

NATIONAL COMMISSION ON LABOUR

Notes on Observation Visits to Jamshedpur, Sindri,  
Dhanbad, Chitranjan and Durgapur. (23-26 May, 1968)

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I

JAMSHEDPUR  
23.5.1968

Jamshedpur with its industrial complex is spread over an area of about 15,700 acres (25 sq. miles). Half of it is being utilised by the Tata Iron & Steel Coy. for its works, housing, hospital and other amenities to its employees. The lay-out of the town which was planned with some care has received wide appreciation and publicity. Other steel plants which have came up recently have benefitted from the experience of Jamshedpur.

2. All services including health, conservency, medical education and housing etc. are provided by the Tata Steel Company. There is a 600-bed modern hospital which is served by 75 doctors. The Company has also contributed liberally towards the cost of the establishment of the 100-bed Ardeshir Dalal Memorial Tuberculosis Hospital.

3. The Company has built, over the years, 15000 quarters, flats and bungalows. A Cooperative House-Building Society has also been given land; it has constructed about 100 houses. In addition 8,000 bustee tenements have been given to people of low-income group. All this provides a contrast between what has been built with no eye on profit and that which has only profit motive. Steps are being taken to transform bustees into neat residential areas. A programme of community development, is operating in bustees over the last ten years at an annual cost of Rs.4.5 lakhs. The programme which includes social education, pre-school classes, nursery schools, libraries and reading rooms, cultural shows, indoor and outdoor games, sewing, knitting and literacy classes for women, small savings, grow more vegetables competition etc. and which partly depends upon shramdan has been well received.

4. The company has 28 schools with 22,000 students in primary and middle schools. Education is free for the children of the company employees. In addition, land has been provided to many schools at nominal rents.

5. Besides large number of small parks and gardens, a 300-acre Jubilee Park has been built at a cost of over Rs.21 lakhs in 1958 to commemorate the Golden Jubilee of the Steel city.

6. The expansions at Jamshedpur have provided employment to thousands of persons directly and to tens of thousands indirectly. TISCO alone employs over 38,000 persons in Jamshedpur and an additional 25,000 in its mines and collieries. Telco provides direct employment to about 22,000 persons. In addition, each truck produced requires the services of about 11 persons to keep it on the road. Telco's existing production at the rate of 2,000 trucks p.m. would thus produce its own multiplier effect in terms of addition employment. Apart from these two major Tata Companies there are many subsidiaries providing employment to 15000 persons. In terms of wage bills, the salaries and wages, including bonus, of the two Tata Company's total over Rs.30 crores per year.

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II

TISCO

Number of workers ... 28000  
Total ... .. 37000, including mines

1. The Plant started with a modest capacity of 100,000 tons in 1911, it has seen steady growth over the years and is now working with a capacity of 2 million tons. The Plant consists of five batteries of coke-ovens, six blast furnaces, three steel melting shops, two blooming mills and other finishing mills, including a wheel, tyre and axle plant. The company manufactures a wide range of products - rails, fish plates and sleepers; heavy, medium and light structurals, bars, plates and sheets, skelp and strips, wheels, tyres and exles.
2. The initial lay-out of the plant and the township was such that even with 20 times increase in the production capacity no serious problem had to be encountered. We were told that it could double its capacity again without much disturbance. 98% of the capacity is being utilised. The recession had a mild effect on the plant. But there has been no labour unrest.
3. All the raw material is brought from Adityapur yard. The company has its own railway system. They are operating 48 locomotives and 2000 wagons. The rail truck covers 280 miles. 30,000 tonnes of raw material is handled every day. Material handling - coal : 2.1/million tonnes; limestone : 0.8 million tonnes ; iron ore 3.4 million tonnes, every year.
4. The plant was initially started for railways but now it is a very much diversified unit. Unlike the public sector plants, they produce all varieties of products. They are thinking in terms of putting up a palletisation plant of 1 million tonne capacity.
5. From locational considerations, the plant has considerable advantage. This is as should be expected.
6. The change that has come over the plant in the last 18 years is almost visible. When I (Member-Secretary) visited it in 1950 one could see a fair amount of idle manpower. With adequate collaboration from workers, it has been possible to effect doubling of capacity with no new complement added. In 1957 when I visited the works again there was considerable construction activity in the area in connection with doubling the plant capacity. Some problems which the works had about redeployment of construction labour after doubling were settled through the good offices of Government. The production lines now appear more streamlined and there is also a clearer look about the plant now.
7. Different operations in the Steel Mills including the merchant Section and Rolling Mills producing skelps were seen. All the processes present a pleasing appearance.
8. Canteen arrangements were not upto the standard. There have been difficulties and concerted cooperative effort is needed to improve them.

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9. Use of safety equipment is at a discount. One wonders whether there is adequate research in the production of such equipment usable in Indian conditions. Our talks with management revealed that their best efforts in persuading workers to use safety devices have not yielded commensurate results.

### III

#### TELCO

1. The Tata Engineering and Locomotive Company Ltd. was established in 1945 by taking over a small, old workshop of the Eastern Railway with the object of floating a company for the manufacture of locomotives and other engineering products. They proceeded on the basis of close collaboration with well-known foreign firms. At present Telco employs about 20,000 persons and the present annual turnover is over Rs.65 crores. They started with the manufacture of metre-gauge diesel locomotives; but over the years the emphasis has changed over to engineering products. The production of diesel locomotives will be discontinued. Telco now produces over 24,000 trucks a year, indigenous content in them is over 90 per cent. The TMB vehicle is used by Defence Services. In its earth moving machinery division, they manufacture 100 excavators a year with an indigenous content of 80 per cent. Telco made steel castings are now exported to Sweden.

2. Telco has an apprentice shop with 600 seats. Only the boys of workers in the TELCO plant are given admissions. In addition, such candidates who are sponsored by their dealers are also admitted. All the trainees after completion of their training are absorbed in the plant. The majority of skilled workers have been trained by Telco itself. Telco's apprenticeship training is organised on modern lines.

3. The candidates of the dealers go back to their respective places. This training period is for 3 years during which the apprentices get a monthly stipend of Rs.80/-, Rs.90/- and Rs.100/- respectively.

4. In the auto-assembly shop, a group incentive scheme was introduced in 1956. The scheme is working satisfactorily.

5. The suggestions scheme has been given great prominence. At many places in the works one finds pictures of workmen whose suggestions have received recognition from the management.

6. To avoid loss of time, tea and snacks are served in the plant at fixed hours. During our visit to the Plant, tea was being served. Workers were collecting at one place. Usual complaints about the quality of tea and eatables were voiced by workers. Tea appeared to be of poor quality. Lunch is provided for 31 paise.

7. At one place it was noted that workers were engaged on group incentive schemes though they were doing work having no relation with the production of other workers. It was explained that the work have had to fit in with what was produced by others. The management introduced incentives more because of coordinating production of different workers

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rather than allowing some to produce as much as they could.

8. On the completion of the trucks, they are taken to the test-track for physical testing. Each truck has to undergo the usual rounds on track which has varying degrees of inclination. To see the effectiveness of the test we also had a test drive in one of the buses made by TELCO.

9. TELCO has provided housing to about 7000 workers. The housing colony is entirely run by the Company. The TELCO township is complete with clubs, facilities for sports and cultural activities, open air cinema and shopping centres. There are free medical services for employees and their families. A hospital is under construction.

10. At some places the layout appeared to be cramped. This possibly is the fate of all units which have been built on the basis of an existing nucleus.

#### IV

Record of informal discussions with Mr. Tobaccowala, Managing Director, Telco and other representatives of the management of TELCO:-

1. Formerly they were operating both the individual and group incentive scheme. But the workers wanted uniformity in payment. They always compare their emoluments with others, and want only one method of payment and calculation. This is important from the point of view of maintaining industrial peace. For this reason they changed to group incentive scheme even for those operations where individual incentive scheme could give better results. Operations can be kept in balance only if group incentive schemes are introduced.

2. The introduction of the computer has not replaced any operatives. The Punch Card system was introduced 15 years back when employment was not much of a problem in the area. All that has now happened is a further dose of sophistication. This process does not cause resentment among workers.

3. The success of a plant like TELCO where 7000 different parts have to be assembled depends upon (i) quality of the management; (ii) availability of raw material; (iii) efficiency of workers. In the current Indian context they have to build up inventories and this locks up capital to some extent.

4. In TELCO, employment has increased considerably over the years because the road transport industry has been in a comparatively happy position. But at present, they are in a difficult position because of recession which has affected the road transport industry most.

5. Another factor which has affected the development of the industry is the steep rise in rates of taxation. This has been responsible for substantial rise in price of the product. Since 1959, the price of a truck has increased by about Rs.16000 out of which Rs.13000 is accounted for by taxes. The increase in the prices of tyres and imported components is responsible for

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an increase of Rs.2600. The factory has gained only the balance of Rs.400/--.

6. The wage and salary bill which stood at Rs.500 lakhs in 1962-63, increased to Rs.927 lakhs in 1966-67.

1962-63	Rs. 502 lakhs
1963-64	Rs. 546 lakhs
1964-65	Rs. 633 lakhs
1965-66	Rs. 760 lakhs
1966-67	Rs. 927 lakhs

7. The employment has increased from 13000 in 1963 to 22,600 in 1967.

8. TELCO contributes Rs.24 crores a year as tax to the national exchequer. This is  $2\frac{1}{2}$  times of the total wage and salary bill which in itself is 5 times/declared dividend. /the

9. This is a highly capital-intensive industry and biggest problem is the low productivity of the workers.

10. Despite the fact that the company has provided all facilities like medical, education, housing recreation and welfare to its employees, the workers have not given their best. Greater security of the job and provision of welfare facilities are a handicap to productivity increase. The assertion of the latter aspect as affecting productivity is somewhat counter to the general notions. Workers are generally able to give standard production in the first 6 hours ; in the next 2 hours, they slacken off.

11. It is not correct to say that the incentives are provided at the rate of 100% of the basic wage. They are only a third of the total salary.

12. During the current month (May) absenteeism had gone up to 45%. Most of the workers go to the villages for agricultural operations. Workers can afford to remain absent because the wage rates are high.

13. For maintenance of industrial peace a strong representative union is needed. This can be built up only on the basis of secret ballot where voting right should be given to all workers.

14. The management believes in building up younger elements in the supervisory group. There is a fair amount of delegation of power. This works well if supervisors are well chosen - and are given a fair training within the plant supervisors who grow with the plant display a greater sense of belonging.

V

#### INDIAN STEEL AND WIRE PRODUCTS.

The concern was stated in 1924 by Sardar Inder Singh. They have a capacity of producing 2 lack tonnes a year. They have to face a very keen competition from the external markets because of high raw-material prices in the country. The external producers are able to undersell similar products at a price lower by Rs.200 per tonne. The existence of the

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industry depends entirely on the protection given to it. This is one of the biggest and fastest mills rolling wire at the speed of one mile per minute. One third of the wire rods are sold out to others and the remaining 2/3rd is used in the factory for making bolts, nails etc. In addition, they make telephone wires and barbed wire for military use. Efficiency is dependent on the quality of steel they get. The process of drawing wire appears to be some what prolonged because for a good product the wire cannot be reduced by more than 1/16 of its diameter at a time.

2. During the visit, we were all the time surrounded by leading workers of the factory. They were all complaining about everything in the factory. The main problem faced by them was the absence of a wage-structure and pay-scales. They were getting the same basic wage as was available 20-25 years back. There was some increase in D.A. over the years but that was altogether inadequate. While some complaints were exaggerated the feeling against the management was more deep than one usually finds in such visits.

3. A large number of workers were designated as clerks to deprive them of the production bonus though they were workers in the factory. (A few workers submitted to the Commission copies of their petitions) The plight of the workers was aggravated because of the failure of their strike in 1948. Since then they dared not go on any strike or agitation. Workers have divided loyalties to unions; as a result unions are very weak and the management can afford to be stubborn. One of the workers mentioned that he was a senior clerk between 1935-48 but after the failure of the strike he was demoted as a junior clerk. There are in all about 1300 workers in the factory.

4. In other parts of the factory which were shown to the party, one of the general complaint was that the work-load was very heavy. A person was required to handle several machines and processes and there was no assistance available to him. Even for operating a crane, no helper was provided to the crane - man. The management has a policy not to recruit more persons. The management over a long period has the policy of not allowing certain loyal workers to retire. Most of them come from propitious community in Punjab. With the help of this group, to be replenished if and when necessary the management has been able to foil the attempts of discontented workers with impunity.

5. The canteen is being run by a contractor. The General Manager said that the union had made an agreement with the management that the canteen should be run through a contractor. But this statement was contradicted by the representatives of workers in the presence of the General Manager. In fact there is an element of 'contracting out' in the General Manager's statement but to put it right. There has to be an effort by some workers and this is not forthcoming.

6. The canteen arrangements were very inadequate. Workers on duty were not allowed to take tea inside the canteen building outside specific hours. However, tea is served outside the canteen.

7. The lavatory provided was very dirty, it had no arrangement

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for water.

8. There are about 300 workers who are employed on contract. According to them they were on the job for several years.

9. All this dissatisfaction must be affecting production. One could see that there was more loitering in the unit. Attention to work and safety of work was also not as it should have seen. At places red hot metal was being handled with inadequate care. It was fortunate that there was no accident in the presence of Commission Members.

10. The union representatives complained that on many of these points they had lodged complaints with the Labour Department but without any effect.

11. An interesting feature of the visit was the supreme confidence with which the Managing Director was handling the visit of the Commission. He was profuse in complementing workers. He did not mind the union representatives accompanying us during the plant visit. He had no word of explanation for the complainants. He was getting production on the basis of which he could show reasonable profits. All other aspects - the upkeep of the unit, discontent among workers did not matter to him at all. All this indicates that union leaders were not serious in making complaints to management about workers' grievances. Interesting part of it was that workers continue their faith in such leadership.

## VI

### HOUSING - NO. 10 BASTI

In the evening we went round the housing colony provided by the Tin Plate Co. The land belongs to the Co. and is allotted to the workers who construct their houses. On retirement the final settlement is made only after the workers have sold their houses to another worker in the factory. The houses were not in good condition and the sanitary conditions were also inadequate. Here again the point that Provident Fund dues at least cannot be withheld from retiring workers on any account seem to have escaped the notice of union leaders who took us round.

## VII

### Discussion-meeting with Indian Institute of Personnel Management.

In the evening the Jamshedpur Branch of the Indian Institute of personnel management had organised a special discussion meeting for us. The audience consisted of Labour/Personnel officers from industrial units in and around Jamshedpur. The discussion centred round the work of the National Commission on Labour, Mr. Kotwal and I (Member-Secretary) answered the questions which ranged over wide area of problems including discipline, productivity, union representation, wage policy, grievance procedure, disciplinary action etc. These questions were dealt with in the light of evidence reaching the Commission. Many points which arise mainly at the plant level were put to us and practical solutions were suggested. Generally the plea was that workers should be made more responsive to attempts made by management in improving labour relations and

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establishing better production 'norms' in the interest of the country.

VIII

JAMSHEDPUR  
24.5.68

Record of informal discussions with representatives of the  
managements

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1. Mr. J.G. Késwani  
General Manager,  
Indian Tube Co. Ltd.  
Jamshedpur.
2. Mr. S. Prasad  
Asstt. Chief Personnel Officer,  
The Indian Tube Co. Ltd.  
Jamshedpur.
3. Mr. R.N. Thakur  
Labour Officer,  
The Indian Cable Co. Ltd.  
Jamshedpur.
4. Mr. K.N. Pathak  
Chief Labour Officer,  
The Indian Cable Co., Ltd.,  
Jamshedpur.
5. Mr. L.M. Parratiyar,  
Personnel Officer,  
Tata Robins ~~Fraser~~ Ltd.,  
Jamshedpur.
6. Mr. B.P. Singh  
Labour Assistant  
Tata Robins ~~Fraser~~ Ltd.,  
Jamshedpur-7.

A distinction requires to be made in the behaviour of individual and a group of persons. There is a danger that if an individual worker's case is pursued by the union matters may get completed. In such cases the workers should be encouraged to approach the management directly.

2. Arbitration in disciplinary cases was not favoured.

3. The present arrangement for holding domestic enquiries in disciplinary cases was considered to be the best. If a worker was not satisfied with the domestic enquiry, he could always approach the higher echelons in management.

IX

Record of informal discussions with representatives of  
workers.

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S. Udham Singh.

Jamshedpur Engineering Mazdoor  
Sabha.



Mr. R.L. Verma	President, Steel Factory Contractor's, Labour Union, Punj Employees Union etc.
Mr. B.P. Singh	Secretary -do-
Mr. R.L. Singh	General Secretary, Wire Products Labour Union.
Mr.V.K.M. Menon.	Wire Products Labour Union,
Mr.Chhedi Singh	Vice President. Wire Products Labour Union, ( INTUC ).
Mr.Lachhmon Singh	Wire Products Employee's Union.
Mr. Lachhman Tiwary	-do-
Mr. Anant Ram	Wire Products Labour Union.
Mr. K.P. Singh	Tube Works Union.
Mr. S. Singh	-do-
Mr. Naresh-Singh	Mine Workers' Union Jamshedpur.
Mr. Lakshmi Narayan Singh	General Secretary Telco Workers' Union, INTUC, Jamshedpur.
Mr. Sideshwar Chowdhry	Golmuri Tinsplate Co. of India, (INTUC)
Mr. Gulam Md.	Golmuri Tinsplate Worker's Union, Jamshedpur.
Mr. R.N. Singh	Vice President, T.R.F. Worker's Union,
Mr. V.N. Kishore	General Secretary, Jamshedpur Engineering Mazdoor Sabha.
Mr. R.N. Jha	General Secretary Ispat Mazdoor Panchayat, Jamshedpur.
Mr. Jehangir Balsara	Jamshedpur Engineering Mazdoor Sabha.
Mr. Rajeshwar Parsad	General Secretary, The Indian Cable Worker's Union, Jamshedpur-3.
Mr. R.S. Singh	Asstt. Secretary, Indian Cable Worker's Union Jamshedpur-3.
Mr. R.N. Sharma	Treasurer, Indian Cable Worker's Union, Jamshedpur.3.

1. Housing provided by the TELCO is quite inadequate. Not more than 35% of the workers get the benefit of company housing. The rest reside outside Jamshedpur or in private houses where they are required to pay higher rent for house accommodation and an advance ranging from Rs.500 to Rs.1000 for one room. The management should either provide houses to all the workers or in the alternative give house rent allowance and free transport to those who come from distant places. The TISCO management made an agreement to provide free transport to all the workers in 1945 but this was never implemented. There is no proper utilisation of the land in Jamshedpur. The density of population is very low and a lot of vacant space is available. Instead of single-storeyed houses, there can be multi-storey constructions. At present, land is given on a monthly tenancy lease system. The system requires to be improved. Besides workers in big industries, there are thousands of workers in small establishments and those employed by contractors whose conditions in this regard are worse. (There was some justification in their complaint but the way in which it was put to us showed that some persons interested in building rooms for personal profit were goading workers' representative to voice these ideas.)
2. The nature of job in certain manufacturing processes in the Steel Plant is very hazardous. It is difficult to work for the prescribed 8 hours. As a result, the health of the workers is affected and their life is shortened. Workers working in the hot mills, galvanising department and those who had to stand in the acid water should be given milk by the company during the working hours. One person was of the view that the only possible solution is modernisation and mechanisation.
3. Retrenchment and closures are mostly on flimsy grounds. Wherever the unions put forward a demand, the management gives an apt reply that they are short of orders and the company is facing closure. Workers instead of fighting for their demands have to see that their jobs are secure. There should be a provision in the Act that the management should satisfy Government and the union representatives about the financial condition of the company in case retrenchment/lay off is carried on this account.
4. As there was a lot of wastage and extravagant expenditure on the part of the management, accounts should be audited through an agency of Government auditors. Audit should be nationalised.
5. In Jamshedpur, there is a lot of development of small industries. These small industries do not observe any rules or bye-laws. The Factory inspectorate should be strengthened and provision be made for non-bailable penal punishment for non-implementation.
6. Medical facilities available to employees of TELCO and workers in general at Jamshedpur are very inadequate. The TELCO employees have to go to the TISCO hospital for treatment. TELCO hospital is under construction for a few years but the work has been held up under the pretext of recession. In addition to the TISCO hospital, there is a Government hospital with 300 beds. But here expenditure on medicines per patient is very poor. As a result, private doctors are flourishing. Small firms like Tine Plate Co., Indian Steel & Wire Products should pool their resources and provide a hospital for their employees.

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7. Over the years, the population in Jamshedpur has increased tremendously. At present it is 4½ lakhs but the net result is that everything here is very costly. On top of it, the market in Jamshedpur is entirely controlled by the TISCO management. As the land belongs to the company its allotment is in their hands. There is a little competition in the market. There is only one cold storage in the whole area; others are not allowed to enter the trade. There is a Jamshedpur Cooperative Ltd. which is also run and controlled by the Company. The Company has given a loan of several lakhs of rupees to the Store and on this basis it is able to control its activities. The store has got 37 branches all over Jamshedpur.

8. There is a poultry cooperative which supplies 300-400 maunds of poultry feed every month but the Company refused to give any facilities for storing the feed or producing it. In another case, some persons wanted to have a cooperative of their own but the company did not allow them to function as the Company wanted them to join the Jamshedpur Cooperative.

9. A portion of wages, say, about 25% should be paid in kind.

10. There should be a periodic review of units which have been exempted from the application of labour laws. (Shri Lakshminarayan Singh, General Secretary, TELCO Workers' Union, promised to give a note on the facilities available to workers in Kanpur.)

X

Visit to Tin Plant Company.

On the desire of workers, we visited the Tinplate company's unit near Jamshedpur. In some sections working conditions appeared to be poor. The processes where i) red hot thin sheets of steel were separated and ii) where they were given tin-bath appeared to be inadequately looked after in terms of safety. In the former temperature was the problem whereas in the latter the handling of chemicals. The final product into which the plates were converted and there were displayed by the company had a pleasing appearance. They ranged from Kerosene tins or tins in which consumer goods were stored in bulk to tins for dainty presentation articles. The canteen arrangements were in line with what we saw in other places - uniformly poor - it seems much depends on the limits of stovenliness which workers can tolerate. In Jamshedpur these appear to be somewhat high. Units which pay a fairly good wage as in this township could easily provide better facilities if a demand were made. It is also true that in the absence of demand even a good management may not be willing to incur expenditure on such extra items towards which workers show less enthusiasm or are positively indifferent.

XI

Visit to the Tube Mills.

This was a much better maintained unit. The process essentially consists of converting skelp into tubes of different diameter and different thickness. Workers had no specific complaints to mention to us. The section where seamless tubes were manufactured was not working at the time of our visits. About the effectiveness of the welding process we were shown samples where a tube under pressure gave way not at the place at which it was welded but elsewhere i.e. the metal sheet gave way but welded parts held together.

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SINDRI  
24.5.1968

Sindri Fertilizer Plant

Sindri was the first industrial plant in the public sector which began production in February 1951. It has an installed capacity of producing 3.5 lakh tons of ammonium sulphate a year. It has consistently maintained production at nearly 80 per cent of its rated output during these years after a somewhat difficult intervening period. Ammonium sulphate is one of the earlier nitrogenous fertilizers and has now become popular with Indian farmers after initial hesitation.

2. The plant has never incurred loss in any year since 1952-53; it has been making a profit of Rs.3 to 4 crores every year.
3. The entire production is dependent on an uninterrupted supply of suitable coal and gypsum. Everyday they handle 2 thousand tons of coal and 2 thousands tons of gypsum. They are facing difficulties in obtaining both these important raw materials. The gypsum has to be brought from Rajasthan and it means transport cost. The quality of gypsum has been steadily deteriorating. In view of these difficulties, the Government have approved a Rs.23 crores rationalisation scheme under which use of gypsum will go on diminishing. With the introduction of the rationalist process part of the problems of the plant in regard to working conditions will be less difficult. At present it gives to much of a dusty appearance.
4. Sindri has about 7,300 employees on its role now as compared to about 9,000 in the year 1963. At one time, extra hands were a problem. Even now the plant is not rationalised in terms of personnel. With expanding fertiliser industry it may be possible over the next few years to put the Sindri unit in good trim.
5. As far as possible the vacancies are filled through promotion within the organisation. Promotions are made according to promotion rules framed after consultation with workers' representatives. This is something which requires to be examined further.
6. After the implementation of the Bihar Industrial Tribunal Award in July 1964 the emoluments of the lowest paid workers (Mazdoors) have gone up from Rs.85 p.m. to Rs.137.50 p.m. at the minimum of the scale. In the case of operators and technicians Grade I the increase has been from Rs.220 to Rs.300 p.m. at the minimum of the grade.
7. Dearness allowance is linked with the cost of living index.
8. Those not covered by the tribunals award are paid according to the Second Pay Commission's recommendations.
9. In addition to profit bonus, all employees including those in Administration drawing up to Rs.1400 p.m. are covered by the production Bonus Scheme.

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10. To improve the standard and efficiency of its employees the unit is running training classes since the year 1955, The advance the basic and the pre-basic courses have been completed by , 467, 303 and 112 persons respectively.

11. To provide a regular supply of foodgrains on credit departmentally managed fair price shops are functioning. There is an Employees Consumer Cooperative Store to which the plant has given loans. The cooperative store runs a poultry farm and a lake for supplying fish to the workers.

12. The workers are provided with accommodation at usual rent and free medical facilities. On medical facilities the average expenditure is nearly Rs.150 per employee annually. The average expenditure on welfare per worker, including housing, comes to about Rs.500 per year.

13. The Sindri management also runs 8 educational institutions. Children of workers drawing less than Rs.150 basic per month are entitled to have free education up to higher secondary.

14. At the plant, there is a good departmentally run canteen which supplies lunch at 50 paise. Lunch includes rice, dal and vegetable. The meals supplied on the day of our visit were good and workers seemed to be satisfied on this account. This is the one plant where there were no complaints about the management of canteens.

15. The number of accidents is on the decline. Protective clothings, safety appliances and equipment to the workers are provided. An expenditure of the order of Rs.7 lakhs per year is incurred on these items.

16. There is a reasonable response from the workers to the Family Planning Schemes. About 200 sterilisations were performed last year.

17. With the expanding fertiliser industry - Sindri is not only used as a training ground for preparing operatives for the public sector fertiliser plants elsewhere but is also engaged in designing fertiliser plants themselves. It is now supplying many standard items of equipment to the Fertiliser Corporation of India. Designing of new plants has been a development of the last six years. According to management the staffing of Sindri has to cater to the requirements of the designing unit also. The more important aspect of this venture in Sindri is the savings which it makes possible in foreign exchange. Sindri itself was built up in no small way by technicians and technological firms in the country. This small beginning is now coming to a major size, thus reducing our dependence on foreign countries to a minimum.

18. The upkeep of the plant itself leaves much to be desired. Such chemical plants have a way of looking ugly if this aspect is not taken care of the Horton spheres, by which Sindri was recognised, showed some chipping off. One notice comparatively more indifference in maintenance. Part of it we were told was due to carelessness on the side of workers. Management was conscious of the improvement needed in this regard.

19. The slag produced in the process of fertiliser manufacture in the Sindri is good as a raw material for the cement industry. The A.C.C. has put up a plant for utilising the Sindri slag.

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XIII

DHANBAD

The rest of the day was spent in the mining area in Dhanbad. In one of the coalmines that we visited, the management took us round the mining site and showed us the arrangements for pithead bath for coalminers, they appeared to be newly built and according to specifications laid down in the rules.

2. The General Manager explained that workers did not cooperate with regard to the provisions of amenities. As an illustration, water taps were provided in the workers' houses. But out of the 500 such taps it was found that more than 50% were removed. The workers sold them in the market.
3. This experience was nothing new; nor was it confined to this area - the shortages in the economy are so pronounced that all such articles have a price. Even the well designed canteens and washrooms within a short time become shorn of taps unless the supervision is adequate and for obvious reasons supervisors cannot multiply.
4. The mines are a part of the expansion scheme of the Indian Iron and Steel Coy. The mine will be adequately mechanised and washed coal will be carried on conveyors to Burnpur.
5. The housing provided for workers was neat. Part of the funds for this purpose have come out of the Coal Mines Welfare Fund Organisation.

XIV

We also visited the Sudandih coal mines under the NCDC. This again is a fully mechanised mine. It has a production capacity of 2000 tonnes a day. We went down the mine, approximately 400 meters deep and saw the actual mining processes. At one place the workers were preparing the roof. This is a continuous process, the process of preparing alleys underground for locating coal seams and extracting coal when so located. At some places bubbles were noticed in the running water. This indicated the presence of gasses. To experienced miners the behaviour of bubbles gives warning about the extent of gas, which in large quantities could form an explosive mixture. A continuous check was necessary and was being exercised. Even with adequate ventilation in the mine, the atmosphere can be quite warm and sultry.

2. Drinking water in the mine (underground) was provided near the electric sub-station, which was remote from the place where miners actually had to work. No special complaints were voiced on this account.

3. The workers were provided with helmets and head-lights. The use of this equipment is now normal but a few of them were seen without shoes. This had been provided but workers preferred not to use them.

4. For the training of miners, a well equipped training institute is functioning. Here new entrants to the job are given training about working in mines and the use of safety appliances.

Contd.....

XIV A

Members of the Commission addressed a Press Conference in the office of the Coal Mines Welfare Fund Commissioner at Dhanbad. Apart from mentioning some points which came up in the observation visits, Members gave a general account of the manner in which the work was organised in the Commission as also the progress achieved so far.

XV

At a dinner organised by the Hind Mazdoor Sabha Unions operating in the area, Members had the benefit of discussions with two industrial tribunals set up by the centre for the coal industry in that region. The discussion was around the working of industrial tribunals and the way they were getting a bad name. Some points regarding delays viz. (i) the parties seeking adjournment to settle the matter between themselves, (ii) delays in filing initial statement of claims, (iii) delays due to lawyers or union leaders being busy elsewhere (iv) natural pressure of work on the machinery, were mentioned. They made a basic point that the complaints made on this account could be not so much about the operation of the system as against the system itself, if there are delays on accounts of (iv) it is because in spite of dissatisfaction on other accounts parties want to take recourse to the machinery and in fact they do not like Government's refusal to make references. Also the other point was the delay due to appeals and on this the tribunals had no control. It would be worth investigating how many cases the tribunal awards have been upset in appeals.

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25.5.1968.

Lindustan Cables:

Number of workers; 2300

1. Lindustan Cables Ltd. is a public sector unit engaged in the manufacture of various types of tele-communication cables and wires. The Company is wholly owned by the Govt. of India. The factory went into production in September 1954. Commencing with a modest production of 180 kilometres in 1954-55. The Company now manufactures 3,500 kms. of cables. To fit in with the plans to link up the major trunk centres in the country with a co-axial cable net work, the Company took up production of 2 and 4 core coaxial cables in 1960. In the year 1963, a manufacturing unit for Plastic wires and cables was set up. The Company has planned further expansion scheme for manufacturing plastic insulated aluminium sheathed telecommunication cables to meet the need of the P & T Department and Railways on electrified railway routes.

2. In the total cost of production, the cost of material accounts for 65%. Labour cost, including administrative & clerical is only 11%. Most of the raw material is imported. The main requirement is copper wire, but company gets only copper bars processed at Jamshedpur. They can have a rolling mill of their own with a capacity of 5000 tonnes; at present, they require only 3000 tonnes of copper wire per year. They are running to the full capacity. The existing labour is fully occupied. For further expansion, they will require additional hands. This was something heartening to hear in a public sector units because overstaffing is a complaint heard in most of them.

3. The total staff in the unit is 2,300 consisting of skilled, semi-skilled and unskilled workers. As the process is highly skilled, the unskilled account for a much smaller proportion than is usually found in industry.

4. An unskilled worker is paid Rs. 135/- at the minimum of the scale; this consists of Rs. 70, basic wages and Rs. 65 D.A. The skilled workers are classified into four categories and their wages range from Rs. 196/- to Rs. 266/- at the minimum of the scale.

5. There is an incentive scheme in operation whereby a skilled worker gets between Rs. 125-175 as incentive wage per month. Both types of incentives, group and individual, are in operation. All the workers are covered by such schemes. For the purpose of incentive schemes they have classified workers in four categories.-

(a) Direct operators; (b) Indirect to the direct operators; ,  
(c) Indirect to the factory; (d) Others.

For each of these categories they have different schemes. The incentive earnings are 15-20% of the total wage bill. In the case of an unskilled worker in the first category incentive wage will be Rs. 45 on an average.

Contd....



6. Provident Fund is based upon basic pay plus D.A.

7. Housing has been provided to 1000 workers. Most of the unskilled workers are from the nearby villages and they do not require company housing.

8. Expenditure on welfare, including subsidy on housing would be about 25% of the wage bill. The annual item-wise expenditure is as follows:

(i) Educational facilities	:	Rs. 2 lakhs
(ii) Medical	:	Rs. 3½ lakhs
(iii) Housing	:	Rs. 13 lakhs
(iv) Cooperative, recreation & club etc.	:	Rs. 1 lakh

9. There are four unions. INTUC union is the recognised union. However, the management negotiates with all.

10. The unit has built up a reputation as a good public sector unit. It has also won trophies of 'best managed unit'. A visit to the plant testifies to the good chits it has received. It had for a long time an able managing Director though he has now been called for a more responsible job. The factory has plans of expansion; buildings are coming up and so is the new machinery. Manufacture of cables, we were told, requires a considerable amount of discipline among workers. It is possible to pack things wrongly and no amount of inspection will help in setting things right. Discipline cannot be instilled in workers unless they are made to realise that they get a fair deal within the limits permissible to management in such undertakings. This confidence the management have been able to give to workers, It is not than the plant has been always free from trouble; there have been work stoppages but there have not left a mark of bitterness.

11. Judging from the composition of skilled workers and the way they have acquired skills on the job one feels convinced that the type of labour we get, given the will on its part to work and the will on the part of management to give it a fair deal, can be relied upon for better and bigger tasks in future.

XVII

Record of informal discussions with the representatives of workers of the Hindustan Cable Factory:

1. Mr. Sajjan Singh,  
General Secretary,  
Hindustan Cable Workers Union, (INTUC).
2. Mr. Basu Roy,  
Hindustan Cable Employees Union, (HMS)
3. Mr. B. Chatraj, ) Hindustan Cable  
                          ) Shreeik Union.
4. Mr. Nikhal Dev )

1. Provision of food-supply is the most vexed problem here. For the workers in the Hindustan Cables, modified rationing is

provided whereas there is a statutory rationing for workers in the Chittaranjan Locomotive works. The Managing Director of the company is pursuing the case but the Government has not taken any action so far.

2. There has been no decision yet on the recommendations of the Engineering Wage Board. Workers are agitated on this account.

3. They are not covered under the Bonus Act as this is not a competitive concern. The management makes ex-gratia payments. They have fixed a limit of minimum of Rs. 100/- and a maximum of Rs. 325/-. This is a difficulty common with many public sector units. i.e. in cases where they are run on 'no profit' or 'no loss' basis or there is no competition. In such cases, the calculation of profit and bonus becomes a problem. (Mr. Sujjan Singh, General Secretary, INEUC Union promised to give a note on the bonus system for the public sector units.)

4. For medical facilities a fixed sum is being paid to the Chittaranjan Hospital. The Hindustan Cables should have their own hospital. Such demands require to be resisted. It should be possible for the two ministries to come together and work out arrangements by which workers in the two units get a feeling that they get adequate medical facilities and no discrimination is involved.

5. The relations with management are good. The management have discussions with representatives of all the unions.

6. The Works Committee with its five elected members is working satisfactorily.

#### XVIII

#### Chittaranjan Locomotive Works.

25.5.68.

The C.L.W. with its township is spread over an area of 7 sq. miles. The construction work was taken up in March 1948. The factory and its ancillary township were completed in less than three years. Production in the workshop started on 26th January, 1950, the day when the country was declared "Republic".

2. The plant originally planned for production of 100 steam locomotives with 50 spare boilers a year has made considerable progressive strides towards increasing the production bringing down the cost and reducing the import content. Later additions to the factory are the galvanising plant, installed in May 1959, Steel Foundry, set up in November, 1963 and the Electric loco workshop.

3. The cost of the steam locomotive has been brought down from Rs. 7 lakhs in the initial stage to Rs. 4.8 lakhs., at present. Likewise, the import content per locomotive has come down from over Rs. 2.5 lakhs to about Rs. 10,000. The locomotive is 98% indigenous. The import contents of the Electric and diesel locomotives are 33% and 47% respectively. This is planned to be reduced to 8% by 1971. Manufacture of electric locomotives was undertaken in 1960. At present they are producing 8 Steam, 5 Electric and 2 Diesel locomotives every month.

4. Spare boilers have an export market as well. Chittaranjan Locomotive Works is essentially a processing factory depending for its productivity on the correct and timely supply of basic

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and raw materials. Approximately 90% of the weight of the steam locomotive consists of steel in the cast, forged or rolled condition. All raw and basic materials as also components are at present being obtained from the indigenous sources except roller bearings for axle boxes and friction fabric liners which are still imported.

5. In the context of the schemes for extensive electrification of the Indian Railways, production of 150 electric locomotives per year has been planned to be achieved by the end of the Fourth Plan. Correspondingly the scheme of steam locomotive production will be tapered down to 45 per year.

6. During the 5th Plan, the existing capacity will be progressively balanced for the manufacture of electric locomotives and electric traction equipment as also a limited number of diesel skunting locomotives.

7. One of the significant achievements of the Steel Foundry is the casting of two intricate Co-Co-boggeries each weighing 4 tons, for the main line, diesel locomotives that are being built at Varanasi. India is one of the six countries which has successfully been able to produce the Co-Co- boggeries with finish and fineness which is appreciated by foreign experts. All steel castings required for steam, electric, diesel locomotives have been developed in the Steel Foundry. With the setting up of the Galvanising Plant, foreign exchange has been saved.

8. The amenities provided for the welfare of the staff include, 120-beds hospital, 5 dispensaries, one maternity and health centre, 4 higher secondary schools, 36 other schools, 6 markets, 6 community halls, 13 sports grounds and institutions and clubs.

9. There are two higher secondary multi-purpose schools for boys and another for girls run by the Administration for the children of employees. About 8000 children attend different schools.

10. A well-equipped technical training school with a basic training workshop trains apprentices for filling the posts of artisans and supervisors.

11. The school also caters to a limited extent to the training requirements of railways and staff of other Government Departments.

12. Formerly, they were training 500 apprentices. All of them were being absorbed in the workshop. The General Manager pointed out that because of the low tempo of development, it was not economical to train as many apprentices now. Their requirement for the apprentices has gone down but as a result of the Apprentices Act they are required to train 300 students annually. When the Apprenticeship Act was not enforced the C.L.W. used to admit apprentices according to its requirements and stipends for them were better than these prescribed under the Act. With the minimum No. of trainees as now provided under the Act and this works out to much more than their own requirements it is not possible for them to keep to the earlier level of stipends; they have to fall in line with whatever is prescribed by authorities.

13. Training and accommodation is provided free to apprentices and supervisor apprentices and artisan apprentices are paid stipends. The training is for 3 years for skilled workers and 5 years for supervisors.

Contd.....

14. Chittaranjan can show with some pride the work of their apprentices who have built up a toy train which can give a ride to visitors interested in such a ride. Every part that has gone into the train is reported to be the work of apprentices.
15. A vocational training Centre imparts vocational training to the non-school going children and dependents of the employees above 14 years of age. The training is in different trades like welding, moulding, fitting, machining, etc.
16. Night Classes are run to provide essential technical education to workers who qualify themselves for future advancement. About 150 workers of different categories attend these night classes.
17. The township is supplied with filtered and chlorinated water. Water supply is taken from the Damodar river and supplemented by lakes in the town.
18. Total strength of employees is over 8000. Housing has been provided to over 6000 employees. The locally recruited unskilled and semi-skilled workers live in the nearby villages. The housing accommodation has been provided according to the status of the workers. For an unskilled worker, a house consists of two rooms, a covered verandah and a kitchen, a bath and a lavatory, a green patch in the front and a courtyard. Its plinth area is about 486 sq.ft. Such a house costs Rs. 3935/-. They have built over 3000 houses of this type. For the higher categories of the staff more and better accommodation is provided.
19. In the year 1954, a start was made with the incentive bonus scheme which has improved productivity and earnings of workers. The scheme covers all production jobs and is being extended to service shops. As a result the number of man-hours per locomotives has progressively decreased from 88000 in 1954-55 to 55000 in 1960-61, a figure comparable with any steam locomotive unit any where in the world. This efficiency has been maintained till now. Originally in 1950-51, 4.5 lakh man-hours were required to produce a locomotive.
20. Suggestions for improvements and inventions from workers, who are constantly in touch with machines, are encouraged and those whose suggestions are accepted are suitably rewarded.
21. Canteen: The canteen was housed in a separate building which was quite spacious. The dining hall was big and neat and clean. They had provided long convenient benches and tables. The canteen had a number of fans also.
22. 200 workers take meals every day. Meals consist of chapaty, three vegetables, dal, the meals plate is available at the rate of 8 paise a chapati. They were having two types of plates - one of 4 chapaties and the other of 5 chapaties. Both vegetarian and non-vegetarian meals were served.
23. For the night shift workers arrangements for serving tea were available and no meals were given as most of the workers brought their own tiffins.
24. The canteen staff had their own complaints. They were paid a basic of Rs. 35/- plus D.A. of Rs. 40/- per month which was quite inadequate. They were not provided with medical facilities and their working hours were also long.

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25. Housing: In the afternoon, we were taken round the housing colony provided for the Chittaranjan workers. We were shown two houses types A & B. These were two-roomed houses of the specifications mentioned above. They were allotted to semi-skilled workers who were getting a total emolument of Rs. 350/- p.m. On the whole, workers were living better in Chittaranjan, judging from the way they maintained their house, than their counterparts with the same emoluments elsewhere.

26. Kasturba Gandhi Memorial Hospital: The hospital has 120 beds. They x-ray all the new workers in the locomotives works. Family Planning call has good response in the area. The hospital was very neat and clean. At the time we visited the hospital, meals were being served to the patients. The meals were carried from the kitchen to the patients in trolleys which had arrangements for keeping the meals warm. The food was reasonably good and sufficient.

27. In the short discussions, the General Manager, Mr. C. Chalapati Rao, emphasised that he has been keen in helping a strong trade union being built up. He had asked his officers to mix with workers and he treats them as part of the workers. According to him, the industrial relations in the plant have been satisfactory except some incidents in the past few months.

XIX

Record of informal discussions with representatives of workers.

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| 1. Mr. R.P. Sharma,<br>Clerk/General Secretary,<br>Chittaranjan Rly. men's<br>Congress,<br>Chittaranjan. | Chittaranjan,<br>Rly. men's Congress,<br>NFIR (INTUC) |
| 2. Mr. S.K. Day Roy,<br>Sub-head Accounts,<br>Joint Secretary Staff<br>Council.                          | Central Staff Council.                                |
| 3. Mr. K.P. Dass Gupta,<br>Head Clerk, D.G.M.'s Office,  | Asstt. General Secretary,<br>C.L.W. Rly. men's Union. |
| 4. Mr. K.C. Sukla,<br>Clerk Accounts.  | Member of Bhartya Mazdoor<br>Sangh.                   |

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5. Mr. J.C. Chowdhry,  
Fitter/Diesel Loco. Joint Secretary,  
Area Staff Council Workshop.
6. Mr. D.P.Srivastava,  
Material Examiner. Member,  
Area Staff Council  
Workshop.
7. Mr. S.R. Dass,  
Head Clerk/Divisional  
Engineers' Office. General Secretary,  
C.L.W. Labour Union,

Workers have organised many unions in the plant. Each union wanted a separate hearing. Within the time available for discussions, these separate meetings were arranged but in recording what the unions said, only the common points which were mentioned by all, have been brought out.

2. The management has not recognised any union. When approached they were told that in the present conditions the management did not want any one union to be recognised.

3. Statutory rationing was not helpful. The ration quota is too meagre and the prices in the ration shops are higher than those prevailing in the market.

4. Incentives are available only for some workers. They should be made common to all.

5. Secret ballot method should be adopted for determination of representative union. The INTUC union would like election to be confined to the union members only, where as others wanted all workers to vote.

6. Chittaranjan factory and the township are protected area and any one who has to come from outside has to get a permit. They were not allowed to hold any meetings and demonstrations.

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7. Had the administration recognised a union, labour troubles would have been minimised. Instead of recognising only one union, recognition of two unions through secret ballot would help in maintaining industrial peace.
8. A college should be opened for the students in that area.
9. Keeping in mind the general economic conditions, there is no shortage of medicines, in the hospital. But there is a real shortage of beds, doctors, nurses.
10. In the recent past there had been a good deal of terrorisation of workers by some politically motivated persons. This should be stopped.
11. Under the existing Factories Act, the appointment of Welfare Officers is compulsory. For the purpose of maintaining industrial peace and keeping a liaison between workers and the management, and for increased production, it is necessary that his appointment should be under the I.D. Act. Labour Officers should be quite independent from the lower cadre of the management and should be directly under the General Manager to whom they should report.
12. The Staff Councils should be given more powers.
13. In the Accounts Department, automation has been introduced. Though there has been no retrenchment on this account the chances of future promotion are blocked as the need for more hands would be reduced.
14. There is an element of provincialism in the selection of candidates. This is particularly so for persons in higher posts. Local and departmental candidates are rejected on flimsy grounds.
15. Adequate arrangements for medical facilities are not available.
16. Administration should provide a bus for school going children.

XX

ASANSOL

25.5.1968.

Visited Coalmines Labour Welfare Fund Central Hospital.

The hospital has 400 beds including 100 beds for T.B. patients. The hospital caters to the requirements of the coalminers and the Raniganj area and their dependents. They cover all the Asansol mines and mines in a part of Purulia area.

2. The hospital caters to more than a lakh of coal-mine workers. There are two more Central Hospitals for coalminers one in Madhya Pradesh and another in Dhanbad. The ultimate object is to increase the number of beds in the Asansol Hospital to 800 and to have four or five regional hospitals. The hospital has an operating staff of:

Doctors...32, Nurses...71, (Sisters...11, Staff nurses..52, Midwives...8, Ward boys..50 and Sweepers..60. Contd.....

Family planning campaign has succeeded. Work

3. The Chief Medical Superintendent stated that for such hospitals, foreign exchange grant should be more liberal.

4. Family planning campaign has succeeded. Workers generally come forward if they are properly approached and guided. One problem that they are facing is that the motivation rates given by this hospital are those which are granted by the Central Government. The rates provided by the State Government are higher and persons are more attracted towards State clinics. The operations in State clinics are unsatisfactory.

5. Last year they did 63 vasectomy cases. They have a mobile van and a set of family planning workers to approach the workers at their place of stay. The operation can be performed on the spot.

6. It would be difficult to improve the working conditions of miners but it may not be so to improve their living conditions outside the mines. At present many workers and their families look undernourished though the wages have improved. Living conditions can improve only if workers respond to the efforts made by the Coal Lines Welfare Fund in this direction. This response is not forthcoming in adequate measure.

7. Most of the patients suffer from lung-diseases. This is mostly due to coal-dust. The only way to check such diseases is the enforcement of the use of masks. These masks, if necessary, should be so devised that workers do not discard them once they are underground. Other major cases which are brought to the hospital are of accidents and high fever.

8. Personal touch is emphasised as key to success in labour management relations, If a hospital has to be popular, this touch is all the more needed. The chief medical Superintendent who was with us throughout our inspection of the hospital stressed this point. Workers are simple - more than medication they need human sympathies. He has been mentioning this to his colleagues and hopes that the relations between doctors and patients in this hospital which are good will be even better in days to come.

DURGAPUR

25.5.1968.

XXI

On reaching Durgapur in the evening, we were taken round the housing colony, the community centre and the hospital provided by the plant to its workers.

Originally the idea was to provide houses to all the workers but owing to financial stringency this target could not be achieved. We were shown two houses with plinth area of 400 sq. and 365 sq. respectively. They had two rooms a kitchen and a bath. The drawing rooms appeared furnished, and they seemed to be of the same type as shown in Chittaranjan. When asked about the cleanliness and sanitary conditions, the residents made a queer complaint that the Company had not provided any sweepers to clean their houses. It shows the

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2. In the Community C



indifference of the residents towards cleanliness. A psychology seems to have been created that everything has to be looked after by Government. One notices this particularly in the public sector units, Government housing colonies etc.

3. In the Community Centre, a feature film was being screened. They hold two shows a week. The Community Centre has a Welfare Training Centre, Usha Tailoring Centre, Table Tennis Hall, Canteen and a library. 35-40 books are issued on an average daily. The workers who utilised these books belonged to the semi-skilled and skilled categories; no person from the unskilled categories was seen there. While going round, a few workers were seen demanding more amenities and more funds from the General Manager who explained in his own way that these facilities had to be earned. Every one from General Manager downwards will have to show better results before Government could be approached for better standards.

4. The hospital provided for workers and their families by the Durgapur Steel plant has 400 beds. In addition they have a separate ward of 50 beds for tuberculosis patients. The hospital facilities are also available to the employees of the excise, railways and police departments. Emergency cases on payment are also admitted. The hospital has 77 Doctors and 92 nurses. The ratio of doctors; hospital staff; beds is 1:2.6. Majority of nurses come from Kerala. As there was some difficulty in recruitment they started their own training school. The birth rate is very high in the area. There have been 3700 maternity cases last year. This is because all the workers in the plant are youngmen.

5. So far they have no experience of any occupational disease. Accident cases from the plant do come but such cases from the G.T. Road are more frequent.

6. It is not possible to have periodic check of the workers, but in the foundry and the Coke-oven batteries, they carry special check. They do have a practice of pre-appointment test. Durgapur steel plant has been making contribution to the ESIC, but so far no assistance has been made available to them from the E.S.I.C. This seems to be an incorrect complaint but the point requires to be checked up.

DURGAPUR

XXII

26.5.1968.

DURGAPUR STEEL PLANT

In the Durgapur plant we were taken round the Coke-oven batteries, blast furnace, steel melting shop and merchant mill. In the Coke-oven batteries when the Coke is ready it is pushed out of the battery. When the door is opened it is required to be cleaned within seven minutes. Two persons work on the job- one person cleans from above and the other the downward portion. Workers wore no protective equipment to save them of the burning heat.

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2. Workers attending on the blast furnaces have 8 hours duty. The molten material comes out of the furnace every 4 hours. Temperature at the place is usually 10 degrees higher than outside. Their work is very hard. As proper bath facilities were not available at the work site, the workers took bath only at home.

3. In the steel-melting shop, the workers complained about improper gradation of the jobs. They wanted higher grades as the work was very hazardous. They also complained about the canteen food available to them and referred to the good food available to the administrative staff.

4. Canteen: The canteen is fitted with modern electrical gadgets. About 3000 workers take food daily. Vegetarian meal is available at 45 paise and non-vegetarian meal at 60 paise. Tea is supplied at 5 paise per cup. The meals served were good and seemed to have been prepared in hygienic condition. The dining hall was spacious; fitted with electric fans, water coolers and good quality steel furniture. It appeared to be the model canteen in every sense. In fact the complaints of Hindustan Steel Limited Workers in other plants is that they have not been provided a similar canteen.

5. The ore melting shop which we visited and where we spent some time appeared somewhat crude, the manual operation by which the slag inside the furnace had to be broken to allow the molten metal to come out particularly so. It is workers from this section who were complaining the most about the working conditions.

6. The general impression one gets, however, is that workers do accept a certain element of hard work, hazard, bad working conditions whereas they work either in public sector or private sector. To them this comes with their job but when there are other dissatisfactions then alone, complaints about conditions come to the fore.

### Alloy Steel Plant

### XXIII

The total capacity of the plant is one lakh tons of alloy steel ingots but as there was no demand, they have been operating only 1/6th of its capacity; they have no blast furnace and coke oven unit. Their raw material is the scrap which is produced in the Durgapur plant and elsewhere.

2. The fuel cost is going up at the rate of Rs. 150/- per tonne. Blooming mill has a capacity of 3 lakh tons but only one shift is working. This means a lot of idle capacity and depreciation charges.

3. The demand for alloy steel is very low in our country and is not likely to go up very much in the future. Its main consumer is the automobile industry which itself is facing economic set-back. In the context of such low demand, it is surprising that Government has licenced two more units in the private sector, one for Birlas and the other for Mahindres in Bombay.

4. The consumers are having stocks which could last for 12-15 months. They prefer to go in for imports rather than buying indigenous material and this is creating problems for

the plant. In this case also some tightening up will be necessary in terms of making import permits difficult for such items.

Discussions with Mr. Eiten Bhaya, G.M. Alloy Steel Plant

The larger projects are in a position to give better facilities and amenities to their employees than the small units. The workers there should be satisfied but this is not so. There is a persistent demand to ask more and it is more so in the public sector.

2. Joint management is not accepted by workers because that will carry with it the responsibility of association with decisions about recruitment promotions, etc. Unions hesitate to associate themselves with the management on such matters for fear of being termed as 'agents' of the Company by rival union groups who may not have similar facility of being associated.

3. In theory we may always say that promotion is based on seniority and merit but in practice it is always on the basis of seniority with the exclusion only of unfit persons. In the circumstances and generally in the atmosphere of suspicion it is difficult to reward merit. Penalising lack of merit is also difficult and seniority becomes the safe way out.

4. For initial recruitment there is objection from the workers' side to trade testing. They have no faith in it as according to them it brings in an element of corruption, however, objective the trade testing is. Such fears create problems for the management.

5. Some problems are there on the supervisory side also. Most of the new recruits in Hindustan Steel Limited are young. This is reflected in the fact that persons belonging to the same age groups have come in supervisory category. Promotion of one means heart-burning for others and a problem for the management. Also because of quick promotions in the earlier stages of expansion, there is an expectation that every one will go up but the staffing has to be pyramidal at some stage.

XXIV

Industrial housing provided by the West Bengal Government.

Commission Members visited the industrial housing provided by West Bengal Government for the industrial workers in Durgapur area. The houses consist of two rooms with kitchen without any courtyard. The company is required to pay Rs. 26/- per month per house to the State Government. The worker has to pay to Company 10% of his basic pay. The rooms had no fan.

On our way-back we saw the housing provided by the A.V.B. Company. The single storeyed houses seemed to be spacious, good looking and presented a different picture from what we saw earlier.

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XXV.

Record of informal discussion with representatives of Managements at Durgapur:-

Mr. J.M. Lhghton.	Managing Director, Sankey Wheels Ltd.,
Mr. S.S. Malik	Branch Manager, Asiatic Oxygen Ltd.,
Mr. A.C. Banerjee	General Superintendent, Durgapur Steel Plant.
Mr. H.C. Basu	General Superintendent D.V.C., I.T.P.S.
Mr. A.Roy	Acting Works Manager Phillips Carbo .
Mr. S.K. Bhattacharjee	Indian Engineering Association.
Mr. S.N. Mazumdar.	Assistant Personal Manager, Alloy Steel Plant.
Mr. K.A. Shanoy	Deputy General Manager, Alloy Steel Plant.
Mr. H. Bhaya	General Manager, Alloy Steel Plant.
Mr. B.P. Wadhwa	D.I.C., Durgapur Steel Plant.
Mr. S.C. Sarkar	Personnel Manager, Durgapur Steel Plant.
Mr. N. Bhattacharjee	Assistant Personnel Manager, Durgapur Steel Plant.
Mr. B.P. Sinha	R.C.D., A.V.B.
Mr. V. Siga	Personel Manager, A.V.B.
Mr. K.C. Sivaramakrishnan	Chief Executive Officer, Durgapur Development Authority.

The existence of big and small plants in a place like Durgapur, which was recently developed creates some problems for the smaller units. As an illustration the small industries cannot afford housing to their workers. This causes constant dissatisfaction amongst them. Such overhead facilities like housing and medical care should be shared by the society and not be a burden on the growing industry. The old concept of a complete industrial township is not in tune with today's conditions as aspirations of workers have gone high. The Government should take over this responsibility and make recoveries from the employers annually.

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2. The H.S.L. had formulated a policy to provide housing to 56% of its employees. The Durgapur Steel Plant has taken a lead in this and has provided housing to 64% of its workers. Hindustan Steel Ltd. has invested a total capital of Rs. 56 crores on housing, and are annually incurring expenditure on maintenance. In spite of this the workers are not satisfied and on top of it there is constant criticism from the Public Accounts Committee. It is time that the country takes a bold decision as to how these overheads should be shared.

3. There is a total fund for housing allotted to each State in its Plan but its distribution amongst the various sectors namely, industry, agriculture, mining and plantations, has not been properly made. Though there has been shortage of housing, the total funds allotted in the Plan are not fully utilised. This is because a large number of criteria have to be satisfied. Areas like Durgapur which are developed just out of a jungle should be given a priority.

4. Another major problem faced by the small units vis-a-vis larger units is the provision of medical facilities to their workers. In Durgapur, the Durgapur Steel Plant have their own hospital; for workers in other industries in Durgapur there is no adequate arrangement. Now a Government Hospital is being built. This will, to some extent, meet the demands of the residents of Durgapur.

5. The other demands of the workers normally are travelling allowance grant, provision of electric fans in houses, provision of school bus for their children. Besides, there is a tendency to compare their standards with those of officers and the administrative staff.

6. In Philips Carbon Black, production and productivity do not depend on the workers. The process is altogether automatic and mechanised and the production depends entirely on engineers; there are altogether 110 workers, and some of them can be dispensed with without affecting production.

7. A major problem in the field of industrial relations is the activities of politically motivated trade union leaders, particularly of those who believe in violence.

8. The A.V.B. have an incentive scheme and a fairly regulated method of measuring productivity. Standard times have been laid down for each work by the engineering department and workers are generally satisfied by these standards. Incentive wages range between 30 to 100% of the basic wages. Productivity curve is fairly steep after 50%. Despite all this, seem to prefer over-time; this is because the over-time rates are more attractive. To discourage workers from working over-time, there should be some parties between the two rates.

9. A single bargaining agent was preferred. Determination of the representative union should be on the basis of secret ballot; all the workers should be given the right to vote. Elections should be after every two years and should be on industry basis rather than union-wise. The representative union should not be determined on craft basis.

10. The experience in most cases is that the Works Committees are dominated by persons other than those belonging to the recognised union. The recognised union had been dormant for quite some time and the management were having successful

negotiations with the Works Committee.

11. The lesser representation of the recognised union on the Works Committee is because the workers in the meanwhile change their loyalties. The present system of verification is time-consuming and in any case has been discredited by the manner it has been used or rather by the manner it appears to have been used.
12. Collective bargaining in the present circumstances would not be advisable. Collective bargaining has failed because after an agreement with one union other unions are free to go to the court. It is for this reason that the public sector management prefers to go in for adjudication, rather than arbitration or collective bargaining. Arbitration should be developed but in the present circumstances it may not work. The panel of arbitrators should have persons with judicial experience.
13. Representatives of Philips Carbon Black, however, preferred collective bargaining.
14. There have not been many cases of disciplinary proceedings or discharges or dismissals and as such there have not been many reinstatements in the Burgapur Steel Plant. But whenever reinstatements are made either on a pressure from the Government or some other political pressures (there has been no case of reinstatement ordered by the Tribunal in the H.S.L.) there has been some dislocation of discipline. Reinstatement may not disturb discipline of the entire unit but it does affect the relations at the junior level.
15. In H.S.L. there have been very few cases of chargesheeting. They exercise a good deal of care before charge-sheeting a person. As a matter of fact they have difficulty in finding the Inquiry Officers. In many cases, both the accuser and the accused go on leave. In rare cases a person is charge-sheeted. This has given a good deal of confidence amongst the workers unlike in Tatas where charge-sheeting is a normal daily affair. Such charge-sheets ultimately help in building up a case against the workers. The interesting part of it is that workers tolerate it in private sector but they do not in the public sector.
16. The proposal to settle the major cases of misconduct through a panel of arbitrators was not favoured. The management cannot abdicate all their functions. Arbitrators generally decide things midway; they would prefer compensation rather than reinstatement. In the public sector there should be no case for bias in departmental inquiries.
17. The function of the management have been limited. They cannot promote workers as they are termed nepetic. They cannot take steps to increase productivity, they cannot discharge the indisciplined workers and cannot take economic decisions which workers will not like. In these circumstances the running of the industrial units has become a great problem. This is particularly true of the public sector; in private sector workers recognise the limitations of the management in certain matters.
18. The situation between the two sectors is different not because the quality of officers who handle labour relations in the two sectors is different. The differences arise because of different expectations. If a manager is given a standard of facilities much higher than workers by a private employer workers accept this disparity but a comparatively very much lower disparity is not tolerated in the public sector.

XXVI

Record of informal discussion with representatives of  
I.N.T.U.C. Union.

Mr. Paresh Das	Assistant Secretary, Hindustan Steel Workers Union.
Mr. B.C. Bhattacharya	Representative (Rolling Mill)
Mr. Anil Kumar Roy	
Mr. Satyanarayan Roy	Member
Mr. A.K. Chatterjee	Secretary, H.E. Workers' Union INTUC.
Mr. S. Alan	Melting Shop, D.S.P.
Mr. Ranjit Ray	Merchant Mill
Mr. A.K. Mitra	Township Maintenance.
Mr. N.B. Biswas	Finance & Accounts Branch
Mr. Chinmoy Ganguli	Blast Furnace
Mr. B.N. Sharma	Heavy Engineering Workers' Union.
Mr. Analesh Ghosh	Heavy Engineering Workers' Union.
Mr. Susanta Prasada Tarafdar	
Radha Bani Chakravarty	Medical & Health Section Mill
Mr. Nipendra Kumar De	
Mr. Mahadeo Pathak	Alloy Steel Unit of H.S.L.
Mr. Aparesh Chandra Bhatnagarjee	Thomas Mouget & co, (I) Ltd.,
Mr. T.V. Lippert	Thomas Mouget Co. (I) Ltd.,
Mr. A. Gopal Mukerji	General Secretary, Hindustan Steel Workers' Union.

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INTUC is the recognised union since 1962. This is as a matter of fact a disadvantage to them. The only advantage that they have got is the availability of office accommodation in the town for which also they have to pay on regular rates. Officially, they cannot collect the union dues in the factory premises. Out of 27000 workers, in the Durgapur steel plant, their claimed membership is 17000.

2. They had never encouraged any agitation or demonstration in unconstitutional manner. The gherao was never initiated by them but gherao became a common practice in Durgapur and when it paid results they were unable to stop their members from resorting to gheraos. They however had meetings and passed resolutions (not on record) against gheraos and unconstitutional methods. (They proposed to send copies of the handbills they had issued against gheraos.)

3. The question of determination of the recognised union is very delicate. The National Commission while considering the propriety of secret ballot should also take into consideration the fact that all the unions will try to capture most of the workers and in this process make the highest bid. Any union which talks reasonably and rationally to the workers will lose its popularity with them. This had been their experience in Durgapur. This is how other unions are able to sway the workers in the elections to the Works Committees and it is why representatives of other unions are dominant there.

4. A code should be evolved so that trade unions move according to constitutional methods.

5. The present circumstances where there is a multitude of warring trade unions, there is no hope of industrial peace. For a lasting industrial peace all the Central federations should sit together and combine. They should make a move for one trade union congress to be decided by a majority.

6. Collective bargaining was better than adjudication. There had not been many cases of discharge or dismissals till

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1966. After that there have been many cases of victimisation on flimsy grounds. (They promised to substantiate their charge by giving a list of such cases.)

7. For processing disciplinary cases they had suggested a three-tier system, of inquiry at the shop level, middle level and top level. This was followed for sometime, But since the last year, the practice has been stopped and in every case the top management is approached directly. Due to political influence in the area, the management make no difference about the existence of recognised union; they have a party of approach in all such matters. In Bhilai Steel Plant all the relevant facts of the disciplinary proceedings are sent to the recognised union and the top executive of the union and the management between themselves decide the case. This method should be followed in Durgapur also.

8. Settlement of major misconduct cases through a panel of arbitrators was acceptable.

9. The existing labour laws do not protect workers against victimisation. If they agitate against management they are immediately victimised and dismissed. It is on this account that outsiders are needed.

10. Trade union movement in itself is politically oriented and cannot be isolated from politics. The question of outsiders arises only in a capitalist country and not in a socialistic society. To safeguard the interest of workers, outsiders are needed.

11. Under the existing circumstances and the recent occurrences in Durgapur, it is only proper that all Central Public Sector Undertakings should be under the control of Central Government.

12. Till 1964, the management had made a labour supply contract. The management did not keep any records about the number of workers. The wage bills were very high and consequently the plant suffered losses. The INTUC union brought this to the notice of the management and the system was abolished in 1965. At present, there are about 1000 persons as contract labour in permanent jobs. No minimum wages are applicable to them. (They promised to give a note about the contract labour in Durgapur Steel plant.)

13. The system of promotions is not above board. Some of the choicest persons were promoted and they are getting bonus in the pretext of the expansion of the plant while others were denied promotions.

14. The housing conditions of workers especially of the unskilled workers, sweepers and other lower grades is very pitiable. Members were not taken round this type of houses, where no provision of fans has been made and the rooms are shared. (They will give a note on general housing conditions for workers in Durgapur Steel plant.)

15. In Durgapur Steel Plant Hospital, discrimination is made in giving treatment as between workers and officers. Cabins are allotted only to officers and their families and the workers are not eligible to them.

XXVII

Record of infernal discussion with the representative, K.S.L. employees Union.

Mr. Jibon Behari Roy .... Hindustan Steel Employees Union, Durgapur.

1. The claimed membership is 15000; they are not affiliated to any Central Organisation; they have captured all the seats on the Works Committee and the Canteen Committee. All of their Office bearers are insiders. After the Works Committee election and the General Election where one of their Joint Secretaries was elected as a Member of the Legislative Assembly, the management is discussing most of the cases with them informally. They are not indulging in gheraos. It is mostly the INTUC members who gheraoed the officers and management.

2. The main problem in Durgapur steel plant and the Alloy plant is of recognition of the unions. The present system of verification of membership is totally incorrect and whatever the form of Government, they will not be able to get recognition under this system.

3. Neither the Works Committee nor the Canteen Committee are working at present. There was a theft case in the canteen in which one of the members of the Canteen Committee was involved. Since then the management does not sit across the table with the Canteen Committee.

4. Under the pretext of weeding out unwanted persons, services of 300 workers have been terminated since the inception of the plant. In fact, all these terminations were politically motivated.

5. At present the machinery installed for 1.6 million tonnes capacity is being utilised for one million tonne capacity; as a result most of the plant and machinery is badly damaged. The union has brought this matter before the management several times but without any effect. (They will give a note on this point.)

The management's view on this point has been that they wanted to introduce a small measure of rationalisation on the same lines as was tried out in Jamshedpur. Workers have been obstructing this. In fact workers' stand on this point is inexplicable.

6. Because of the introduction of the faulty production bonus scheme, one of the coke-oven batteries has been completely destroyed, they had approached the management and the Parliamentary Committee on this matter as well. (They promised to give a note and copies of their letters to the Parliamentary Committee and the management.) However, the management have since revised the old production bonus scheme under an agreement with the representatives of the unions.

### XVIII

#### Record of informal discussion with Durgapur project employees union.

Mr. Pranabesh Kumar Goswami      Durgapur Projects Employees  
Union.

There is no Works Committee in the plant. Collective bargaining is preferred as adjudication is time-consuming.

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Record of discussion with the representative of Ophal  
Glass Union.

Mr. S.L. Sengupta  
Ophthalmic Glass Project  
Employees Union,  
Durgapur-20.

1. This is the recognised union. As a result of this they are getting many facilities from the management. Other unions should also be recognised. So that they also get similar facilities.
2. The management is very keen on discussing all matters with the union; they have also been provided an office inside the colony.

XXX

Record of discussions with Assistant Personnel Officer, Durgapur  
Steel Plant - Mr. R.P. Sinha.

He explained the points made in his Memorandum submitted to the Commission, especially on the central code for Welfare Officers.

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