arrangements for Welfare Work outside the factory are very striking, there has been very little recognition of the importance of the arrangements inside the factory. Thirdly, there has been no co-operative effort on the part of the

employers to combine together for initiating welfare schemes. So far action has been limited to individual effort and each firm has its own programme of welfare activities. In big industrial centres like Bombay, Calcutta, etc., it should be possible for the employers to join together and carry on collectively certain lines of welfare activities.

It is no use disguising the difficulties of employers in organising and carrying on welfare schemes. What is possible for a large factory employing a thousand workers may not be possible for a smaller one employing only a hundred and less. But within the limits of the size of each factory much may be done. To beautify the appearance of a factory, not much money requires to be spent. After all the most important thing is the spirit in which the whole scheme of welfare arrangements is carried out. Welfare Work had been often denounced in the past as golden fetters to chain the workers with and the way in which some schemes were worked afforded justification for such an indictment. Where employers organise Welfare Work with the object of weaning the workers from trade unionism or breaking the strength of organised labour, their work is rightly condemned. It is necessary for employers to realise that Welfare Work cannot be a substitute for trade unionism but that it is complementary to it and that it is part of wisdom to welcome the co-operation of trade unions wherever possible, as some far-sighted employers have done in England.

Again the illiteracy, the ignorance and the migratory habit of the Indian workers render the task of even the most benevolent employers extremely difficult. Often owing to ignorance and conservatism there is an unwillingness on the part of the workers to avail themselves of the various amenities provided for them in the factory. But this should not deter the employers from going forward, for to remove prejudice, ignorance and even ill-will and misunderstanding requires time, patience and a very real charity.

Trade unions are by no means hostile to genuine and, disinterested work. Provided no ulterior purpose is intended Welfare Work is welcomed and appreciated by unions. Indeed the example set up by good employers in this matter has often led unions to insist that others too should follow in their wake and to enforce the demands if necessary even by strikes. But

enforced Welfare Work is not likely to be really fruitful in the long run.

It is difficult to assess the results in terms of money value of Welfare Work in India. There have been no data showing its influence on output, diminished sickness and absenteeism, diminution in strikes, etc. The results do not lend themselves to accurate measurement. But there is no doubt that among those firms that have done most in promoting welfare, the effects have been perceptible.

The Buckingham and Carnatic Mills have achieved a considerable reduction in the labour turnover, and have been able to secure remarkable stability in the personnel of the workers. It is not without significance that the workers of these mills, are more efficient than those of the neighbouring mills, turn out larger output and are anxious to keep on. While in the rest of India the workers are constantly moving from industry to agriculture and back again from agriculture to industry, the Buckingham and Carnatic Mills have now a stable class of industrial population practically wedded to factory employment and although this is not free from its own difficulties, it certainly has been a factor in the raising of the level of efficiency. There cannot be any doubt that to this end nothing has perhaps contributed so much as the systematic Welfare Work carried on for the last 20 years.

But unfortunately there has been little evidence to show that in India Welfare Work has reduced strikes or lessened the occasions for dispute. Indeed in some of the mills fairly famous for their schemes of Welfare Work strikes have far from diminished; nor could it even be said that there has been a better understanding brought about between the employer and his workers. This suggests a reflection that all is not well with the methods pursued in carrying on the various schemes of welfare and that the printed reports of Welfare Work often give the reader an impression wholly different from that left on the workers themselves. It is no exaggeration to state that a number of workers regard gratuity and pension schemes established in some factories as designed primarily to break trade union strength, to induce the workers not to join unions and to penalise them heavily for taking part in strikes. Whether this suspicion is just or not is not so important for our purpose as the fact that

it does exist. It is a significant fact which reveals the attitude of the workers towards Welfare Work. It is up to the employers to take note of this and to work out their welfare schemes in such a way as to remove all cause for suspicion and distrust.

PART THREE

TRADE UNIONS AND WELFARE

XIII. Evolution of Trade Unionism.

XIV. Trade Unions and Law.

XV. Industrial Peace.

XVI. Conclusion.

CHAPTER XIII

EVOLUTION OF TRADE UNIONISM

Introductory.—Among the agencies that tend to promote the welfare of the working classes in India, Trade Unionism must necessarily take the foremost place, although up till now owing to certain peculiar circumstances it has had a very limited range of influence. Too often in the mind of the average citizen a trade union is associated with strikes and lockouts and regarded as existing exclusively for carrying on an unending warfare against employers in the interests of workers. But this idea is altogether misleading and ignores some of the wider and higher aims of trade unionism; for the primary purpose of a trade union is to maintain and improve the conditions of the working life of the wage-earners. Hence anything that would improve their conditions of living falls within its legitimate sphere of activity and indeed the functions of every modern union all over the world reveal this wider purpose and aim. Almost every trade union performs in varying degrees the functions of mutual aid societies and seeks to eliminate from the lives of its members much of the economic insecurity of living. It does much to establish better working conditions and has often pointed the way for governmental action. In the way of influencing legislation, unionism has done in most countries more than all other agencies put together to combat the evils of child labour, excessive hours and other inhuman and degrading conditions of work. More than all, unionism has been a great educative influence on the workmen. The training that it gives in democratic organisation and discipline is a potent factor in fitting the worker for the higher functions of citizenship. Thus it would be a serious mistake if the wider scope and purpose of unionism is lost sight of and unionism regarded only in its militant and narrow aspect. Trade unionism in India has a wider opportunity to benefit its members than in other countries. The worker in India is illiterate and ignorant, his standard of living is very low and his understanding of most of the economic problems that face him is of the feeblest character. Although these conditions render the establishment and progress of trade

unions extremely difficult, they at the same time afford promise of a richer harvest if once the ground is well prepared.

History.—The history of trade unionism in India is a history of very recent years. It was not until 1918 that labour definitely had begun to organise itself. Previous to that date there had been isolated and spasmodic attempts to form unions here and there but they all had short shrift. They were no more than temporary meetings called together for the purpose of carrying on strikes and as soon as the disputes ended they also ceased to exist. The year 1918 may be said to be a landmark in the history of the Indian Trade union movement; for from that year onwards labour unions have been steadily growing and in spite of the inevitable fluctuations in their prosperity have not gone under as in former years. The first union that was formed in India was in Madras named the Madras Labour Union which consisted of the textile labourers of the city of Madras and included the workers of all the three textile mills in the city. It was started by Mr. B. P. Wadia then Editor of the *New India* and the Union owed not a little to the steady, persistent and inspiring work of its leader. From the very beginning it adopted a somewhat militant policy and the personality of its first President, his powerful oratory, and his fearless advocacy of the workers' cause infused courage into the workers and soon the Madras Labour Union became very comprehensive in its membership. Not one textile worker in the city of Madras remained out of the union and the union became more and more powerful in a short period of time.

But the economic and political circumstances of the time afforded that basis without which not even the capable leadership of Mr. B. P. Wadia would have been strong enough to found a union and strengthen it. The period 1918–20 was in some respects the most critical one for the wage earners all over India. Prices rose on an unprecedented scale and at an alarmingly rapid rate but as is always the case wages did not keep pace with the increase in price. The country was on the verge of famine owing to a succession of bad seasons and the Indian workmen found that in the unions lay their strength and that only by organisation they could get something from out of the employers. Unions began to spring up in large numbers. The Indian Seamen's Union at Calcutta was started in 1918. Railway workers began to start

unions in all the important railway centres of the country. In the two years following 1918 the number of unions increased very fast and unions were formed of workers in all possible industries and occupations. Some of these were unions merely in name; they were in reality mere strike committees, brought together to engineer and conduct strikes and dissolved into nothing soon after the strikes ended. Indeed the instability and loose organisation of most of the unions that were formed during those years would be apparent if one remembered that more than 75 per cent of the unions formed in the period died an early death in the years following 1920. But although individual unions collapsed as rapidly as they were formed, the labour movement itself showed, unlike as in earlier periods, signs of permanence and vitality. The reasons why unionism has come to stay in the country after 1918 as a factor not to be neglected are not entirely clear. But some of the factors that helped the formation and the successful establishment of unions in India may be stated as follows.

In the first place as already suggested above, the economic circumstances of the time must be regarded as the dominant factor contributing to their establishment. Political unrest was not of course without its influence but to regard labour unions as being engineered by politicians and solely the result of their propaganda is to misread the origin of this movement. It is true that in the past whenever there was any general political unrest the labour world did not remain entirely unaffected by it. But the Great War which affected for good and evil the many conditions of the economic and political life of the people all over the world touched perhaps none more vitally than the working classes of the world. In the general economic unrest that followed the Armistice it would have been strange indeed if the labourers of India remained wholly uninfluenced. They were also caught in the meshes of the world conflict. Apart from such general factors, the conditions of life of the workers in India were such as to compel them to action. The hours of work were unduly long; twelve hours of work with less than half an hour in between by way of rest was telling on their health and conditions of living. Their wages were very low and the rapid and high increase of the prices of all food stuffs and other necessaries reduced their already low money wages still lower in terms of purchasing power and the gap

between wages and prices became wider and wider. To maintain the proportion between wages and prices became a necessity and workers began to organise themselves for this purpose and unions were the outcome of such efforts. But the continuance of unionism in India cannot be explained without reference to an international event of first rate importance. The establishment of a permanent International Labour Organisation with its annual conferences, to which delegates from all member countries are sent and at which questions affecting the life of the working classes come up for discussion, is one reason why labour organisations once formed did not die. The increased status which the I.L.O. has conferred on labour can only be maintained by keeping the associations alive and the need for labour to recommend a delegate annually to the Conference induced labour to organise itself and speak in a representative capacity. Thus internal and external forces have combined to bring about the permanent establishment of Trade unions in India after the War.

Obstacles to Rapid Growth.—But their growth has been and for a long time yet, will be slow. The difficulties of organising Indian Labour are almost insuperable. Undoubtedly the very narrow range of literacy is a serious obstacle in the way of labour organising itself. It is this fact that accounts for the serious disparity that exists to-day in India in the distribution of unions among the various organised industries. A certian minimum amount of knowledge and literacy is almost the *sine qua non* of organisation and in its absence no stable association can exist. As with ignorance and illiteracy so with poverty. It has been proved from the experience of all countries that it is not the poverty-stricken labourers that afford the material for organisation. The paradox of unionism is that the persons who need organisation most are those that are unable, on account of their poverty and ignorance, to combine. Hence in India it is not surprising that the more powerful associations of labour are to be found among men like the Railway employees who are less ignorant and less poor than the labourers engaged in manufacturing industries. Further labour in India is still migratory in character. So long as there is no definite body of wage earners solely dependent for their livelihood on their wages it is not possible to expect a real trade union movement. The class consciousness must have developed and it would not so readily develop if workers move constantly

from agriculture to industry and from industry to agriculture. With such an unsteady working class population little wonder that the progress of trade unionism in India is extremely slow. To add to these difficulties castes, creeds, social customs, etc. form a barrier preventing people from joining together and forming one strong organisation. The character of recruitment that obtains in Indian factories is another complicating factor. Groups of labourers owing allegiance to particular middlemen and jobbers, prepared to go into and come out of the factories at the command of these men, are not exactly the kind of material suitable for effective organisation in unions. There is conflict of loyalty in them between the union and the jobbers.

But even if these difficulties are removed, there are other impediments. India is a vast agricultural country and agricultural workers, as every one knows, do not readily organise themselves. In a country like India where 73 per cent of the population are agriculturists, the exclusion of this large number from the sphere of trade union membership and influence must necessarily limit the scope of the trade union movement in India. The very size of the country with its enormous distances would render collective action on a national scale difficult and expensive. The inherent difficulty of organising a scattered industrial population cannot easily be surmounted unless other favourable factors exist to counteract them. The experience of every country proves that it is no easy thing to organise unskilled labourers because of their poverty, their irregular habits, their roving disposition, and their lack of any special skill which would render their displacement difficult. Indian labourers employed in most of the important manufacturing industries do not possess such skill as constitutes any thing like a monopoly and often it is scarcity of numbers rather than their skill that makes the employer hesitate before refusing to concede the demands of his workers whose efficiency is of the lowest level. For all these reasons, the task of organising Indian labour must ever call for leadership of a very high order.

Trade Union growth.—The obstacles to the growth of Trade unionism in India reveal themselves in its uneven development and progress among industries and employments. The movement has spread more rapidly among the Railway and Postal employees than in other services and trades. The peculiar

feature of the trade union movement in India is that it has not made much headway in the more important manufacturing industries but has spread among what the Webbs call 'the black-coated proletariat'. The absence of strong unionism among the textile workers of Bombay and Calcutta, the impossibility of organising the miners who, of all the workers in India are the most migratory, and the little advance that it has made in other organised industries constitute a weak spot in the organisation of the trade union movement. It is this uneven development of unionism that gives a somewhat artificial character to the whole movement. Whilst in other countries, the clerical employees, men in Government service, etc., organised themselves on the model of the industrial workers long after the latter had well organised themselves in strong unions, in India the former have come up if not first, at least simultaneously with industrial unions and have established themselves more permanently.

Some of them started as mere beneficiary associations but, like the Railway brotherhoods of America, gradually developed under pressure of economic circumstances into regular trade unions with practically the same aims and almost similar methods of action. The Amalgamated Society of Railwaymen of India and Burma which was established as a Mutual Aid Society and registered under the Companies Act has more rightly come to be recognised as a trade union. It is true that the strike weapon is not ordinarily open to the employees of governmental and quasi-official institutions and that legislation is the more handy weapon for them. But the difference is only one of degree and emphasis. In the last resort, when everything fails, strike is resorted to, as witness the Police strike in England, in 1918. These quasi-labour unions have left their mark on the character and methods of action of industrial unions. The strong political colour of Indian trade unionism and the tendency to look more and more to the Legislature for the remedying of the workers' grievances are probably the result of the impact of these unions on the general trade union movement though in part due to a preference for paternal state action. Some idea of the growth of trade unionism may be formed from the following figures gleaned from the *Labour Gazette*, Bombay, and the Directory of Trade Unions published by the Trade Union Congress.

Unions of the Postal and Telegraph workers ...		50,000 members
Railway workers ...	50,000 members	
Seamen (6 unions) ...	20,000 ,,	
Port Trust employees ...	3,000 ,,	
Tramwaymen (2) ...	2,000 ,,	
Textile workers (in about 20 unions) ...	32,000 ,,	
Printing 5 unions ..	6,000 ,,	
Steel workers ...	9,000 ,,	
Clerks and Assistants in commercial firms ...	5,000 ,,	
Others	3,000 ,,	
Total about 100 trade unions	130,000	(exclusive of organisations of Government servants).

It will be seen from the above that only less than one lakh and a half of workers have been organised and this, out of about four million workers employed in organised industries, plantations, and transport, constitutes no more than 4 per cent of the total. Much leeway has yet to be made up and the field for organisation is wide if rather rough.

There is however one compensation for the struggling unionism in India and it is that industries in India are to a large extent localised and the organisation of workers in those centres, once effected, will be a source of great power and strength. Already, for example, 6 per cent of the associations in Bombay command 42 per cent of the entire membership and it is possible to build up strong local organisations in centres like Bombay, Calcutta and other places, which will be able to implement their demands by ample resources.

Structure.—Trade Unions in India have generally been organised on the basis of industry and not that of crafts. They are what may be termed industrial unions in contrast to craft unions which had been the model of all earlier English unions. A craft union in its pure form " consists of persons filling a particular calling or occupation possessing in common a certain skill and aiming in common at a certain set of conditions of employment." It may be that a number of kindred grades may be included in a single union. Thus an organisation based on the craft principle may have a very narrow or wide basis of membership. The best examples of craft unions in India are the unions of Ahmedabad

which have federated themselves into the Ahmedabad Labour Union. The Weavers' Union, the Carders Union, the Winders Union, and Throstle Union are all craft unions composed of members who come together and are drawn to one another by virtue of their possessing a certain technical skill which is the basis of their occupation. In contrast to such unions is the Bombay Textile Labour Union or the Madras Labour Union which is an industrial union. It groups together all the workers who co-operate in rendering a common service or in turning out a particular product. It has as its qualification for membership employment in the same industry. It is not surprising that in India most unions have adopted the industrial basis for among the workers of the manufacturing industries are to be found few that possess a monopoly of such technical skill as would bind them together and infuse a group consciousness. For well nigh 50 years the example of the great Amalgamated Society of Engineers modelled on the craft basis and comprising workers of very high grades of efficiency served as the model for all other unions in England and trade unions in England had for a long time consistently adopted the craft form of organisation. It was not till the injection of the new unionism comprising unskilled and low paid workers into the old that the structure of British trade unionism altered and industrial unionism took the place of the old craft unionism. In India the example was lacking; and the workers were mostly unskilled and low paid and thus there was probably no alternative but to form industrial unions. The one notable exception is of course the unions of Ahmedabad which in many respects are unique but they surely are not typical of Indian trade unionism.

Local Councils and Federations.—The number of unions that were formed between 1918 and 1921 were so many that it was felt that the time had come to devise a scheme for federating the unions of each province into a provincial federation and in 1920 a Central Labour Board was formed in Madras and closely following it was established the Central Labour Board of Bombay. The objects of the Madras Central Labour Board were stated to be :—

(1) to establish and promote labour unions in the Presidency;

(2) to bring about harmonious relations between employers and workers ;

(3) to endeavour to raise the wages of the workmen; and

(4) to do such other things as would raise the status of the workmen. It was further to co-ordinate the work of the affiliated unions on broad lines of policy and method without detriment to the freedom of individual unions. The aims of the Bombay Board however were less ambitious and chiefly directed to the carrying on of propaganda work for the welfare of labour. But for many years both the federations did not function at all. The Madras Central Labour Board soon became defunct and the Bombay Board was inactive for a whole series of years. The fact was that the attempt to build a superstructure on the shaky foundations of shifting unions, as most unions were at the time, was premature and proved a failure.

A number of so-called unions had sprung up which were no better than strike committees and had grown up like mushrooms and most of them decayed leaving no permanent marks behind. Some of these unions were comprised of the most ignorant, low paid and amorphous bodies of labourers to whom unionism was a mere name. Little wonder then that before the year 1921 was out, most of the unions all over India had perished and the trade union movement itself underwent a severe set-back. In the circumstances it was impossible to bring them together for united action and the attempt at co-ordination proved unavailing.

Another factor explaining the failure of the Central Labour Boards was that they were not federations of unions in the same or allied industries. On the other hand, the Labour Boards were composed of representatives of all kinds of unions having no common aim or purpose other than a vague class feeling, and had therefore not any real economic foundation. Embracing unrelated trades and employments of all kinds, and having no other bond of union than the general notion of the unity of the whole working class, they could not use any economic weapon successfully and exerted little influence on the settlement of differences between unions and the employers. Their sphere of activity really lay in political action, propaganda, and work of a general character; but even here, owing to lack of funds and the general instability of unionism at the time, they could do little to promote the interests of workers. Indeed until federations of the same or allied industrial unions are formed, which will have a sound economic basis, the formation of a general labour federation would be placing the cart before the horse.

In a few industrial centres like the city of Madras local industrial councils were sought to be established but although one or two were actually formed, none of them continued for any length of time. The difficulties enumerated above apply with almost equal force to these councils also. Further the jealousies between local leaders and their differences in outlook, policy, and method render united action impossible. Experience has proved that the leaders of the least important but militant and noisy unions usually gain the upper hand at these councils and those with greater stake do not command the influence and power commensurate with their strength and resources. Hence many of the really strong and conservative unions withdraw from the local councils and even if they do not formally get out of them they take little or no interest in their activities.

All-India Trade Union Congress.—The All-India Trade Union Congress which held its first session in 1920 was not the result of a genuine demand on the part of labour unions for co-ordinated action but was prompted by the desire to recommend to the Government of India Workers' delegates for the International Labour Conference. It is the central organisation of the trade union movement in India and from the beginning it has had a strong political flavour. Its Presidents and Secretaries have all been politicians first and labour leaders next. But its political complexion was partly owing to the fact that it preceded the establishment of strong and stable unions and had as one of its important objects the establishment of a net-work of organisations that could be brought within its fold. In this respect again, it was contrary to the experience of other countries, although in Germany the unions owed much of their growth and progress to the strong and centralised leadership of the Social Democratic Party.

There is however nothing fundamentally wrong in a central organisation being started first and in branch associations following under its inspiration. As in Co-operation where it still remains an undecided question as to whether Co-operative Wholesale must inevitably follow and not precede individual societies, so in trade unionism it will probably be a question which cannot admit of a conclusive answer. The circumstances of each country must be the determining factor; but, whatever be the justification for the early establishment of a central labour organisation

in India, there is little doubt that it has revealed the defects of its quality. For the first four or five years the Trade Union Congress was a mere annual show and very few unions really cared to affiliate themselves to it. Its one purpose was to meet and recommend delegates to the I. L. Conferences and as often happens in such cases, it degenerated into personal rivalry between the different political leaders, each aiming at his own power. Recently however it has been reconstituted and works under a new constitution and the result is that it has overcome some of the obstacles that beset it in the beginning of its career. Gradually more and more unions have got affiliated to the Congress and by 1927 it came to include 52 unions with a membership of 1,25,000. The territorial classification of these unions shows that 16 came from Bombay, 15 from Bengal, 9 from Madras, 4 from the Central Provinces and Berar, 3 from Bihar and Orissa, 2 each from United Provinces and the Punjab, and 1 from Burma. Classified according to industries, 15 represent railways, 7 transport services other than railways, 10 textile, 7 general labour, 3 seamen and the others represent the paper and printing, engineering, chemical, and iron and steel industries and commercial employment. It is not without significance, however that even to-day the most notable and powerful textile union of India, viz., the Ahmedabad Textile Labour Union has not come within its fold. The Ahmedabad Labour Union which owes its unique position to the leadership of Gandhi and Mrs. Anusuya Sarabai has consistently refused, on the advice of both the leaders, to join the Congress. The arguments of Gandhi are easily understood. Without first strengthening individual unions, it would be sheer waste of time and effort in joining large bodies and internal strength should first be gained before any useful result could be obtained by linking with bigger associations.

And yet Gandhi's position, sound in itself, is from a larger and international point of view defective. Labour has become an international question and at the world conference at Geneva there should be one body for each country which could speak with authority and voice the demands of the labourers of the country. The establishment of the Trade Union Congress has from this point of view more than justified itself, although its responsibility as the representative of organised labour has become correspondingly heavy.

At the end of 1924 a suitable constitution was framed for the Trade Union Congress which was approved by the Congress in its full session at Bombay. The object of the Congress was stated to be "to co-ordinate the activities of all the labour organisations in all the trades and in all the provinces in India and generally to further the interests of Indian labour in matters economic, social, and political. It may also co-operate and federate with organisations of labour, having similar objects, in any part of the world." Its business is managed by an Executive Council which consists of the chairman, other office bearers of the Congress and ten members elected at the annual session of the Congress. The funds of the Congress are derived from annual contributions from the affiliated unions, the amount of contribution varying from Rs. 10 in the case of the small unions to Rs. 50 in the case of the biggest unions. Freedom is given to individual unions to manage their affairs according to their own rules the only restriction being that, if they desired any financial support from the Congress for any strike, previous permission to strike must have been obtained from the Executive Council. The constitution provides for the establishment of a provincial committee of the Congress in each province, which is to work under its own rules but under the general guidance of the Executive Council. Four provincial committees have already been established but the relationship between the provincial committees of the I. T. U. Congress and the Provincial Labour Boards is far from clear.

On the whole the work of the Congress has not been in vain. In spite of its political complexion, it has furthered the economic interests of the workers. It has successfully intervened in some disputes and its weight has been thrown on the side of moderation and reason. Its activities on the side of propaganda and legislation have been fruitful.

Federation.—Besides the Congress which is intended to speak for Indian labour as a whole some unions have formed independent Federations of which the most notable is the All-India Railwaymen's Federation. It was brought into existence in 1925 and most of the 25 Railway Labour unions in India have been affiliated to it. Its affairs are managed by (*a*) a general convention consisting of the representatives of the affiliated unions selected in proportion to their strength and (*b*) a general council consisting of the office-bearers of the Federation and

representatives of the affiliated unions elected in proportion to their strength. It is financed by subscriptions from affiliated unions varying from a minimum of Rs. 50 to a maximum of Rs. 200 per annum. Its timely intervention in the dispute between the B.-N. Ry. and its workers in December, 1925, averted a strike and its persistent efforts in connection with the Kharagpur Workshop lockout in 1927 were crowned with success.

Such then is the general structure of Trade unionism in India. The unions are loosely knit together into a provincial federation and an All-India Congress. Unions of some industries as, for instance, Railway unions have federated themselves on a double basis. They have joined individually the All-India Trade Union Congress and have a separate All-India Federation of their own. In addition, for some purposes, they form provincial organisations of their own, as witness the Bombay Railwaymen's Conference, the Bengal Railwaymen's Conference, the Punjab Railwaymen's Conference and others.

Unions and their purpose.—Trade unionism starts from the recognition of the fact that the position of the single workman is one of great economic weakness and that he cannot bargain advantageously with the employer for the sale of his labour. He must sell his labour immediately and that which is not sold today disappears absolutely. He has no money in reserve and is dependent on the sale of his labour for his support. He has no knowledge of the market and no skill in bargaining and his economic weakness is known to the employer. Whilst the employer engages hundreds and thousands of men and can easily do without the services of any particular individual, the workman if bargaining on his own account and for himself alone is at an enormous disadvantage. Hence the elimination of individual contract and the substitution of collective bargaining is the primary aim of every trade union. Its other objects are to improve the economic condition of its members, to enable them to hold out against any inroads into their wages, protect members from bad usage on the part of employers and managers and generally to strengthen the strategic position of the workmen. For these purposes every trade union raises sufficient funds, which it applies to two distinct purposes, (*a*) trade-purposes, and (*b*) friendly or benevolent purposes. But although apparently they are distinct from each other, in effect they

both subserve the same end. Whether a trade union pays strike benefits or out-of-work benefits, its object is really to ensure that the individual workman does not, on account of his financial weakness, bring down the standard rate of remuneration by accepting a lower wage. Thus although the mutual insurance schemes of a trade union are an end in themselves, the Webbs have rightly stressed their use as a weapon of defence against an attack on the standard of life of the workmen.

These general considerations will help one in estimating the value of the objects and methods which Indian trade unions have adopted for themselves. The earlier trade unions that were formed in 1918–20 had no definite constitution or printed rules and one had only to gather their objects and methods from their general career. More recently however most unions have come to possess definite constitutions and rules and it is possible now to review the objects which trade unions have in view and discuss the methods which they pursue to carry them out. The objects of the Bombay Textile Labour Union to take a typical union have been defined as follows :—

1. To organise and unite the textile workers in the City, Island and Presidency, of Bombay ;
2. to secure to its members fair conditions of life and service ;
3. to try to redress their grievances ;
4. to try to prevent any reduction of wages, and, if possible, to obtain an advance whenever circumstances allow ;
5. to endeavour to settle disputes between employers and employees amicably so that a cessation of work may be avoided ;
6. to endeavour to provide against sickness, unemployment, infirmity, old age and death ;
7. to endeavour to secure compensation for members in cases of accidents, under the Workmen's Compensation Act;
8. to provide legal assistance to members in respect of matters arising out of, or incidental to, their employment;
9. to endeavour to render aid to the members during any strike or lockout brought about by the sanction of the Union ;
10. to obtain information in reference to the textile industry, in India and outside ;

11. to co-operate and federate with organisations of labour, particularly textile labour, having similar objects, in India and outside;

12. to help, in accordance with the Indian Trade Unions Act, the working classes in India and outside in the promotion of the objects mentioned in the rules; and

13. generally, to take such other steps as may be necessary, to ameliorate the social, educational, economic, civic and political condition of the members.

Other unions state their objects in almost similar language and these are fairly well-defined. The constructive side of their aims has been well brought about and unions are not blind to the dangers of a mere pugilistic tendency in their organisation. But we should judge of their aims not as they appear in their constitution but as they are translated into action and an examination of the work of the unions shows that while genuine attempts have been made in the direction of self-help and improvement, in the face of a great many difficulties, the results have been so far not quite satisfactory. This is largely to be accounted for by the weakness of their organisation which is accentuated by an unreal membership, inadequate finance, indifferent leadership and unbusinesslike methods.

Membership.—The number of members of a trade union in India varies from less than 100 to as many as 4,000 in some cases but members have not been much of a strength at all. There is a sense of unreality about the figures presented by many unions which show little variations between month and month.

Members are kept on in the books long after they have ceased their connection with the society and once entered in the books are never removed. Usually a society gets an accretion of strength when it embarks on a strike or when there is a chance of a serious conflict between its members and their employers. On such occasions it has been found that a union is able to bring within its fold practically every worker who is eligible to become a member but after the strike is over their interest flags and a fall in membership is the inevitable result. But if the strike ends in failure to the workers the union gets demoralised and for years it is moribund and another stirring event or conflict is needed to revive it and make it a live body.

This constant see-saw in the life of a union reveals the instability of many a union but it cannot be denied that even in the worst days some unions have been able to keep on.

Finance.—No modern union will be able to carry on its activities with energy and success without adequate funds and the British unions have recognised the importance of this to such an extent that they have all fixed a high rate of contribution for every member and built up a large reserve which is used as a weapon against the employers. In India unions have fixed the subscriptions too low. Two annas to one rupee is the general subscription in most cases and hence the funds are not quite adequate to meet their monthly needs. Mr. Tom Shaw speaking of the work of Indian trade unions puts the matter rather bluntly when he says "cheap trade unionism will be barren of results". There is no doubt that the poverty of the majority of the workers will prevent unions from levying high contributions. Further even if a higher rate were fixed, the accumulated balances and the reserve would be by no means adequate to carry on a bitter struggle with the employer; for if it is a trial of financial strength the employer is sure to come out victorious. Further too much reserve in the hands of a union will always be a temptation to militancy among the union members. It is a grave menace to peace. Hence too high a rate of contribution is neither practicable in this country nor desirable. But when all this is admitted there is no denying the fact that so far unions have been inadequately financed, that for carrying on their daily work funds have not been quite adequate and that much more money would be required for propaganda, education, and various other lines of action. The financial weakness of many a union is a serious handicap to energetic and effective action.

Management.—The affairs of a union are managed by a managing committee or an executive committee consisting usually of a president, the vice-presidents numbering usually from three to five, a treasurer, and one or two secretaries and other members Usually the president, the vice-presidents and one of the secretaries are persons not actually belonging to the working classes. The direction therefore of the policy and the affairs of the society is virtually in the hands of outsiders and it is not surprising that where these men have other interests,

unions are often led to pursue lines of policy and action which they would not have done but for their influence. The political views of the outsiders have their reaction on the life of the unions and the question as to how far it is desirable to allow outsiders to take an important place in the development of trade unionism in India has been the cause of much wrangling between the employers and the workers. In many cases employers have expressed themselves as willing to recognise unions and deal with them directly, provided the unions were reorganised and all outsiders strictly eliminated. On the other hand workers have been equally stubborn and have refused to yield to the wishes of the employers and not a few of the disputes that occurred in 1920-22 were due to this. It is true that so long as present conditions exist the workers "would always be in danger of being used as pawns in the political game of the outsiders". But on the other hand it is impossible to find in the country to-day workers who would be able to administer and control their own society without aid from outsiders. Until this situation is altered "it is idle for the employers or any one else to make too much of outsiders becoming officials of trade unions".

Benefits.—Although the provision of benefits has not become general among unions, there is an increasing recognition of the value and importance of providing benefits to workers. Unions of clerks, Postal and R. M. S. Associations, the Railwaymen's unions all provide benefits of various kinds. The Amalgamated Society of Railway Servants of India and Burma is a unique association in that it has made its special feature the provision of different schemes of insurance. Its ordinary benefits include (1) accident benefit, (2) legal assistance, (3) death benefit, (4) non-employment or suspension benefit, (5) protection and strike benefit. The bulk of the unions however have not provided for sickness benefit or accident or unemployment benefit. A good number of unions have, however, started death benefit schemes which seem to be very popular and much appreciated by the workers.* The absence of schemes of an organised character to provide for the mutual benefits of workers has been commented upon as indicating the ephemeral and unstable character of trade unionism.

* In the Madras Labour Union, for example, the death benefit payable to the families of the deceased members is Rs. 20 for those who are paying 2 annas a month as subscription and 40 for those paying 4 as. a month.

But this view takes little note of the different circumstances of India. It is true that the English unions modelled on the Amalgamated Society of Engineers prided themselves on their elaborate schemes of insurance but they were all craft unions consisting of skilled workers in receipt of a fairly high remuneration. When however after 1880, the new unions of unskilled workers were started, they did not adopt the older plan but reserved all their funds for the purpose of carrying on strikes. They did not believe in the value of the benefit side of the trade union activities.

For one thing, they were too poor to establish and offer attractive schemes of insurance. Secondly, the leaders of the "New Unionism" believed that the task of providing insurance schemes was a national one which must be undertaken by the State and therefore pressed for social insurance schemes to be organised by the State. Thirdly, they feared that the initiation of insurance schemes by a trade union might lead to the adoption by it of a quiescent policy for it would be anxious not to fritter away the accumulated funds in a wasteful contest with the employers. The new leaders wanted to free themselves from the shackles of a rich balance sheet and desired to stake their all in a trial of strengh with the employers.

Indian unions stand to-day in the same position economically as the English unions of unskilled workers of 1880 and 90. They could not, even if they desired, afford to levy a high contribution from their poor members; nor could be found among the unions in manufacturing industries, workers sufficiently educated to organise and carry on various benefit schemes in their behalf. The All-India Trade Union Congress has pressed for a maternity insurance scheme and a sickness insurance scheme to be organised by the State and there seems to be little chance of the unions establishing voluntary schemes of benefit.

Methods of Indian Unionism.—Of the three methods by which unions seek to gain their ends and which have been made familiar by the authors of the *Industrial Democracy*, for reasons mentioned already, mutual insurance is not one that is relied on by unions in India. Not only do unions not provide for the payment of "out of work" or unemployment benefit but they also fail to provide a reserve from which, when they resort

to a strike, strike pay could be given to members. The average union member regards strike pay as wages due to him from the employer during the period when he is on strike and the universal demand made by unions after every strike is that they should be paid "strike pay" by the employers. This entire misunderstanding of the connotation of the term is a striking commentary on the methods of unions in India. They embark on a strike without an adequate reserve and depend on public charity for the continuance of their strike.* But reliance on uncertain public donations is very risky as labourers have often learnt to their cost; it is true that the workers are often helped on such occasions by their castemen and other relations. Family and caste feelings afford no doubt some degree of protection; but they cannot go far.

The only recourse open to the labourers in many parts of India is to go back to their villages and join the ranks of the agricultural labourers. It is this ability on the part of factory workers in India to turn to agriculture that is at once the safety of the workers and the despair of the employers. But the extent of migration is a steadily diminishing one and it would be indeed a disaster to industry if it could not rely on a class of people exclusively devoted to it. As long however as this safety-valve exists for the factory workers, the stimulus to the accumulation of large funds as ammunitions of war will be comparatively feeble.

Collective Bargaining.—The success of trade unionism depends upon its ability to settle points of difference with the employers by collective bargaining, but trade unions in India have so far failed to attain the status necessary to enable them to deal with their employers as unions. This, as has already been pointed out, is due to the attitude of the employers who feel that unions are controlled by outsiders and therefore should not be recognised. They have often contended that, if only the workers were prepared to organise themselves in a trade union with an executive which will be entirely composed of workers, they would be ready to recognise and deal directly with them.† While one can appreciate the point of view of employers who rightly suspect the *bona fides* of some of the political-labour leaders, the

* In the recent Bombay strike the workers were helped by the unions of foreign countries.

† Labour in Madras—Transactions of the Madras Econ. Section, 1921-22.

rigid enforcement of the exclusion of outside assistance in the initial stages of the union movement in India will neither be desirable nor practicable. Apart from the difficulties of the workers due to the backward condition of their education and equipment, the fear on their part that they might be dismissed or otherwise victimised for their union activities has been a powerful factor in their refusing to dispense with outside help. The Trade Unions Act of 1926 has recognised the need, for some time to come, of outside help for unions; but by its insistence that half the executive of each union should be composed of workers belonging to the industry concerned enables registered unions to get educated in the art of self-government and indirectly to win the recognition of the employers. As more and more unions get registered under the Act, it would gradually become impossible for the employers to resist their moral pressure or withhold recognition. Already in some cases, most notably in some of the Railway companies, employers have recognised the authority of the unions and are prepared to deal with them directly in all disputes. In a few other cases, as for example in Ahmedabad, unions have been able to obtain recognition and deal directly with the management. But the Ahmedabad labour union is an exceptionally strong union and its strength has been due to the able leadership of Gandhi and Anusuya Sarabai. The employers not only have shown a readiness to meet the union whenever necessary but have agreed to collect union subscriptions from the workers on pay day. Further they afford a "surprisingly large degree of power to the Secretary who enters the premises, records statements and passes orders much as a District Officer might do". The Tata Iron and Steel Company have also recognised the Jamshedpur Labour Union for purposes of negotiating differences. But even those employers who have formally granted recognition to trade unions have not done so in a genuine spirit and often when differences arise they are allowed to develop into a strike, without the unions being afforded an opportunity to thresh them out at a conference. Again some employers following the example of the U.S.A. have inspired the formation of unions in rivalry to the existing unions*, and by pitting one against the other have sought to break the trade union solidarity. Workers have also lent them-

* In Madras there are two rival and overlapping unions, the Madras Labour Union and the B. and C. Mill Employees Union, both competing for membership in the same Mills.

selves to this kind of exploitation. They have further weakened their powers of bargaining collectively with employers by forming overlapping unions composed of members working in the same establishment or industry. The All-India Trade Union Congress has definitely set its face against this disintegrating tendency and appealed to the workers not to allow their energies to be frittered away in rivalry and disharmony. But as long as such conditions prevail, the extent to which trade unions in India can rely on collective bargaining for improving their conditions of work and living must necessarily be limited.

Legal Enactment.—Of all the methods which trade unions may employ for promoting the welfare of their members the method of getting the Legislature to pass beneficent measures in their own interests is the one which is full of promise in India. Long before trade unions were formed or even before the workers agitated for an improvement in their working conditions, the State began to legislate with a view to protect them against dangerous and unhealthy conditions of work. Most of the measures that have been passed in the interests of the workers were initiated by Government and were not the result of any agitation on the part of the workers. The bureaucracy in India were prepared to hold the scales even as between the employers and the workers and they sympathised with the legitimate aspirations of labour. Labour in its turn looked to the paternal State for the redress of all their grievances. Thus arose a relationship between the State and Labour in India which, on the whole, was friendly and based upon a sense of mutual obligation. In this respect the conditions in India were very different from those that existed in England in the 19th century for nearly 50 years, where labour had to reckon with a hostile and biassed State.

The changed political conditions that have been established by the Reforms Act of 1920 have by no means altered the position of the workers for the worse. The Legislature is, if anything, more sympathetic than before and labour too has come of age. It has not only organised itself but learnt the value of the political weapon. It has been agitating for a wider franchise and for special representation. Although the franchise qualifications have been far too high to enable the workers to get elected to the Legislature it has been able to secure nomination

for their members in the Central and Local Legislatures and to influence others in the Legislature. The labour representatives have been able to bring much pressure to bear on Government by their repeated questions and resolutions. They also introduced in the Legislature the Maternity Benefits Bill and the Weekly Payments (of Wages) Bill, and pressed for their adoption although without success. It is true that so far the results achieved have not been much ; but the future is full of promise. For labour will no longer be content to look, with a sense of helplessness, as of old, to the paternalistic State ; it is gaining political consciousness and will demand measures of reform as of right. Unable on account of its poverty to adopt mutual insurance as a method of action and baffled in its efforts to have recourse to collective bargaining with the employers to secure their ends, it will be compelled to exploit the only method that is open to it as much as it could.

Labour and Politics.—Much however will depend upon how far labour can organise itself effectively for political action. Some of the leaders of the All-India Trade Union Congress have occasionally expressed themselves in favour of forming a political Labour Party. But unless the franchise is so far widened that labour can return some of its members to the Legislature or at least sway the results of election by their votes, it will not be possible for labour to return its own members to the Legislature. Under present conditions labour representatives in the Legislature would inevitably be 'outsiders' who are supposed to be sympathetic to labour. But if it be so, the idea of forming a separate Labour Party is futile and only one of two courses is open to labour. As in England, where until the Independent Labour Party (I. L. P.) was established labour definitely allied itself with the Liberal Party, so in India, labour representatives in the Legislature might seek an alliance with one or other of the political parties in the Central Legislature and work in co-operation with that party. But the political conditions of India do not favour such a course. There are far too many parties and groups, reconstituted every now and then owing to personal factors, that it would be dangerous for labour to ally itself permanently with one or other of the parties in the country. The best thing under the circumstances is for labour to follow the example of the American Federation of Labour and give its support entirely to those of the members of the political

parties in the country who agree to support the workers in all their legitimate aspirations. Thus out of the different parties in the field, labour might back up those who definitely express themselves in its favour. In this way Indian Labour might be in a position to get the active sympathy and support of the members of all parties and it should therefore in the initial stages be non-political, and should not concern itself directly with the general politics of the country.

Conclusion.—It would of course be difficult to assess the work and value of trade unions in India, as their history is barely ten years old. But on the whole it may be said that they have been able to help themselves considerably. In the early years of their formation, they were able to get an increase in wages more quickly than would otherwise have been the case. In their efforts to restrain the employers from effecting a cut in their wages during the recent trade depression they were not equally successful, although in the great textile strike in Bombay in 1926, the workers gained a victory by forcing the Government to remove the excise duty and thus enabling the employers to restore their former wages. Between 1918 and 1920 they were able to bring down the hours of work in most factories from 12 to 10 a day. Another important result of their work is that they have effected a change in the attitude of mind of the employers. The employers have now got to think of the point of view of labour, of its attitude and feelings, etc. before any change in the conditions of work in the factory is actually brought about. This is no mean achievement; for most of the troubles of labour are due to the indifference of the employers to the feelings of the workers.

The work of the unions would have been greater if their members had taken more abiding interest and if they were not led by a motley crowd of leaders who were often more concerned with their personal and political ambitions and less with the real interests of the workers. There is no denying the fact that in some cases at least employers would have met labour half way if they had not been genuinely afraid of the outside elements in the unions.

What unions in India can really achieve under able and honest leadership is seen by the work of the Ahmedabad Labour Union. It has been singularly lucky in its leadership and the measure of its success is no illustration of what the average union

in India might achieve. But in its work and administration, it has shown certain distinctive qualities characteristic of the Indian mind. It has done much constructive work; but what is remarkable is the sympathy and co-operation of the employers in all the work of the union for the promotion of the welfare of the workers. The Secretary of the Union is allowed by the employers "to enter the premises freely and investigate into the complaints of the workers. The system is therefore essentially a development of indigenous customs, the personal complaint being an essential and characteristic feature of Oriental administrative methods". The employers have also handed over a substantial sum of 3 lakhs of rupees* to the Labour Union for the maintenance of day and night schools, and the Union maintains 9 day schools and 15 night schools. A central secondary school has been started for students desiring to go up to the sixth and seventh standards. The total expenditure on education is Rs. 26,644 for the year 1925. The Union maintains a hospital and dispensary on an average monthly expenditure of Rs. 900. A Reading Room and a Library have also been provided and the Union is conducting a weekly paper the *Majur Sandesh*.

It has got a research branch which makes a special study of certain problems of labour and has made enquiries into cost of living, loitering in the mills, efficiency of labour, etc. With the exception of the President and the Secretary, the executive is entirely composed of workers in the mills and the daily administration of the union affords an invaluable experience to the workers in the art of self-government. The union is frankly against a strike until all other methods of settling differences have been explored.

If the Ahmedabad Labour Union is taken as a model by other unions and its spirit pervades the work of other unions, the future of unionism will be assured. Each country has got its own distinctly national and individual traits and in India the paternalistic attitude of the masters towards their servants, characteristic of ancient days still lingers on and workers in India would respond quickly to the true ring of affection and sympathy on the part of the employers. The course of unionism in India rests partly on the employers, who have got a great opportunity to set it on the right road by the display of the great qualities of forbearance, sympathy and readiness to co-operate.

* Labour Gazette, Bombay, February 1924.

CHAPTER XIV

TRADE UNIONS AND LAW

Genesis of the Act.—The Trade Unions Act of 1926 constitutes an important landmark in the history of Indian trade unionism for it has given a new and valuable status to the Trade Unions in the eyes of the community and a great impetus to their constructive activities. The legal recognition which they enjoy under the Act will enable them to go forward with their educational and mutual aid activities and bring about a great improvement in the material and moral welfare of the workers. It augurs well for the future of the workers in India that the State has, so early in their career, intervened to afford them adequate protection against their disabilities under the ordinary laws of the country.

The need for legislation to register trade unions and afford them protection in the discharge of their normal functions became apparent at a very early stage in their history partly because it was felt that it was desirable to keep their energies flowing in the right direction but mainly because of a civil action instituted by Messrs. Binny & Co., Ltd. against Mr. B. P. Wadia, the first President of the Madras Labour Union. The case arose in 1920 out of a dispute in the Buckingham Mill, Madras, which resulted in the locking-out of all the labourers of the mill by Messrs. Binny & Co. Mr. Wadia and nine others formed themselves into a lock-out committee, made speeches and advised the workers to leave the settlement of the dispute entirely into their own hands and not to go back to work without their approval. Messrs. Binny & Co., Ltd. applied to the High Court for an interim injunction to restrain the members of the lock-out committee from making speeches which in their view inflamed the minds of the workers and claimed large damages for the loss they had sustained as a result of the activities of the lock-out committee. The injunction applied for was granted by the High Court which held that "the committee induced the men to break their contracts and it is a legitimate inference from the words and actions of its members that the committee was formed with that object and it thus formed a

conspiracy of ten people whose intention was to induce the work-people to break their contract". Although the main case was not proceeded with because Mr. Wadia had privately settled with Messrs. Binny and Co. by promising to sever all connection with the union and its activities, the interlocutory decision in the case was such as rendered the position of workers and officials of unions highly precarious and insecure; and it was pretty generally felt that if the legitimate functions of trade unions were to be carried on, immunity from certain civil and criminal liabilities should be conferred on unions and their officers.

The British Trades Union Congress also went on deputation to the Secretary of State for India and pressed on him the desirability of legislation, with the result that early in 1921 the Government of India, with the approval of the Secretary of State, addressed Provincial Governments with a view to enacting a measure that would, while enabling unions to develop on sure and sound lines, protect them against the crude operation of the Common Law of conspiracy. The delay of five years in the passing of the Trade Unions Act was due to the extraordinary complexity of the problem with which the Government were faced but it has not been without compensation. For we have now in contrast to the uncertain and confused legal position of British trade unions a measure that defines the rights and duties of Indian trade unions in terms that are definite and certain. But the Act bears on almost every essential part of it the marks of a compromise and while therefore it may not fully satisfy the demands of any of the interests concerned ensures a certain measure of practical success.

Registration of Trade Unions.—The first point to note in the Act is that it seeks to define the rights, duties and privileges only of registered unions. So far as unregistered unions are concerned, they do not come within the purview of the Act and their position is left to be defined by the courts by the application of the ordinary laws of the country. No duties or liabilities are imposed on them nor are any privileges conferred on them. Unions have to choose between two courses: either to get themselves registered under the Act with all the obligations and rights which such registration involves or to be outside the Act and lose the privileges which are granted only to registered unions. This aspect of the trade union law in India is

specially noteworthy as in England immunity from criminal and civil action is granted not only to registered unions but to unregistered unions as well. In India, immunity is granted only to registered unions and their officials. Officials of unregistered trade unions in India are liable to be indicted for 'conspiracy', if they induced the workers to break their contract of employment with an employer or otherwise interfered with his business; and they are also liable to be proceeded against for civil damages. Further the funds of an unregistered union are liable to be attached both for its tortious acts and for those of its officers even if they are done in contemplation or furtherance of a trade dispute.

This vital distinction between a registered and an unregistered trade union with regard to their privileges which the Trade Unions Act has drawn explains why, in spite of the opinion of an influential section of the community which desired to make registration obligatory on all unions, the Legislature decided in favour of optional registration. The employers strongly pressed for compulsory registration of trade unions on the ground that if registration was optional, few unions would care to subject themselves to the liabilities imposed by the Act unless of course immunity to an undesirable degree were granted to them. They were anxious that unions should be genuine organisations of the work-people managed by themselves and not controlled and exploited by interested outsiders. Compulsory registration by imposing various conditions relating to the constitution of the executive, audit, annual returns showing the number of members, names of officials, amount of money in reserve, etc. would check the growth of mushroom associations and undermine the influence of insincere leaders. But on the other hand, considerations in favour of voluntary registration were weighty and almost decisive. In the first place, the Act by granting immunity only to registered unions practically ensures registration of at least all the important unions and secondly it would not be possible except for registered unions to get that recognition and status so necessary to carry on collective bargaining with the employers. The costly administrative machinery which would be required, were registration made compulsory, to ensure compliance with the law was a final answer against compulsion.

Any seven or more members of a trade union may by complying with certain conditions laid down in the Act get the union registered. The rules of a union seeking registration must contain provisions relating to the name of the union, the *whole* of the objects for which the union has been established, the whole of the purposes for which the funds of the union shall be applicable, the maintenance of a list of members, the conditions under which benefits to members will be granted, the manner of appointing and removing the executive, the safe custody of the funds and an annual audit of the accounts. The provision for a regular annual audit is intended to safeguard the financial interests of the members whose ignorance and credulity make it all the more necessary in India. It is also stipulated in the Act that not less than one-half of the office-bearers of the union should be persons working in the industry concerned although Local Governments are given the power to exempt any specific union from the operation of this provision. The limiting of the number of outsiders in the executive body of the union is a wholesome feature of the Act and serves the double purpose of enabling the working classes to train themselves in the art of self-government and of checking the excessive influence of the outsiders who play far too great a part in the life and activities of unions.

Activities of Unions.—The Act seeks to limit the sphere of activities of unions by specifying the objects on which alone trade union funds could be spent. The funds of a union may be spent only on the payment of salaries to the officers of the union, the payment of expenses for the administration of the union, the prosecution or defence of any legal proceeding to which the trade union or any member thereof is a party, the conduct of trade disputes, the compensation of members for loss arising out of trade disputes, allowances to members or dependents on account of death, old age, accident and unemployment, the provision of educational, social or religious benefits to members or dependents and the upkeep of a periodical. In regard to the financial help which one union may render to another or the contribution which a union may make to advance any cause intended to benefit workmen in general, it has been laid down that the expenditure under the head should be limited to one-fourth of the gross income which has up to the time accrued and of the balance to the credit

of the union at the beginning of the year. In England there is no general limitation of the objects on which trade union funds could be spent, the only restriction being that under the latest (British) Trade Disputes and Trade Unions Act, 1927, the courts could restrain the application of trade union funds to illegal strikes. The difference in this respect between England and India is due to a feeling that trade unions in India are yet in their infancy and need, in their own interests, some check on their activities.

With regard to the political activities of trade unions it was originally proposed by Government in the draft bill that unions should not expend their funds on political objects at all. But the Act as passed provides that " a registered trade union may constitute a separate fund from contributions separately levied for or made to that fund, from which payments may be made for the promotion of the civil and political interests of its members " in furtherance of certain specified objects *e.g.*, the payment of the expenses of a candidate for election to a legislative body etc., the maintenance of a member of a Legislature etc. No member should be compelled to contribute to the political fund and a member who does not contribute should not be excluded from any of the benefits of the union or placed under any special disability nor is contribution to the fund to be made a condition of admission to the union. It is noteworthy that in England where till 1927, the majority of the members of a trade union could institute a political fund and compel other members to contribute unless each of them contracted himself out of the liability by submitting a written statement expressing his unwillingness to join the fund, has by the latest Trade Unions Act followed the Indian procedure and made contribution to the political fund entirely optional.

Privileges of Trade Unions.—As against the duties imposed on unions, the Act confers on them certain privileges of a substantial character, although they do not go as far as those enjoyed by trade unions in England. Under the ordinary laws in India the members and officials of a trade union who organise and control a strike are liable to criminal prosecution on the charge of conspiracy and if they induce workers to go on strike without notice, are liable to be sued in civil courts for having caused a breach of contract of employment. Further, trade

unions too could be sued in civil courts for the tortious acts of their members, *e.g.* inducing a breach of contract.

The Act now grants immunity from criminal liability to all officials and members of a registered trade union in the furtherance of all its legitimate objects and they are not to be indicted for conspiracy. It is however unfortunate that this serious disability which unions laboured under has been removed only in the case of registered unions and members of unregistered unions have still to face the risk of being indicted for conspiracy for carrying on their normal activities. With regard to the civil liability of the members of a trade union, the Act provides that no suit could be maintained in any civil court against any member or official of a registered trade union in respect of any act done *in contemplation or furtherance of a trade dispute* on the ground *only* that it induces a breach of contract of employment or is an interference with the trade of some other persons. This privilege of course applies equally to a registered trade union whose funds will not be liable for any breach of contract of employment it brings about.

It is however in respect of other tortious acts that may be committed by unions or their officials and members, *e.g.*, libel, that the Indian Act differs very much from the British Trade Disputes Act of 1906. In England the trade union law was based practically on the principle that a trade union like the King of England can do no wrong. Thus, by the Trade Disputes Act of 1906, every trade union was protected absolutely, whatever be the enormity of the wrong or injury done by it, from any liability for any tort or wrong done by it or on its behalf and whether it was in pursuance of a trade dispute or not. This was indeed a privilege which no other association of persons enjoyed in any part of the world. There were those who pressed for a similar provision in the Indian Trade Unions Act and they failed, and rightly, to secure their object. It was contended by them that trade union funds should not be forfeited because of the wrongful acts of their officers, that the sufferings of the workers in their loss of various kinds of benefits which such forfeiture would involve, would be very serious and that trade unions as such should not be held liable in any circumstances for the tortious acts of their officers. On the other hand it was urged with great force by those who wanted to limit the powers of trade unions that unless reasonable checks were imposed on their unlawful activities,

unions would do grave injury and inflict heavy loss on employers and other members of the community, that the only way of bringing home to the unions of their responsibility would be by holding them answerable to the wrongful acts of their officials committed with their knowledge and on their authority. It is true that action might be taken against members of the union in their individual capacity in any case but it was justly felt that the game would not be worth the candle and that the cost of the proceedings would often exceed the damages likely to be obtained from poor and moneyless trade union officials. Hence the Act lays down that a registered trade union shall not be civilly liable in respect of any tortious act *done in contemplation or furtherance of a trade dispute* by an agent of the trade union if it is proved that such person acted without the knowledge of, or contrary to, the express instructions given by the executive of the trade union. Thus, in India, trade unions enjoy only a limited degree of immunity from civil liability and the immunity is confined to acts done in pursuance of a trade dispute and even there only to those where its agents have acted without their knowledge or their express instructions. It may be noted that the British Trade Unions Act of 1927 has also to a very serious extent reduced the immunity which trade unions had enjoyed till then. By defining certain strikes as illegal* and by granting immunity to unions in respect only of tortious acts done in the pursuance of *lawful* strikes, the wide powers which they had been enjoying have now been curtailed.

On the whole, it is safe to state that the provisions in the trade union law relating to the criminal and civil liability

* The Act declares that any strike or lock-out is illegal if it

(1) has any object other than or in addition to the furtherance of a trade dispute within the trade or industry in which the strikers are engaged *and*

(2) is a strike designed or calculated to coerce the Government either directly or by inflicting hardship upon the community.

It means that if a "primary" strike has an aim or object other than the furtherance of a trade dispute within the industry in which the strikers are engaged, and also coerces the Government, it will be an unlawful strike. It will however not be unlawful if its object is restricted to furthering a trade dispute within the trade or industry in which the workers are engaged even though it be designed or calculated to coerce the Government directly or by inflicting hardship on the community. In the case of sympathetic strikes, they would be held unlawful if they are designed or calculated to coerce the Government for obviously they have an object "in addition to the furtherance of a trade dispute *within the industry* in which the strikers are engaged". Thus the law practically penalises sympathetic strikes by declaring them unlawful and refusing immunity for workers and officials in such cases.

represent a wise and fair compromise between opposing views. The only suggestion that may be made is that the unions should be allowed to keep their mutual benefit funds distinct and separate from their general funds and only the latter should be made liable for attachment in damages for their tortious acts.

Picketing.—In India no provision has been included in the Act regarding picketing. Under the ordinary laws of the country trade unions are within their powers if they confine picketing to peaceful and even "systematic" persuasion. If picketing degenerates into intimidation it can be dealt with, of course, under the criminal law. But it is doubtful whether even the court would put so extreme a construction on "intimidation" as the British Trade Unions Act of 1927 which states that even "to cause in the mind of a person a reasonable apprehension of injury to him or of violence or damage to any person or property" will be intimidation.

Internal Management of Unions.—A few other provisions in the Act of some importance remain to be noticed. The Act provides that agreements between members of trade unions shall not be void merely by reason of the fact that their objects were in restraint of trade and the courts could enforce such agreements. The effect is that the courts have somewhat wide powers of interference in the internal management of the unions for they have to decide all differences arising out of questions regarding subscriptions to unions, payment of benefits to members, etc. In England, until 1927, the powers of the courts to interfere in the internal affairs of a union were very limited. Trade unions could by means of summary proceedings bring to book officials who had misapplied the unions' funds but they could not legally enforce the payment of subscriptions nor could members in their turn appeal to courts to enforce their claim to benefits from the union funds, although if the benefits were withheld by the illegal expulsion of members they could get the courts to order their reinstatement. But the Act of 1927 enables the courts to interfere and enforce the payment of benefits to members who are deprived of their rights by their union merely because they had not taken part in an illegal strike or had not contributed to the political fund of the union.

Amalgamation.—There are a few other features of some importance in the Act. Provision has been made for the amalgamation of two or three unions provided that the votes of one-half of the number of persons entitled to vote are recorded and of that, 60 per cent are in favour of amalgamation. With regard to membership of a registered union, no person below 15 is permitted to become a member and no one below 18 to be an office-bearer. In some unions in India *e.g.* in the Ahmedabad Textile Labour Union, boys and girls below 15 had been allowed to become members and although it is a minor point, there does not seem to be any strong reason why if employment of persons below 15 is possible, membership should not be open to them. The Act gives power to Local Governments to make regulations for carrying out its various provisions. It provides for the submission of various kinds of annual returns to the Registrar of Trade Unions and for penalties if they are not submitted in proper time.

Conclusion.—The Trade Unions Act of 1926, with all its imperfections, affords immense possibilities for the future of the nascent trade union movement in India. It will enable trade unions to win recognition at the hands of employers and with it, the opportunity to discuss with them on even ground the various grievances of the workers; for with the statutory control over the conduct and activities of registered unions, which the Act has provided for, it will no longer be possible for the employers to charge the unions with a lack of a sense of responsibility on their part. Further, trade unions can pursue their legitimate activities for bettering the moral and material conditions of the workers, without the menace of criminal prosecution and civil liability. One important and wholesome feature of the Act is the attention it pays to the interests of the workers, as seen in the provisions relating to the audit of accounts, the enforcement of benefits, etc., and the importance of this in a country where the majority of the workers are poor and illiterate can hardly be overrated. The Act of 1926 marks the beginning of that official recognition of the growing importance of the labour movement which is an established fact in England and many other countries and the day will not probably be far off when trade unions will be able to set up a right to a share in the determination of the conditions of their work, and to be heard on all questions affecting their interests.

CHAPTER XV

INDUSTRIAL PEACE

WE have, in the preceding chapters, outlined the steps taken by the State, the employers and organised labour to secure an improvement in the conditions of life of the industrial workers in India and pointed out in what directions further action is urgently required. While the work of these three great agencies of welfare is invaluable as far as it goes, it has been totally inadequate in regard to the securing of peace and harmony in the industry of India. It is in respect of the lessening of industrial strife and disputes and the promotion of industrial peace that the greatest call on the energies of the State, the employers and trade unions will in future be made; for whatever action is taken with a view to promoting the welfare of the workers, it will fail in its essential purpose if it is unable to secure goodwill and harmony in industry.

Strikes and their Effects.—The growth of the trade union movement in India has synchronised with a period of acute industrial conflict which has revealed itself in the large number of strikes and lockouts since 1918. In the Bombay Presidency alone, during the quinquennium ending with 1926, there occurred 492 disputes which led to an actual stoppage of work, which affected nearly 800,000 work-people and resulted in the loss of nearly 24 million working days.[1] Since 1926 there has been some reduction in the number of disputes leading up to a stoppage of work but strikes do occur in fairly large numbers and have shown no tendency to diminish to any great extent. The statistics relating to strikes and lockouts over the whole of India, incomplete as they are, reveal the same tendency. The period between 1918 and 1923 was an abnormal one and the annual average of the number of disputes in India in the period amounted to nearly 300.[2] But since 1924 we have more reliable statistics and these show that in the period 1924 to 1927 the number of disputes in India amounted to about 131 annually in which about 200,000 workpeople were involved and over

[1] Labour Gazette, Bombay, May, 1926.

[2] [illegible] Wages and Profit Sharing.

million working days were lost annually.[1] These disputes have not been confined to any one province or industry but have occurred in all provinces and affected all industries, although the Bombay Presidency alone accounts for nearly 45 per cent of the total number and Bengal comes second. The cotton and jute mills of Bombay and Bengal, the woollen mills at Cawnpore, the steel works of Bihar and Orissa, the Railways and their workshops have all had to close down for varying periods owing to the frequent conflicts.

Some of the strikes that occurred in recent years have been of wide range, great intensity and long duration. The general strike of all the textile workers in the city of Bombay lasted for nearly 5½ months and resulted in the loss of over 21 million working days to the industry and about 3½ crores of rupees in wages to the workers.[2]

The effects of the frequent stoppages of work caused by industrial disputes have been disastrous to the employers and the workers alike. The economic waste, the disorganisation in industry, the direct and indirect loss of trade and the reduction in profits have all been too serious to be ignored. To the workers too, the injury has been no less serious, and the loss of their wages, the consequent poverty and starvation of their families and children during the strike, the permanent and almost irreparable injury inflicted on the body, mind and character of the workers by the irregular habits of living which strikes bring about have injuriously affected their economic welfare. Indeed, it may be stated that the results of a strike have never been commensurate with the losses sustained.

And yet, it is necessary to bear in mind that, unfortunate and regrettable as strikes are, they are not necessarily reprehensible and it is part of wisdom to analyse the causes that bring about the strikes and seek to remove them. For as has been rightly pointed out, strikes are only the outward manifestation of discontent, suspicion and ill-will among the workers. They are rather to be regarded as symptoms of a disease, than the disease itself, which is industrial unrest, discontent and disharmony. The loss arising from the general uncertainty and distrust, the lack of co-operation and goodwill conspicuous

[1] Labour Gazette, Bombay, April, 1926 and March, 1928.
[2] Labour Gazette, October, 1928.

throughout industry in India is far greater than even the direct loss from stoppages of work. To remove the suspicion and disaffection, and to secure the willing co-operation of the workers should be the constant aim of the employers, and all their schemes of welfare will be barren of results unless the goodwill of the workers is secured. This can be done only if the causes of the workmen's discontent are analysed and efforts made to remove them.

Causes of Disputes.—The published statistics relating to the causes of industrial disputes in India do not reveal the whole truth. But, imperfect as they are, they serve well enough to give a general idea of the circumstances that have given rise to stoppages of work. The following analysis of the causes of disputes in the Bombay Presidency and the whole of India is suggestive:

Causes	Bombay Presidency * 1921–26	India †	
		1921	1927
Wages	55·9 per cent	62·5 per cent	47 per cent
Hours of Labour ...	4·1 ,,	2·5 ,,	...
Particular classes of persons or particular individuals (Personnel) ...	22·3 ,,	17 ,,	28 per cent
Working arrangements ...	10·2 ,,	...	8 ,,
Trade Unionism, etc. and Mis.	7·5 ,,	18 per cent	17 ,,
	100 ,,	100 ,,	100 ,,

As in other countries, so in India, wages constitute the most important single factor in disputes; but while in England nearly 70 per cent of the disputes turn on wages, in India wages account for only 50 per cent of the disputes. Further since 1921, there has been a considerable change in the relative importance of wages as a factor in industrial disputes. Although singly it is still the most important of the causes that contribute to strikes, the proportion has steadily diminished and over the whole of India, in 1927 only 47 per cent of the disputes were the result of wage differences. On the other hand 'personnel' is responsible for nearly 28 per cent of the disputes and in 1924 and 1925 for nearly 35 per cent of the total. "Personnel" includes disputes over demand for the dismissal of particular individuals and

* Labour Gazette, May, 1926. † *Ibid.*, March 1928.

demands for the reinstatement of persons dismissed from service by employers. It also includes disputes resulting from alleged victimisation, etc. Such disputes are far too common in industrial concerns in India and are almost without parallel as far as numbers are concerned in any part of the world. Hours of work including the time of commencing work and closing work account only for a small percentage of disputes. Another set of causes that bring about stoppages of work turn round the recognition of the Unions by employers. Working conditions, factory rules, fines, etc. account for the remainder and there occur annually a few disputes for which no definite or indeed any assignable cause can be found. Non-economic issues are sometimes made the basis of a strike either at the instigation of the more turbulent section of the workpeople or occasionally by the outside elements of trade unions and a stoppage of work occurs for reasons wholly unconnected with the working conditions of the factory workers in India. The arrival at an industrial centre of a prominent political leader, the anniversary celebration of a great patriot, the declaration of a boycott or a hartal by the political leaders for purely political reasons, are all utilised as occasions for a holiday by the workers in India and generally have no more serious effects than the loss of a working day for the factory unless an unwise employer or manager threatens to take disciplinary action. At once a great conflagration occurs and another strike is declared which, while it ultimately fails, leaves behind much bitterness and disharmony in the factory.

But to appreciate and understand the full significance of the causes of industrial unrest in India, one should get beneath the surface and seek for the deep and underlying factors of discontent. Apart from the general causes that lead to disputes all over the world such as low wages, and bad working conditions, etc., there are certain peculiar circumstances that have given a twist to the industrial relations in India. (1) A new trade union movement has sprung up in the country and it seeks to obtain recognition at the hands of the employers and puts in a claim to be consulted. The employers in India have so far been not accustomed to consult anybody except themselves and they find in the new and growing trade unions, a challenge to their long-unquestioned dictatorship. It is unfortunate that most of the employers have been either unwilling or unable to adapt themselves to the new situation and

hence there is a temporary disturbance and instability in the relation between the employers and the workpeople. As in England up to the fifties of the last century, so in India, employers refuse to treat organised labour on even ground with the result that little issues which in any other country will be settled at once by mutual consultation are allowed to loom large and finally to lead to strikes. The reasons why "personnel" accounts for a great many of the disputes in India can now be understood. The demand for the dismissal of a worker or jobber or for the reinstatement of a dismissed worker or jobber appears at first sight to be unreasonable and illogical; but when it is realised that the demand is made in the one case because of the worker's predilections against trade unionism and of his ill-treatment of the trade union members in the factory, or in the other case because of a feeling that the dismissal was due to his trade union sympathies, the grievances of the workers are less likely to be misunderstood. This alleged victimisation is far too frequent a cause of disputes in India.

(2) The character of the recruitment of workers to Indian factories is another peculiarity which serves to explain some of the disputes leading to a stoppage of work. The dismissal of a jobber for unsatisfactory work is at once followed by a strike of all the workers recruited by him or working directly under him. The management have not so far been able to instil a sense of loyalty to the firm, apart from their loyalty to the recruiting agents of the firm. This is very unfortunate but unless the whole system of recruiting is thoroughly reorganised and an employment department is created, which will specialise in the task of selecting labour for the industry, no great improvement can be expected. (3) Another source of discontent in the factory arises from the absence of any definite code of factory rules concerning working arrangements, leave, conditions of service, etc. Variations are made in the existing practices without securing the consent of the workers and sometimes without even giving proper notice to the workers. (4) The system of fining is often arbitrary and not subject to any definite conditions. Further the power to fine and suspend or dismiss is not confined to the management; but the jobbers and maistries are entrusted with enormous powers which may, and often are, abused.

(5) But, above all, it is the absence in India of any regular and organised methods of approach to the employers to have their

grievances redressed, that is responsible for the blazing out into open conflicts of differences which easily might be set right by mutual consultation. There is no negotiating machinery at all in Indian industries which could handle differences before they lead to open conflicts. We therefore witness the extraordinary phenomenon that on the one hand the workers go on strike on the most flimsy grounds, while on the other the employers do not exert themselves sufficiently to meet the workers on even plane. In normal circumstances it may be expected that trade unions would bring about the development of the machinery for collective bargaining but the refusal on the part of employers in many cases to recognise them has been a severe handicap to the trade union leaders. This indeed is to be deplored; for thus the employers unwittingly play into the hands of the more extreme elements in the trade union ranks. The moderating influence of the more reasonable and fair-minded trade union leaders is not given a chance to make itself felt. The result is that strikes are often resorted to in India without the consent or knowledge of the union leaders and sometimes in defiance of their express disapproval. The leaders allow themselves later on to be wagged by the tail of the more noisy section of the workers and do not have the courage to condemn the workers' action and brave the inevitable unpopularity.

(6) It should also be remembered that the ignorance of the workers combined with the perversity of the management is exploited by unscrupulous leaders to bring about disaffection and disharmony in industry. For example, in two mills in Bombay the weavers learnt that their wages for February were less than those for the previous month and were hence discontented. The management sought to explain that February was a short month but the workers demanded that a notice should be put up that there had been no real reduction of piece rates but this the management would not do[1] and a strike was the result. (7) India is in a state of political turmoil and the workers have been thrown into the vortex of political controversies and any grievance is held to be sufficient to down tools and carry on a war with the employers. In quite recent times, during the last one year or two, even the trade union leaders find themselves in opposite camps, the more extreme section definitely leaning towards

[1] Labour Gazette, September, 1927.

Communist principles of violence and revolution and the moderate section relying, as of old, on the constitutional methods of agitation reserving the strike weapon for use in the last resort.

These are some of the most important of the circumstances underlying the industrial unrest of India to-day and no remedies proposed to meet the situation will avail unless the factors of discontent are removed. There are of course minor causes that bring about strikes and lockouts. The unwillingness of the workers to do more work or tend more looms, their refusal to agree to the introduction of new machinery which would throw some of them out of employment, and the rapid and sudden retrenchment sought to be effected by some employers, particularly the Railway companies, have almost always resulted in strikes or lockouts. But the remedy in such cases lies in the seeking for better understanding and appreciation of one another's difficulties.

Thus we may summarise the causes of industrial unrest in India as partly psychological, partly political but predominantly economic. The absence of any machinery for collective bargaining is responsible for the large number of strikes in India and here the first and most important task of the employers and representatives of labour is to initiate and develop the organisation and machinery for peace. But, important as machinery is towards the promotion of industrial peace, it is not so important as the securing of an atmosphere favourable to peace and the removing of the psychological difficulties that hinder its growth.

Trade Unions and Peace.—As an important preliminary, the organisation and development of trade unionism on sound lines should be taken up. Paradoxical as it may sound, it is no doubt true that trade unionism stands for peace and seeks to promote it. In the absence of organisations of labour strikes will break out without any notice to the employers, and without even the grievances being definitely represented to them. No attempt will be made to explore other methods of settling the differences or of other ways of getting their grievances redressed before resorting to a strike. It is the absence of sound organisations of labour in India that was responsible for the frequent strikes that broke out between 1919–23 with lightning rapidity.

The characteristics of some of those strikes were commented upon strikingly by the Bombay Committee on Industrial Unrest

" The frequency of the strikes without notice, the absence of any clearly-defined grievances before striking, the multiplicity and sometimes the extravagance of the claims put forward after the strike has begun and the absence of any effective organisation (except perhaps at Ahmedabad) to formulate the claims of the operatives and to secure respect for any settlement which may be made "—these were some of the features common to most of the strikes that occurred in the period. The organisation of workers into sound trade unions would diminish the number of occasions which might lead into actual conflicts, although it should be remembered that, when they do occur, they might be of greater intensity and longer duration. On the other hand if unions adopt a militant policy and are led by the extreme section of the workers with distinct leanings towards violence the future of industrial peace in India will indeed be very unpromising. A heavy responsibility lies therefore on the leaders of labour in this country, who by their moderation, forbearance and ability should lead the unions in the right direction. Even at Ahmedabad strikes break out in defiance of the wishes of the executive of the labour union [1] and the results of such unauthorised strikes are often disastrous to the workers. It is a significant commentary on the strike policy of the workers and trade unions in India that nearly 70 per cent of the disputes leading to stoppage of work end unfavourably to the workers.[2] In Great Britain, nearly one-half of the disputes that occur are compromised and only about 25 per cent of the disputes end unfavourably to the workers. In India the position is quite the reverse and this in spite of the fact that the conditions of work, of wages, etc. are so low that a large leeway has to be made up and the margin to be reached is yet fairly wide. The only conclusion that is forced upon us is that the leadership of trade unions calls for qualities of a high order of intelligence, moderation, charity and great forbearance.

Employers and Peace.—It is however on the employers that the burden of creating a favourable atmosphere for peace rests in a large measure. Their sympathy to the young trade union movement of the country and their willingness to negotiate with unions, whenever differences arise, are the basis for any kind of development of a conciliatory machinery. Further, as

[1] Report of the Ahmedabad Labour Union, 1925.
[2] Labour Gazette, May, 1926.

has been pointed out, the Welfare Work of the employers if carried on in the right spirit is bound, in the long run to create an atmosphere of goodwill, favourable to the securing of peace. As part of Welfare Work, profit-sharing may be adopted and if worked in a manner free from the shortcomings and defects that characterise some of the schemes adopted in the country is bound to promote peace. All this means goodwill, sympathy and charity on the part of employers but in their absence no mere machinery devised to settle differences will be of permanent value.

Works Councils.—We are now in a position to consider what kind of organisation and machinery is best suited to India for the prevention of strikes and lockouts and for the settlement of disputes after a stoppage has actually occurred. We have already commented on the absence of any kind of negotiating machinery to consider the differences arising between the workers and the employers. The common method of settling disputes is for individual employers to receive deputations of workmen and hear their case and it is rarely that trade union officials are allowed to state the case on behalf of the workmen. What is urgently required, therefore, is a change in the outlook of the employers and the development of an organisation which would handle differences and try to settle them amicably. The first line of reform in this country will be the establishment of a Works Council at each factory. Even in England where national organisations of labour exist, it has been found by experience that as the worker spends a good part of his life in the individual factory or mine, etc. the development of an organisation at each individual establishment which would utilise his capacity, his interest and loyalty is the most important of all. How much more important is this in India can well be realised if one remembers that trade unions are still in their adolescence, that national organisations of labour are yet to come and that, for the moment, each trade union functions separately and is generally not part of a living organisation. Works councils then have a great value in this country. They are the best agency for overcoming the psychological difficulties that hamper the co-operation of the workpeople. The value and importance of works councils has been so well recognised that in certain countries, for example, in Germany and Sweden, works councils have been

statutorily established and have already won the confidence and appreciation of the workers.

The works councils should be entrusted with a fairly wide range of functions and the interest of the workers should be kept up by seeking their counsel and co-operation on all matters affecting the welfare of the workers in the factory. The working-rules of the factory should be prepared in consultation with the workers so that the latter may have adequate means of ensuring that the rules under which they have to work are fairly conceived and fairly administered and that workmen are safeguarded against arbitrary dismissal. Nothing rankles in the mind of the worker so much as the feeling that he has been unjustly dismissed and nothing will conduce towards harmony and goodwill in the factory so much as the knowledge that no punishment will be inflicted on him arbitrarily and without proper justification. Thus the establishment of a works council in each factory in India will serve a double purpose. It will afford facilities for the ventilation of grievances and enable the factory to pool the ideas of the workpeople with a view to their full utilisation. A difficulty that is likely to be met with in the establishment of works councils lies in the relation between them and the trade unions of the locality. Where trade unions exist, they should be freely recognised by the employers and there need be no conflict in the spheres of work of works councils and trade unions.

Conciliation Boards.—The next step in the promotion of peace is the development of a conciliatory machinery for each industry in a local centre. It would indeed take a long time for the workers in India to organise on a provincial or All-India scale; it would also be unwise to do so. The distances that separate one centre from another are so great that centralised control will be virtually impossible and ineffective at best. Hence at each individual centre there should be developed a Conciliation Board for each industry, which would seek to settle all disputes arising in that centre among themselves. The Bombay Millowners' Association, the Ahmedabad Millowners' Association, the Sholapur textile employers, the jute employers of Calcutta, the steel company at Tatanagar can each deal with the trade unions of the workers in their centre. Experience has proved that the most satisfactory results can be achieved only

when voluntary conciliatory machinery is developed for each industry or branch of industry.

In England, in respect of most of her major industries working conditions are normally settled by the parties themselves at the national conferences. Such agreements cover the whole industry and are of national scale. Any difference arising in a local area is never allowed to become the occasion for conflict until it is taken to a district conference and from there, if necessary, to a national conference. In the last resort provision is made for arbitration when parties fail to reach agreement. In this way quite a large number of differences are amicably settled and it should be borne in mind that in spite of the large number of strikes that occur, the number of disputes that do not lead to a stoppage of work is infinitely more.

But the differing conditions of India cannot admit of the same kind of voluntary conciliation machinery. It is on the development of local conciliating machinery with provision for arbitration that the most valuable results can be hoped for. The Conciliation Board should consist of the representatives of the employers and the representatives of the particular trade union and meet at regular intervals with a chairman elected at the first meeting. It should be understood that any difference arising in the industry in the local centre should be referred to the Board unless it is settled amicably at the individual firm itself and in no case should a strike be resorted to without the matter being first considered by the Conciliation Board. Such an organisation can make its influence felt in several ways. One of the most recurring causes of some of the strikes in Bombay city was the absence of any standard system of wage rates. It is not infrequent to find among two adjacent mills considerable differences in the rates of wages for the same kind of work. The lack of standardisation of wage rates has been an endless source of trouble and when one firm either raised or lowered the rate at once a strike occurred. It should be possible for the Conciliation Board to set up a standarised system of wage rates, which would be agreeable to the workers. Again considerable differences exist between the wages of one class of workers and another in the industry, which are not justified by the nature of the work done. The Tariff Board commented upon the very wide margin of difference between the spinners' wages and the weavers' wages in India and such discrepancies can be set right by the Board.

Arbitration.—It will however be too much to expect that Conciliation Boards will be able to settle all disputes amicably and to prevent the occurrence of strikes or lockouts. Hence it will be desirable for the parties to agree to refer disputes which could not be amicably decided to arbitration. Two of the most serious disputes that have occurred in India were due to the bonus question and the policy of retrenchment. After a protracted strike in Bombay city, an arbitration committee was appointed by Government, and although its report was unfavourable to the workers, the strike came to an end. Had there been a definite provision for conciliation and arbitration, there is little doubt that some at least of the disputes could have been avoided. In Ahmedabad, thanks to the influence of Gandhi, arbitration is more readily accepted by the employers and Gandhi, Pandit Malavya and other public men have served as arbitrators with great success and ability; but elsewhere there is little evidence to show that either the workers or the employers welcome arbitration. But under favourable conditions voluntary arbitration will undoubtedly be a very useful and effective method of bringing about a settlement.

State and Industrial Peace.—The need for some kind of intervention on the part of the State, coercive or pacific, in the settlement of industrial disputes has been felt in all the industrial countries of the world and India can be no exception to it. There are those who hold that the State should not meddle with industry and that it should "confine itself to the holding of the ring while the disputants fight out their differences". Such a view is hardly tenable in face of the range and intensity of the disputes of modern industry and of the serious hardship inflicted on the community. Further State intervention in industry is already a *fait accompli* and does not lie any longer in the domain of controversy.

The duty of Government in respect of industrial disputes is of a varied character. In the first place, since many disputes are often the result of ignorance and want of knowledge regarding changes in the course of prices, cost of living, etc., the collection and publication of such primary data should be an essential preliminary to any kind of action on the part of Government. Their next task will be to help the parties to come together, facilitate conciliation and provide facilities for arbitration if the parties so desire. The British Conciliation Act of 1896 is the most famous example of what Government can do to facilitate settlement of disputes by affording opportunities for the parties to

come together. The mediation of a reputed Government official or the good offices of a prominent public man have often ended an otherwise interminable strike or prevented the occurrence of one.

Since the increase of unrest in India from 1920, the Government of India have been anxious to take some action but the difficulties of enacting a measure that would both be acceptable and effective have been felt to be so great as to make them go slow. Individual provinces however sought to gain experience by the appointment of a committee of enquiry to go into the question of the causes of unrest, of the methods of action pursued by workers and of the prospects of achieving success by applying to Indian conditions legislation which has been practically tested in other countries. The three major provinces, Madras, Bengal and Bombay created each a Department of Labour and its head, known as the Labour Commissioner in Madras, often successfully intervened in the disputes, and amicably settled their differences either by acting as conciliator or with the parties' consent by appointing an arbitrator or an arbitration committee. Bombay established a Labour Office which not only collected and published systematically most valuable information relating to prices, cost of living, trade disputes, trade unions, etc., but sent out its officer to mediate in disputes. Between 1920 and 1922, each of the three provinces appointed a committee of enquiry to make recommendations on the nature of the action that Government should take. For reasons into which it is not necessary to enter here, the Madras committee of enquiry did not function at all; but the other two made their reports, which showed a large measure of agreement. Both the reports pleaded for the voluntary establishment in each factory of a joint works committee or a works council which would result in the re-establishment of that personal touch characteristic of industrial relations of the past; both were against any form of compulsory or coercive intervention by the State and both were in favour of appointing either a court of enquiry or conciliation board when occasion demanded it. The difference between the two was that while the Bengal committee suggested a conciliation board to function only in public utility industries, the Bombay committee was in favour of appointing a court of enquiry in all important disputes to be followed if necessary by an industrial court of

conciliation. Acting on the report, the Bombay Government introduced a bill in the Legislative Council to give effect to its recommendations but the Government of India stayed its hand on the ground that they themselves were contemplating legislation on an All-India basis. A Government of India bill was according published in 1924 but was dropped. Again it was revived in a very altered form and an Industrial Disputes Bill is now on the anvil.

Guiding Principles of Legislation.—Before describing the main features of the Industrial Disputes Bill of 1928, it will be desirable to outline the main purposes to be held in view in any action proposed to be taken by Government.

1. No legislation should be of such a character as would in any way hinder the establishment of voluntary machinery in the factory, or group of factories or in a locality. Its aim should rather be to develop "collective bargaining" on a voluntary basis. For this purpose, the establishment of a department of labour in each province, with an officer at its head who will be freed from all other work except that directly connected with industrial labour is the first line of attack. His duty should be to watch events, to apprehend differences arising between employers and workers to bring the parties together, to send out a conciliator or appoint with their consent an arbitrator and to take other steps much as the Board of Trade was empowered to do in Great Britain by the Conciliation Act of 1896.

2. There are three sets of circumstances which require special action on the part of Government (*a*) stoppages in public utility industries, (*b*) the prevalence of what are called 'sweated conditions of work' including very low wages, and (*c*) strikes in industries of great national importance.

In regard to public utility industries, the protection of the public against sudden stoppages of work should be ensured. "The respective claims of individual liberty and of social well-being evaluate themselves differently in relation to one another." The maintenance of industrial peace in certain essential public services is considered to be so important that the "right to strike" has been restricted by the laws of many countries. Of these the outstanding example is that of Canada and the principle of its legislation in respect of certain public utility services has been widely approved. The Canadian Industrial

Disputes Investigation Act of 1907 provided that notice of the existence of a dispute in certain important industries chiefly mines, transport and industries supplying water, light, heat and power must be given to the Government and that a strike or lockout could not legally be entered upon prior to or during the reference of such a dispute by the Ministry of Labour to a Board of Conciliation and Investigation. After the Board had reported, unless a finding or settlement had been reached, the parties were free to cause a stoppage of work. As Lord Askwitn said in his report in 1912 "I consider the forwarding of the spirit of conciliation is the more valuable portion of the Canadian Act and that an Act on these lines even if restrictive features which aim at delaying a stoppage until after enquiry were omitted, would be suitable and practicable in this country," (Great Britain). Experience has justified the judgment of Lord Askwith and although the Canadian Act is successful in the limited number of cases wherein the Act has been applied, for some reason or other, the Act is invoked only in a relatively small proportion of the cases (about 30 per cent) which its provisions have been specially designed to meet. In about 50 per cent of the cases of all that should have come under the Act, strikes did in fact occur. However, in spite of its shortcomings the Canadian legislation may be adopted in India with some modifications in order to put an end to the lightning strikes that occur in public utility industries. In any case, the need for enquiry into the causes of the disputes occurring in these industries and for bringing public opinion to bear on the issues is too obvious to be stressed upon.

A second consideration in regard to legislation in India is the securing of a minimum wage for certain classes of workers now in receipt of very low wages. The problem is no doubt beset with difficulties; but the same consideration that has compelled Great Britain and other countries to establish Trade Boards in a limited number of industries holds good in India also, and after a detailed enquiry into the wages and conditions of work of certain classes of workers the Government should set up Trade Boards at first in a limited field to be extended, if need be, after experience is gained. The establishment of Trade Boards will secure the double advantage of raising the wages of the low paid workers and of promoting industrial peace;

for the Trade Board system has proved in practice an effective substitute for collective bargaining.

Thirdly, there may occur stoppages of work which owing to their wide range and possible injury to national production will call for some kind of Governmental action. In such cases the duty of Government is clear. The issues that have given rise to the dispute should be fully gone into by a court of enquiry and the results of its investigations published. The court should be given such powers as may be necessary to ensure the attendance of witnesses and the production of documents. The enquiry by such a court will serve the important purpose of bringing the search-light of publicity to bear on matters that are hidden from the public, and incidentally may bring about a settlement of the dispute by the wholesome fear that such publicity will instil in the minds of the recalcitrant party.

To conclude, to help the voluntary settlement of the disputes by the parties themselves by sending out conciliators, or if the parties desire by providing for arbitration, to institute a detailed and searching enquiry into the circumstances of every big dispute, to limit "the right to strike" in certain essential public services and to set up Trade Boards in industries where workers are exploited and paid very low wages—these are the lines which legislation should follow in India. There are some who would advocate compulsory arbitration in certain cases; but the impracticability of compulsory arbitration has been demonstrated even in Australia where conditions are more favourable and where public opinion is not against it. In other countries it will have little chance of success. The impossibility of enforcing an unacceptable decision upon a whole body of organised workers and the dangers of bringing the law into contempt are conclusive against the adoption of compulsory arbitration in India. Nor are the workers and employers favourably disposed towards it.

Trade Disputes Bill.—It will now be possible to discuss in the light of the above observations, the main provisions of the proposed law relating to the settlement of industrial disputes. The bill recognises the fact that trade disputes do not concern employers and workmen alone but that they concern the public also and involve an obligation on Government. The bill provides for Boards of Conciliation and Boards of Enquiry to be set up at the discretion of the Government. Both the Conciliation Boards and

the Courts of Enquiry are to be *ad hoc*. The object of the Courts of Enquiry which will ordinarily be composed of persons having no direct interest in the dispute will be to investigate and report on such questions connected with the dispute as may be referred to them. The Boards of Conciliation which will ordinarily include representatives of the parties to a dispute are intended to bring the parties together and help them in coming to a settlement of the dispute. Both Courts and Boards have been given powers to enforce attendance of witnesses and the production of documents and their reports will be published.

The second part of the bill relating to public utility services makes it a penal offence for workers to strike without previous notice and also provides heavier penalties for persons abetting such an offence. Apart from the one-sided nature of the provisions which penalise only the workers but do not touch the employers, there is no obligation imposed on Government to refer the disputes to the Court of Enquiry. Further, if the men in public utility industries are to be refused the right to strike they should be compensated for by granting them special privileges as regards status, tenure and conditions of employment. The bill fails to secure these privileges for the workmen; and does not provide for the establishment of machinery for negotiation. On the whole it seems desirable to incorporate the main provisions of the Canadian Act of 1907 in the bill, as was sought to be done in 1924.

The third part of the bill containing provisions relating to illegal strikes and lock-outs is a mere copy of some of the provisions of the British Trade Disputes and trade Unions Act of 1927. The attempt to incorporate in India legislation specially framed to meet the widely differing conditions of Great Britain is both unnecessary and mischievous. It will but aggravate the causes of discontent and do the very thing which the law is intended to prevent. In the unorganised state of Indian trade unionism even a strike in one industry cannot be organised and carried on successfully. The Government of India will be simply giving way to panic if they press this portion of the bill for adoption.

Finally it may be stated that, important as is the provision for conciliatory machinery by Government, the importance of an enquiry into the conditions of work, wages, hours, etc. is even greater and if the enquiry reveals the existence of low wages in certain industries Trade Boards should be set up, which must be charged

with the duty of fixing minimum wages. A combination of the Trade Board system and conciliation and arbitration with provision for enquiry in respect of the major trade disputes will go a long way in preventing disputes and in settling them. But as has been observed before, very much will depend on the will to peace and harmony exhibited by the employers and the workers and all that Government can do is to promote that will by their friendly and valuable intervention.

CHAPTER XVI

CONCLUSION

We have now reached the end of our study. The two most urgent problems in Industry in India are the raising of the workers from their low level of earnings and of living and the securing of harmony and peace. Both are parts of one and the same problem. Much of the strife and stress of modern industry is the result of low wages and hence in raising wages, we at once reduce the opportunities for conflicts. An increase in wages can be secured only by greater efficiency on the part of the workers but this again will not be secured unless the workers feel that they are fairly treated and that they receive a square deal. Workers are often prone to think little of the need to produce more but to fight for getting an additional share in the total produced. They can however be persuaded to put their shoulders on to the wheel, if they are assured of a proper and fair share of the national production.

One cause of the low wages and low standard of living of the Indian workers is undoubtedly to be found in their inefficiency. How far is this inefficiency the result of preventible causes and how far is it the result of permanent or deep-seated factors cannot admit of a ready answer; but that much of the productive inefficiency of the Indian worker can be removed by the co-ordinated action of the employers and the workers themselves, aided by the State, cannot be doubted. Illiteracy and ignorance, bad conditions of living, insanitary and congested housing, dirt, squalor and disease, etc., can all be removed by organised and sustained action.

Again the problem of low wages, low efficiency and low standard of living should be attacked from all sides as each affects the other and in turn is affected by it. To the solution of the problem both the workers and the employers can and ought to contribute. The workers should realise that even if capital is not allowed anything more than a very reasonable share and all the surplus profits divided among the workers alone, the gain to them will be very little indeed as compared with the possible gain from increased efficiency. The reports

of the Tariff Boards in India have adverted to the high labour costs of the textile and steel industries and of the low efficiency of the workers. The number of looms attended by one weaver is usually two though in some centres, notably Madras, it is only one. In Japan it averages 2½, in the United Kingdom 4 to 6 while in the United States 9.[1] The introduction of automatic looms or the enforcement of a system by which one worker is given two looms to attend to has been looked upon with great distrust and suspicion by the workers, much to their own disadvantage. The labour leaders contend that the additional strain involved is too fatiguing and that the workers are unable to bear the strain. It is also probable that the Indian worker has an innate aversion to the prolonged and sustained effort which the introduction of improved machinery involves. But unless the worker gradually changes his mentality, there can be no hope of his being able to effect a rise in his wages and to maintain permanently a high standard of living. The improvement may probably be a slow and tedious process but no efforts should be spared by the workers themselves to secure it.

In America, some trade unions directly co-operate with the employers to raise productive efficiency and thus secure increased wages. The Amalgamated Clothing Workers of America demand very high wages, but, recognising that these can only be paid with a high rate of output, they undertake to ensure this rate. They have deliberately accepted a share of the responsibility for productive efficiency. Such a spirit should permeate the worker in Indian industries, and to the fostering of that spirit the trade union leaders can contribute in large measure.

Employers and Workers' Efficiency.—It is on the employers, however, that the greatest responsibility lies to stimulate the workers to do their best. In the first place they should do everything to lessen discontent and remove the distrust from the minds of the workers, which has been increasing in recent years. The employers have failed to study the human element of the industrial problem. They have not established any organisation or machinery by which they can get to know the grievances and the difficulties of their workpeople. Personal touch is lacking and no systematic efforts have been made to promote it. The habit of mutual consultation between

[1] Report of the Indian Tariff Board, 1927, p. 137.

the management and the workers so necessary for the purpose of creating proper atmosphere has not been cultivated. It is in the direction of establishing and promoting organisations for the peaceful settlement of differences that practically nothing has been done so far and in which a vast uncultivated field lies with promise of a rich harvest.

Even in the raising of the efficiency of the workers, the employers can and ought to do more. They can supply the incentives to the workers to do their best by the introduction of a fair piece rate and some kind of production bonus. By overhauling the present wasteful system of recruiting, by organised Welfare Work, by general and technical education and improved housing and above all by appointing competent and honest jobbers to supervise the work in the factory, employers can do much to increase the efficiency of the workers. In spite of the repeated inveighing against the workers' inefficiency in India, it should be remembered that a considerable number of individual employers and others competent to express an opinion hold the view that the Indian worker is a match to the average European worker and that a part of his inefficiency is certainly the result of his bad conditions of work, for which the management is responsible.*

State and the Worker.—It has been already pointed out that owing to the special circumstances of India the State has done far more for the working classes in India by way of protecting them against injurious conditions of work than any other agency. The Factory Code of India can compare favourably with most of the continental countries and nearly all the States of America. Its mining legislation needs revision and will, it is hoped, be revised shortly, even if temporary difficulties have to be faced. The help that the State has rendered in protecting trade unions and in granting them immunity is not negligible and ere long, legislation will be framed to help the settlement of industrial disputes and to safeguard the public against too sudden strikes and lock-outs.

It is, however, in the sphere of social insurance that the largest scope for future State-action lies. The Workmen's Compensation Act of 1923 is the first workmen's insurance scheme in India; but the workers should be protected from the

* Labour Gazette, January 1929, page 438.

insecurity and the risk of loss of livelihood due to various exigencies. Provision should be made against sickness and unemployment. Women workers should be ensured reasonable financial protection during their confinement. And again the State should soon establish in India Trade Boards which have proved their usefulness wherever they have been set up and thus ensure to the workers a certain minimum wage. Progress will, of course, be slow; for it is impossible for workers to get ultimately more than what the industry can afford to pay. But knowledge is essential; to secure it the Government should establish regular agencies for the collection and publication of the most primary data concerning the life of the industrial workers.

There is no room for pessimism even if the industrial horizon is at present a little darkened by clouds of disputes and conflicts. The clouds will lift the sooner if the employers and the workers will dwell more upon their mutual interests and less upon their differences and instead of pulling against one another, they pull on the rope together.

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