CHAPTER V  
INDUSTRIAL UNREST AND LABOUR WELFARE MEASURES

The Communist Party of India changed its stand in support of the War in 1941, when Germany attacked Soviet Russia. Consequently, the Communists called the War “Peoples War”\(^1\) which was contrary to their former slogan that it was an ‘Imperialist War’.\(^2\) This dramatic change in the policy of the Communists contributed to the growth of leftist trade union movement and trade union rivalry. The adoption of Quit India Resolution by the Congress in May-July 1942 forced the Government to seek the cooperation of the Communists. It sought the support of All India Trade Union Congress and Indian Federation of Labour to maximise War time production and minimize labour unrest.\(^3\) With the above understanding in July 1942, the ban on the Communist Party was removed and the detenus were released. Even before the Communists were released, the All India Trade Union Congress at its meeting held at Cawnpore on 9 February 1942 resolved that workers should not be panic-stricken because of threat of War.\(^4\) As soon as the ban order was lifted in July, S.MohanKumaramangalam, a Communist leader, addressed a meeting of the Madras and Southern Mahratha Railway workers at Perambur and appealed them to render their

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3. G.O.No.2187, Public Works Department, 29 June 1942.
active support to the War effort and help Russia and China.\textsuperscript{5} Likewise, the All India Trade Union Congress and the Communist Party at Madras exhorted the workers to step up production and warned against strike.\textsuperscript{6} Despite that, there were minor and short lived agitations led by the Communists themselves for wages, dearness allowance, bonus and against the victimisation of the workers. But there was no serious agitation despite the increased working hours and harder working conditions. In 1945 the weavers of the Buckingham and Carnatic Mills stated to the adjudicator that they worked so very hard inspite of the odds with a view to increasing production.\textsuperscript{7} In turn the Government followed a relatively liberal policy towards the workers. Making capital out of the changed policy of the Government, the Communists worked for the growth of their influence.

**Growth of Communist Influence**

Since July 1942, the Communists left no stone unturned in organising and consolidating their influence over labour. Several factors had favoured the growth of their influence. Among them were detention of Congressmen, the understanding between the Government and the Communists and their dedicated effort and War time problems. Compared to the period between 1936 and 1939, the number of registered trade unions increased during the War period. During the years 1936-1937, 1937-1938 and 1938-1939, fourteen and twenty two unions were registered respectively. The total number of unions registered upto the year 1939-1940 was 158 and of which 110 unions were actually on the rolls of the register at the end of the year in the Madras Presidency.\textsuperscript{8} On 14 June 1940 the registration of eleven unions was cancelled for failure to submit the prescribed annual return for the year 1938-1939 and of the eleven cancelled unions, eight were in Tamilnadu.

\textsuperscript{5} F.N.R., 7 Aug. 1942.
\textsuperscript{6} Ibid., 11 Aug. 1943.
\textsuperscript{7} G.O.No.1927, Public Works Department, 19 July 1945.
\textsuperscript{8} G.O.No.169, Public Works Department, 21 Jan. 1941.
Of the 110 unions in Madras Province, sixty two unions were in the Tamil region. They were the unions of railway, tramway, transport, textile, press, port-trust, engineering, beedi, aluminium, sugar factory, hair-dressers, tannery, toddy tappers, match, cement, handloom industry, rickshaw pullers, cigar work and arid cordite factory workers. None of these unions paid subscription to political fund. The position of trade union activity improved every year. The total number of registered unions which stood at 158 upto 1939-1940 rose to 194 during the year 1941-1942. During 1942 eighteen unions were registered and of which fifteen unions were in Tamilnadu. Of the 194 unions, 126 unions were on the register at the end of the year. Fifteen unions were cancelled for failure to submit the prescribed annual return for the year 1940-1941. It is noteworthy that of the 126 unions, eighty two unions were in Tamilnadu. It testifies the fact that trade union activity was on the increase in Tamilnadu comparing to the other states in the Madras Presidency. The Communists were busy with the organisation of workers. As a result the registered unions increased to 248 upto31 March 1944 and of which 143 unions were on the register at the beginning of the year 1943-1944. The movement made so much progress during this year that thirty seven more unions were registered. Of them twenty six unions were in Tamilnadu. For the same year the number of members in the registered trade union was 1,20,879 as against 92,915 for the year 1942-1943. For the year 1945-1946 the number of members in the registered trade unions increased to 1,71,083.

Communist influence grew among the workers of Binny Bleach Engineering Works, Salem Mills, Salem Magnesite Company,}

9. Ibid.
11. Ibid., p.8.
12. Ibid., pp.3-8.
14. Ibid.
15. G.O.No.5373, Development Department, 19 Nov. 1947.
Mettur Chemicals, Koilpatti Textile Mills, Coimbatore Textile Mills, Madras Tramway, Railways, beedi factories, press and Madurai and Papanasam textile mills. In all these factories either they brought the then existing unions under their control or formed new unions. In some factories the management resisted the intervention of Communists in labour disputes. On 11 January 1943 the Salem Magnesite Company retrenched sixty workers without notice. The workers agitated against it under the leadership of the Communists. But the firm objected to the Communist interference and refused to reinstate the retrenched workers.  

The Madras Beedi Workers Union controlled by the Communists demanded the restoration of wages, reduced in some factories. With the help of the Commissioner of Labour the wages of beedi workers were restored to eleven annas per day from January 1943.

The communal trouble in Madurai led to conflicts among the workers in the Madura Mills. The Muhammadanstock took objection to the leadership of S.R. Varadarajulu Naidu in Madurai, for he was both a Hindu and a Congressite. This led to a clash among the workers. At this situation Mohan Kumaramangalam, a leading Communist, visited Madurai and appealed to his followers to work for Hindu-Muslim unity. Also he formed about ten Communist cells in Madurai town. Following the Hindu-Muslim conflict, inter-union rivalry began between the workers under S.R. Varadarajulu Naidu and P. Ramamurthi in the Madura Mills. Now with a view to turning the management against the Communists, S.R. Varadarajulu Naidu joined the side of the management. This trend was reflected in the bonus issue. In 1943 the Madura Mills declared a bonus of two months.

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17. Ibid.
19. Ibid., 3 Sept. 1941.
20. Ibid., 5 Dec. 1942.
wages to their workers at Madurai and Papanasam. S.R. Varadarajulu Naidu sided with the management and accepted the condition that fifty per cent of the two months bonus to be deposited in the savings fund account of the workers. In view of the rising cost of living index the Communist union protested against it and insisted upon the payment of two months bonus in lump sum. As the Company turned down their request, the workers struck work on 15 March 1943. The Communists who organised the strike were arrested under rule 129 of the Defence of India Rules on 16 March 1943. K.P. Janaki and Guruswamy from Madras who guided the strikers were also arrested on 17 March 1943. The system of deferred payment of bonus was introduced in certain mills in consonance with the policy of Government of India to avoid the contemplated inflationary trend. It affected the workers in view of the increase in the prices of essential commodities.

Now the Communists played communal politics to put S.R. Varadarajulu Naidu in trouble. P. Ramamurthi, the leading Communist in Tamilnadu, gained the support of Pillaimar Sangam to undermine the influence of S.R. Varadarajulu Naidu over the Madura Mill workers. A member of the Pillaimar Sangam assaulted a committee member of the Madura Labour Union. In retaliation a serious clash took place between both the parties on 14 January 1944. The Pillaimar Sangam attacked the union members with aruvals, velsticks and threw stones and soda bottles. Thereupon the Communists sought the support of the workers who were opposed to S.R. Varadarajulu Naidu to form a separate union. The conviction of S.R. Varadarajulu Naidu for the misappropriation of the union fund was an advantage for the Communists to draw more workers to their side. As contemplated the Madura Textile Workers Union was organised in August

22. F.N.R., 5 Apr. 1943.
23. G.O. No. 998, Public Works Department, 9 June 1943.
24. Ibid.
To quote the fortnightly report, the union enrolled 2,300 workers as members, and more than half of whom belonged to the Madura Mills. On 26 September 1944 at a meeting held under the presidency of V.ChakkaraiChetti, P.Ramamurthi was elected as its president. In September 1944 the membership of the union increased to 3,500.

In a bid to restrict the growth of the Communist union and to strengthen the union of S.R.Varadarajulu Naidu, the Company implemented a new standing order from 7 April 1944. By this order it recognised the Madura Labour Union of S.R.Varadarajulu Naidu and made provision to dismiss any worker who acted against the interest of the recognised union. Under the standing order without framing any charges the Company dismissed sixteen workers consecutively from 4 June to 6 June 1945. Even though twenty six unions and the Madras Provincial Trade Union Congress passed resolutions condemning the standing orders and requesting the government to cancel it, the Government refused to interfere.

In Papanasam too as a protest against the pro-management attitude of S.R. Varadarajulu Naidu, a rival union known as Vikramasingapuram Textile Workers Union was formed under the leadership of P.Ramamurthy in 1939. While the management encouraged the Papanasam Labour Union under S.R.Varadarajulu Naidu, it refused to negotiate with the Communist union. In May 1943 P.Ramamurthy, president of the Union wrote to the Commissioner of Labour that the union had 3,000 members. Though majority of the workers were on the side of the Vikramasingapuram Textile Workers Union, it could not make any progress in getting done

28. Ibid., 9 Sept. 1944.
29. G.O.No.1255, Public Works Department, 4 May 1945.
31. Ibid.
32. G.O.No.1646, Public Works Department, 15 June 1945.
33. G.O.No.2909, Public Works Department, 30 Dec. 1943.
anything from the management. Now the Communist union tried to cripple the union of S.R. Varadarajulu Naidu. It indicted S.R. Varadarajulu Naidu of mismanagement of the union and mill co-operative stores and threatened to file a case against him in the court of law.

Mohamed Hanifa, a member of the Vikramasingapuram Textile Workers Union filed a case against S.R. Varadarajulu Naidu on charges of breach of trust and misappropriation of the funds of the Papanasam Labour Union. 35 On 16 June 1944 the Sub-Divisional Magistrate, Shermadevi, convicted S.R. Varadarajulu Naidu in the defalcation case and sentenced to eighteen months rigorous imprisonment and a fine of Rs.1,000/- or in the event of default a further period of four months rigorous imprisonment. 36 His appeal to the Madras High Court did not get any favour. On 6 March 1945 the High Court confirmed the conviction and S.R. Varadarajulu Naidu was arrested on 25 March 1945. 37 These developments adversely affected the relationship between the workers in the rival groups. From March 1943 to March 1945 the cases of abuse, intimidation, assault, affray and rioting registered in the Vikramasingapuram police station exceeded 150 in number. 38 However, the question of recognition of the Vikramasingapuram Textile Workers Union continued to cause much unrest. After repeated requests, on 5 July 1946, the Government referred the disputes to the District and Session Judge, Ramnad for adjudication. 39 The adjudication paved way for the cancellation of the standing order and recognition of the Communist union as the most representative union. As per the suggestion of the adjudicator the Communist union proved its strength through voting before the Commissioner of Labour. Thus, after a long period of trial of strength

36. G.O.No.64, Public Works Department, 6 Jan. 1945.
38. G.O.No.1646, Public Works Department, 15 June 1945.
39. G.O.No.2610, Development Department, 5 July 1946.
the Vikramasingapuram Textile Workers Union became a recognised union.\footnote{SingaiThozhilalarkalinMahattanaVetri, pp.2-3.}

The Communist influence went up to such an extent that they involved workers in political agitation too. In 1946 the announcement of the Government of India to try the Indian National Army for treason provoked widespread demonstrations.\footnote{Communist Party Election Series, New Delhi, 1972, p.15.} The Royal Indian Navy mutineed as a protest against the trial of the Indian National Army.\footnote{Janasakthi, 6 Mar. 1946.} The government reacted against it which ended in a firing in Bombay. The Communists organised a hartal in sympathy with the victims of the Royal Indian Navy. On 25 February 1946 as a mark of protest against the police firing in Bombay, the tramway, press, Binny and Beach Engineering Workshop workers and workers in other unions controlled by Communists struck work and went round the Madras city in procession. Public transport was suspended and most of the shops, all colleges and schools were closed. The main procession and meetings were at first orderly; but they soon drew the hooligan elements who started pelting stones at passing vehicles and shop windows. When the car of Justice Byers of the Madras High Court was stoned near the Fort, he fired three rounds from his revolver at the crowd which killed one and wounded two. On 26 February 1946 a crowd estimated at 10,000 gathered at a level crossing gate near Saidapet and attacked the Indo-Ceylon Express. Police opened fire on the crowd, killing three persons. It was organised by the Communists; but all the culprits seemed to be were street urchins. A similar strike took place on the same day in Tiruchirapalli under the direction of the Communists, but it passed off peacefully.\footnote{F.N.R., 7 March 1946.}

On 25 February 1946 the workers of the Perambur Railway Workshop numbering 6,629 struck work in sympathy with the Royal Indian
Navy strikers. Similarly strikes and hartals were organised in Perambur, Madurai and Vikramasingapuram. On 27 February 1946 in Madurai the Communists organised a hartal as a protest against the police firing in Bombay. Except stone throwing at trains there was no serious trouble. Following these agitations on 28 February 1946, the workers at Vikramasingapuram struck work under the leadership of the Communists. In fact, the Communists taking up popular causes and organising strikes extended their influence among the workers.

**Congress Back to Influence**

After the Quit India Movement, the Congressites in the Madras Labour Union sought to counter the growing influence of the Communists. The cooperation that the Communists had extended to the War efforts against the national movement strained the relationship between the Communists and Congressites. Hence in an atmosphere of mutual suspicion and antagonism both the parties sought to undermine each other's influence.

The post-War political developments and the formation of the Congress Ministry in 1946 favoured the Congressites to intensify their trade union activity. In 1945 the Congress organised a Labour Sub-Committee to start rival unions and secure the support of the workers to their candidates in the election. In August 1945 the Congress Labour Sub-Committee organised a union of workers in the Standard Vacuum Oil Company in opposition to the union organised by the Communists. In December 1945 the Congress leaders formed an anti-Communist front in Tiruchirapalli among the Golden Rock railway workers to gain their support to the Congress Party.

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45. F.N.R., 7 Mar. 1946.
46. G.O.No.2610, Development Department, 5 July 1946.
47. F.N.R., 4 Aug. 1945.
section to counteract the influence of the Communists among the workers. As a countermeasure the Communists embarked upon a scheme of forming an united front of all parties opposed to the Congress Ministry and demanded the nationalisation of all industries.

The Congress Government found that industrial peace was essential to augment production and facilitate the task of administration. At the same time the Communists attacked the Congress Ministry as dominated by capitalists, and organised strikes. In this situation the Congress adopted repressive measures against the strikes launched by the Communists. To cite an instance, the Congressites formed a rival railway labour union at Golden Rock, Tiruchirapalli. The railway authorities recognised this union within fifteen days which functioned as a strike breaking agent of the management. As a next step the Congress decided to control the All India Trade Union Congress. When the effort of the Congress to dislodge the Communists from the All India Trade Union Congress proved futile, the Congressmen started seceding from the latter Congress to form a rival association. Dubbing the role of All India Trade Union Congress as anti-labour and anti-national, on 18 April 1947 the Hindu Sevak Sangh wrote to all the nationalist minded trade union leaders stressing the need for a new labour body to keep the national interest foremost in view and to voice the genuine demands of workers. On 3 May the Hindustan Mazdoor Sevak Sangh organised a conference at New Delhi under the presidentship of Sardar Vallabhai Patel, who was the President of the

49. Ibid., 27 Sept. 1946.
50. Ibid., 8 July 1946.
52. Krishnan, N.K., The Glorious Struggle of South Indian Railway Workers, (Tamil), Madras, 1946, pp.43-44.
Central Board of the Hindustan MazdoorSevakSangh.\(^{56}\) It was on the same day that the Indian National Trade Union Congress was formed under the leadership of SardarVallabhai Patel\(^{57}\) with the support of the Congress Party and the Congress Government.\(^{58}\) The main principle of the Indian National Trade Union Congress as enunciated in its constitution was that the means to be adopted for the furtherance of the objectives should be peaceful and consistent with truth. In July 1947 the Tamilnadu branch of the Indian National Trade Union Congress was formed with P.R.K.Sarma and G.Ramanujam as its two joint secretaries without president.\(^ {59}\) The Indian National Trade Union Congress functioned with its headquarters at Bombay and V.V.Giri was elected as a member of the executive. The Southern Indian Chamber of Commerce sent a message to SardarVallabhai Patel and Jagajivan Ram, greeting the organization of the Indian National Trade Union Congress.\(^ {60}\) Moreover, in 1947 the India United Mills presented Rs.1,25,000/- to SardarVallabhai Patel for common purposes.\(^ {61}\) With official and Congress backing the new organisation secured recognition within a year as the most representative association of the Indian working class. No doubt, it made distinct the existence of two parallel organisations in the movement.

**Labour Problems**

The cost of living index which started increasing during the War continued its upward trend even after the War. Wages and dearness allowances were not proportionately increased to completely neutralise the price rise. It caused much financial strain to the workers. Further, there was delay in bringing the working condition of the pre-War period to the post-

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61. *Indian Express*, 7 June 1947.
War period. This position was admitted at the Indian Labour Conference held in April 1947.\(^\text{62}\) Jagajivan Ram, Labour Adviser to the Government of India and the Chairman of the Conference, observed\(^\text{63}\) that the wage rates and working conditions were far from satisfactory.\(^\text{64}\) For the nutritious diet of the industrial workers in India in the 1940’s Dr. Aykroid fixed a minimum living wage of Rs.35/- per month,\(^\text{65}\) while the Pay Commission recommended that the minimum wage of an Indian worker should be at least Rs.30-8-6.\(^\text{66}\) As against this minimum even in the comparatively well paid Buckingham and Carnatic Mills the lowest pay was Rs.19-8-0.\(^\text{67}\) But in a memorandum of grievances submitted to the Labour Minister, it was stated that the wage of an unskilled textile worker was as low as Rs. 0-6-9 per day.\(^\text{68}\) In the Buckingham and Carnatic Mills too, for doffer boys and waste picking women the wages were Rs.7/- to Rs.8/- per month.\(^\text{69}\) In the South Indian Railway the wages of porters, cleaners and coolies were about Rs.12/-\(^\text{70}\) and the lowest pay of the cleaners in the motor transport was between Rs.10/- and Rs.15/- per month.\(^\text{71}\) While in the foundaries the coolies got less than ten annas daily,\(^\text{72}\) the oil companies paid fourteen and eleven annas for ordinary workers and working boys respectively.\(^\text{73}\)

The above figures make it clear that the wages of the workers did not reach the point of wages prescribed by the Pay Commission or Dr. Aykroid. While in Madras the cost of living index rose from 225 in November 1945 to 243 points in November 1946, for the same month and year in

\(^\text{62}\) G.O.No.2481, Development Department, 5 June 1947.
\(^\text{63}\) G.O.No.2345, Development Department, 27 June 1947.
\(^\text{64}\) G.O.No.2481, Development Department, 5 June 1946.
\(^\text{65}\) G.O.No.2609, Development Department, 5 July 1946.
\(^\text{66}\) G.O.No.4687, Development Department, 1 Oct. 1947.
\(^\text{67}\) G.O.No.4637, Development Department, 18 Dec. 1946.
\(^\text{68}\) G.O.No.2609, Development Department, 5 July 1946.
\(^\text{69}\) G.O.No.4637, Development Department, 18 Dec. 1946.
\(^\text{70}\) Krishnan, N.K., \textit{op.cit.}, p.7.
\(^\text{71}\) G.O.No.2304, Development Department, 26 May 1947.
\(^\text{72}\) G.O.No.1774, Development Department, 23 Apr. 1947.
\(^\text{73}\) G.O.No.5874, Development Department, 19 Dec. 1947.
Tiruchirapalli they were 247 and 276, in Madurai 237 and 279 and in Coimbatore 235 and 273 respectively. The prices of essential commodities further increased in December 1946 when the cost of living index in the Madras city stood at 249. In August 1946 the food position further deteriorated. The twelve ounces of rice ration was reduced to eight ounces per adult per day. However, from February 1947 the old rate was restored due to the favourable seasonal conditions. In the Buckingham and Carnatic Mills in October 1946 the position was reviewed in view of the rising index. Thereupon the dearness allowance was fixed at three annas per point in the rise over 100 points, which amounted to Rs.30/- per month at a living index of 260 points. The statement of the management showed that even after the rate was fixed at three annas per point in 1946, an average worker in the mill was compensated only up to 77.05 per cent in the rise of cost of living. In March 1947 the index reached 267. While in Tamilnadu the principle of complete neutralisation of dearness allowance was not accepted, it was accepted in Ahmedabad.

In different mills different rates of dearness allowance were paid. The Madras City Motor Service paid a flat allowance of Rs.15/- per month. The Spencer and Company, Madras paid a dearness allowance ranging from Rs.12/- to Rs.16/- while some mills paid dearness allowance at the rate of three and two annas per point of increase, many others paid a fixed rate very much below the above rate. The workers in Beehive Foundry and Engineering demanded Rs.30/- as dearness allowance whereas those in the Buckingham and Carnatic Mills and Gorden Woodrofe Leather

76. Ibid., pp.28-29.
77. G.O.No.5406, Development Department, 21 Nov. 1947.
78. Ibid.
80. G.O.No.2309, Development Department, 14 June 1946.
Company demanded dearness allowance at the rate of four annas per point rise in the cost of living index above 100.

Added to this, the workers were discharged in large number for want of work. Some factories made use of the post-War problems to discourage trade union activity. On 17 September 1947 the Gordon Woodroffe Leather Manufacturing Company dismissed 101 workers without assigning any reason. Ramakrishnan, the president of the Union, complained that it was an offensive on the Union, for the organisation of the Union frustrated the attempt of the management to start a ‘welfare union’. However, after a rival union was started with the patronage of the Company on 12 November 1947, the Company sent away about 200 workers out of a total of about 1000 workers. In September 1946 the tanneries at Pallavaram discharged about forty workers on ground of lack of work. The workers agitated against it since 10 September 1946 and to tackle it an order under section 144 was issued prohibiting meetings and processions. After a long period, the workers resumed work in November 1946. The East Asiatic Oil Company at Royapuram had import and export privileges in groundnut kernels and oil trade. As soon as the East Asiatic Company Oil Mill Workers Union was formed in 1945, the Danish management stopped running the mill from 31 October 1945 on the ground-of shortage of raw material. Except the clerical and engineering staff all the 280 workers were discharged; but subsequently it was announced that if the dismissed workers would leave the union they would be reinstated. Being afraid of unemployment majority of the workers left the union and they were reemployed on new contract of service within ten days of their discharge. After the defunct of the union, the Tamilnadu Congress labour section organised the East Asiatic Company

82. G.O.No.5374, Development Department, 20 Nov. 1947.
83. Commissioner of Labour letter to Joint Secretary to the Government of Madras, 15 Nov. 1947, in G.O.No.1507, Development Department, 3 Apr. 1947, p.27.
Employees Union on 16 February 1947. Again on 30 March 1947 the management announced that only forty workers would be required from 1 April on account of shortage of raw material which the Union found an act aimed at suppressing the Union as in 1945. The Union questioned that if the shortage of raw material was real, how could the management recruit about twenty five to fifty casual workers, while more than 100 permanent workers were unemployed. Except fifty six workers the Company discharged all the workers on the ground that trade in groundnut kernel was more remunerative than oil. As a protest against this measure fifty six workers struck work on 2 May 1947.

On 29 May 1947 the government appointed an adjudicator to adjudicate the dispute. The Company refused to take back the fifty six strikers, but the adjudicator persuaded the Company to allow the fifty six workers to work from 7 June 1947. It recruited over 100 new workers to get their work done in the factory under construction at Tondiarpet. Since the parties arrived at a settlement, the tribunal passed a compromise award. Accordingly, the management agreed to take back all the workers who were on the rolls on 30 March 1947 at the Royapuram mills. However, the Union simply neglected the cases of the workers dismissed before 1 April 1947. But their cases were similar to that of the workers retrenched from 1 April 1947. In 1947, on the direction of the Central Government the State Government advised the employers to pay compensation for involuntary unemployment, resulting out of shortage of coal and raw material. Nevertheless problems of this kind caused disturbances in the labour front.

Labour Welfare Measures

The post-War period witnessed increased labour unrest. On the one hand workers agitated for improvement in their working conditions and on

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the other hand the Communists and the Congressites vied with each other for trade union influence. At this juncture the Congress Party came to power on 30 April 1946. It gave a fresh hope to the working class in trade union activity.88 Hence the Factories Act of 1934 was amended in 1946. The amended Act reduced the maximum daily and weekly hours of work of persons employed in perennial factories. As per this, those who were employed in the non-seasonal factories had to work nine hours in day and forty hours in a week. Similarly the employers of the seasonal factories had to work ten and fifty respectively.89 However the Factories Act was not properly enforced. One of the reasons for not properly enforcing the Factories Act was the inadequacy of the governmental machinery. Of the 3,761 registered factories in 1947, 1,433 factories were inspected only once in a year, 1,249 were inspected twice, 528 were inspected thrice and 204 were inspected more than three times and that 347 factories were not at all inspected in that year.90 As a result, the employers used to violate the factory legislations and the workers had to suffer a lot.

The duly amended Factory Act of 1945 provided for holdings with pay.91 But this was not strictly followed by the managements. The Textile Workers Union’s Memorandum dated 20 June 1946 submitted to V.V. Giri, Minister for Labour, says “Most of the managements have agreed to a total of 13 days of both sick and casual leave, with pay in the year, and even this is denied in practice”.92 Besides these, there was no security of service. The Industrial Tribunal pointed out that “If for any necessity and unavoidable causes the worker applies for leave or is obliged to absent himself for a day

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90. G.O.No.5043, Development Department, 15 Oct. 1948.
or two, he is dismissed and is not even heard or permitted to represent his case before the manager”.93

The living condition of the workers mainly depended on their working conditions. The wages paid in the textile mills were very low, whereas the cost of living rose steeply. An unskilled worker received the wage of forty paise per day, while the spinner with a high degree of skill got only sixty to sixty-five paise per day. Even the weavers in most of the mills got hardly seventy paise per day which was the highest wage of a textile worker in almost all the mills in 1946.94 This low wage caused financial strain to the workers. Again, in spite of the tremendous increase in the cost of living majority of the mill owners did not increase the dearness allowances.95 The Court of Enquiry in 1946 recommended to pay twenty-five per cent extra wages to night shift workers. But this remained only on paper as none of the mills implemented the recommendation. The Court of Enquiry also recommended the abolition of the worst system of multiple shifts otherwise known as the ‘relay system’. This also did not have any response.96 The Government notification directing all employers employing more than 150 workers to provide free rest sheds for the use of workers did not have the desired effect.97 Another notification of the government directed all factories employing more than fifty women workers, to provide creche facilities for the use of the children below six years.98 This also remained a dead letter. The housing conditions of the workers were most deplorable. Most of the workers lived in dark and damp little dungeon without any adequate sanitary facilities.

93. Ibid.
94. G.O. No.2609, Development Department, 5 July 1946.
95. Ibid.
96. Ibid.
The number of industrial disputes rose 227 in 1946. The number of workers involved in the disputes increased to 2,23,488 in 1946. The increase in labour unrest was reflected in an increase in the duration of the disputes. For instance, the average duration of a strike increased to 5.9 days in 1946.

Industrial disputes arose over the demands for higher wages, bonus, promotions, lesser work hours, leave facilities, etc. The percentage of disputes according to demands made in two years from 1946 to 1947 is shown below.

<table>
<thead>
<tr>
<th>Demands made</th>
<th>Percentage of disputes</th>
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<tbody>
<tr>
<td></td>
<td>1946</td>
</tr>
<tr>
<td>Wages</td>
<td>20.6</td>
</tr>
<tr>
<td>Bonus</td>
<td>-</td>
</tr>
<tr>
<td>Personnel</td>
<td>2.2</td>
</tr>
<tr>
<td>Leave and hours</td>
<td>2.5</td>
</tr>
<tr>
<td>Others</td>
<td>72.7</td>
</tr>
<tr>
<td>Total</td>
<td>100</td>
</tr>
</tbody>
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The demand for higher wages was the chief cause for industrial disputes in 1946 and 1947. The percentage of disputes being 20.6 in 1946 and 22.8 in 1947. Demand for bonus was the next in order of importance. Although there was no disputes on this account in 1946, the percentage being nil in 1946 had went up to 17.2 in 1947. The percentage of disputes due to questions regarding personnel was 2.2 in 1946 and 2.8 in 1947. The percentage of struggles due to leave and hours of work fluctuated between 2.5 percent in 1946 and 1.0 in 1947. The class, ‘others’ included disputes arising from causes such as refusal to give reason for reducing the ration to a worker, insufficiency of dearness allowance, demand for reinstatement of

100. Ibid., p.37.
dismissed workers, reorganisation of labour union, refusal to grant leave for those who attended the meetings addressed by K. Kamaraj and V.V. Giri, sympathy with RIN strike, arrest of mill workers by the police, etc.  

The following table shows the disputes in 1946 and 1947 with their results.

<table>
<thead>
<tr>
<th>Results of disputes</th>
<th>1946</th>
<th>1947</th>
</tr>
</thead>
<tbody>
<tr>
<td>Successful</td>
<td>19.5</td>
<td>7.2</td>
</tr>
<tr>
<td>Unsuccessful</td>
<td>12.3</td>
<td>9.7</td>
</tr>
<tr>
<td>Partially successful</td>
<td>22.4</td>
<td>20.7</td>
</tr>
<tr>
<td>Indefinite</td>
<td>40.8</td>
<td>51.1</td>
</tr>
<tr>
<td>In Progress</td>
<td>5.0</td>
<td>9.0</td>
</tr>
<tr>
<td>Total</td>
<td>100</td>
<td>100</td>
</tr>
</tbody>
</table>

The above table shows the decline of successful disputes from 19.5 percent in 1946 to 7.2 in 1947. The percentage of unsuccessful disputes also tended to decline from 12.3 in 1946 to 9.7 in 1947. The incidence of indefinite disputes too increased from 40.8 percent in 1946 to 51.1 percent in 1947. The percentage of pending disputes increased from 5.0 in 1946 to 9.0 in 1947. The percentage of pending disputes according to the method of settlement for the years 1946 and 1947 are given below.

<table>
<thead>
<tr>
<th>Method of Settlement or Termination</th>
<th>1946</th>
<th>1947</th>
</tr>
</thead>
<tbody>
<tr>
<td>Return of Workers Unconditionally or pending enquiry or Investigation</td>
<td>24.6</td>
<td>23.1</td>
</tr>
<tr>
<td>Mediation by Government Labour Officers or other Government Officers</td>
<td>51.6</td>
<td>43.8</td>
</tr>
<tr>
<td>Replacement or discharge of workers</td>
<td>00.7</td>
<td>5.9</td>
</tr>
</tbody>
</table>

The above table reveals that more disputes were settled by governmental mediation than any other method. In certain disputes the workers returned to work unconditionally. Some of the disputes were settled by direct negotiations. Settlement by adjudication also brought the expected effect on certain occasions. However settlement through normal conciliation had very little effect. The percentage in respect of number of disputes in the various industries during 1946 and 1947 are given below.103

<table>
<thead>
<tr>
<th>Direct negotiations, employer Agreeing to all or certain demands</th>
<th>20.9</th>
<th>15.5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adjudication</td>
<td>2.2</td>
<td>11.4</td>
</tr>
<tr>
<td>Normal conciliation</td>
<td>-</td>
<td>0.3</td>
</tr>
<tr>
<td>Total</td>
<td>100</td>
<td>100</td>
</tr>
</tbody>
</table>

The above given table is an indication to the greater incidence of disputes in the textile industry during the year 1946 and 1947. In conformity with the higher incidence of disputes in the textile industry, workers participation in the disputes was equally greater. Due to the increase in the number of workers participating in the strikes there was greater loss of man-days in several industries.104

<table>
<thead>
<tr>
<th>Industries</th>
<th>Percentage of disputes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Textiles</td>
<td>50.6 1946 45.5 1947</td>
</tr>
<tr>
<td>Jute mills</td>
<td>5.4 1946 4.8 1947</td>
</tr>
<tr>
<td>Engineering</td>
<td>3.6 1946 5.5 1947</td>
</tr>
<tr>
<td>Railway, etc.</td>
<td>12.6 1946 9.0 1947</td>
</tr>
<tr>
<td>Mines</td>
<td>0.4 1946 - 1947</td>
</tr>
<tr>
<td>Others</td>
<td>27.4 1946 35.2 1947</td>
</tr>
<tr>
<td>Total</td>
<td>100 1946 100 1947</td>
</tr>
</tbody>
</table>

103. Ibid., p.39.
104. Ibid., pp.39-40.
No doubt the disputes and strikes in the textile industry put the government in a very difficult situation. However, V.V. Giri, being a veteran labour leader, did everything possible to settle the disputes and save industry from utter ruin. With regard to the settlement of labour disputes the Prakasam Government followed the policy laid down by the Congress Government in 1937.  

According to that both the workers and their organisations must exploit every resource in their power for an internal settlement of disputes. If this process failed the labour department would extend its services to both the parties in finding a solution for a part settlement of any trade dispute. If the intervention of the Commissioner of Labour and his conciliator proved ineffective in producing results, the Government would utilise Courts of Enquiry or Board of Conciliation, Adjudication and Arbitration to secure impartial settlement. V.V. Giri, a trade union leader and the Minister for Labour in the Prakasam ministry reiterated this policy and declared that the policy of the Government could succeed only if the workers and their organizations realised their sense of duty and their indebtedness to the government and the country. He persuaded the workers to be more disciplined and avoid acts of intimidation and exhibition of violence. He also warned them that if they persisted in lightening strikes and direct action without prior representation and non-utilization of the channels provided by the Government, the letter would come down heavily and take strong action against such activists. He requested the employers to understand that the workers were not merely wage earners; but part of the industrial system. Giri also requested the workers and their organisations to follow the Labour Policy enunciated by the Government on 30 April 1946.  

In accordance with the policy of the Government six disputes that were pending when the

105. Madras Information, 16 Nov. 1946 and The Hindu, 12 May 1946.  
106. Ibid.  
107. The Hindu, 1 and 12 May 1946.
Ministry assumed office were amicably settled. Another six cases were referred for adjudication under the Defence of India Rules.

Besides these major disputes, from the beginning of May to the end of October 1946 more than 140 strikes all over the Madras Presidency were settled by direct negotiations of the Labour Officers and conciliation by Commissioner of Labour. But the grievances of the textile workers went unnoticed by the Government. Hence they agitated for an increase in wages. The employers took no steps to redress their grievances and so trade unions tried to pressurise the Government to take immediate action. A deputation on behalf of the Madras Provincial Trade Union Congress met Giri and discussed with him a number of outstanding grievances of the workers. They demanded a minimum living wage of thirty five rupees per month to the lowest category of workers, a uniform standard wage throughout the Province and opposed the bifurcation of wages such as basic wages, production allowances, night commission, abolition of multiple shift system and the reinstatement of victimised workers, bonus and other minor concessions. The Government, therefore, appointed Venkataramayya as a Court of Enquiry to go into all the problems connected with the working conditions of labour in the textile industry in the Presidency.

In the meantime, the trade unions stated that the textile workers could not wait indefinitely for the recommendations of the Court of Enquiry. They demanded that the wages of the textile workers throughout the Province should immediately be raised to a minimum of twenty five rupees with effect from 1 April 1946. If no action was taken before 5 September 1946, the Communists threatened to declare a general strike. In July 1946, the Communist controlled trade unions of the Presidency sent strike notices to the managements. In some cases the employers also requested the court to

109. G.O.No.2609, Development Department, 5 July 1946.
examine the question of immediate relief and announce interim relief.\textsuperscript{111} The Government referred the question of interim relief to Venkataramayya for adjudication. The Court pointed out that the wages were incredibly low in some cases and said that it was high time that the wages of the workers in the Province should be fixed on a rational, if not scientific basis. The Court recommended the following flat rate increase with effect from 1 October 1946:-

i. an increase of twelve rupees a month, to those who were getting fifteen rupees per month of twenty six days and below,

ii. an increase of ten rupees a month, to those getting sixteen rupees a month,

iii. an increase of eight rupees a month, to those getting sixteen rupees a month,

iv. an increase of six rupees a month, to those getting fiftyone to 100 rupees a month,

v. an increase of Five rupees a month, to those getting above Rs. 100 and

vi. an increase of six rupees per month, in the case of boys (including doffer boys and waste picker women) whose existing wage was about seven or eight rupees a month.

The proposed flat rate of increase had to be added to the rates of wages as they stood on 1 September 1946 and the piece rates also were so altered as to raise the earnings to the piece rate workers to the increase proposed for the monthly paid workers. No dearness allowance was admissible on the interim relief and in the case of bonus, what had been declared by several mills was considered adequate and no further relief was felt necessary for that year. Since the management of the Madura Mills revised its wages and dearness allowance from November 1946 and as no worker in these mills got less than forty five rupees as gross earnings in a

\textsuperscript{111} G.O.No.4637,Development Department, 18 Dec. 1946.
month, the Court did not recommend any interim relief to the workers. However, the Court exempted smaller mills, which employed not more than 100 workers from the implementation of these recommendation.\(^{112}\) Although the Congress Government directed the mill owners to give interim relief as recommended, the mill owners refused and requested exemption on the ground that they were not making profits. The textile workers lost patience and under the influence of the Communists, they stopped work on several occasions demanding interim relief.\(^{113}\) The Government pressured the mill owners to give interim relief; but in vain.

It should be noted that in April 1946, the Communist Party worked out its future programme of action. It criticised the Congress as a capitalist ridden organisation. And it was unanimously resolved that the Communist organisations should strengthen their hold on the workers. After the Congress assumed office, the Communists decided to maintain a sustained stand over the grievances of the industrial workers. As V.B. Karnik pointed out,

> The relations between Communists and Congressmen have become completely entranged. Communists adopted a hostile attitude towards the Congress leaders who were becoming the rulers of the country. They thought it to be in their interest to stir up strikes, and thus do whatever they could to embarrass Congress ministries in the provinces and make things difficult for the Congress organisation as a whole.\(^{114}\)

In 1946 the Communists organised three strikes in the South Indian Railway which dislocated the train services and resulted in creating serious problems to the Government with regard to the transporting of food to the

\(^{112}\) Ibid.

\(^{113}\) Award of the Industrial Tribunal, Government of Madras, 1947, pp.51-52.

famine affected areas. Again, the strikes in the textile mills in Madras and Madurai disrupted the industry in Tuticorin and Coimbatore.

These strikes brought no benefit to the industrial workers. According to the Congress Government, violence was the rule of Communist Party and they made every effort to create a law and order problem in the Presidency. The Congress Government deplored the attitude of the Communists and considered these activities of the latter as detrimental to the interests of the workers as well as to the nation. Hence the Congress Government adopted repressive measures against Communist sponsored strikes and tried to put down the labour agitations led by the Communist radicals. On 23 January 1947, the Government promulgated the Madras Maintenance of Public Order Ordinance and arrested about 120 top ranking Communists. As a result the law and order situation in the region showed considerable improvement.115

The problems of the workers formed the basic factor for labour unrest. Yet it was the intervention of outside leaders that created complications. Political parties made use of the workers for political purpose. However, the instances of that kind were limited in number. Through leadership political and communal differences crept into the rank and file of the movement. The leadership was not free from defects. Some leaders misused the union funds and joined hands with the management to suppress rival unions. Some others mixed communal problems with union affairs so as to boost up their influence.

The Congress Government found that industrial peace was essential to augment production and facilitate the task of administration. At the same time the Communists attacked the Congress Ministry as dominated by capitalists, and organised strikes. In this situation the Congress adopted

repressive measures against the strikes launched by the Communists. The Indian National Trade Union Congress was formed with P.R.K.Sarma and G.Ramanujam as its two joint secretaries without president. The Indian National Trade Union Congress functioned with its headquarters at Bombay and V.V.Giri was elected as a member of the executive. The Southern Indian Chamber of Commerce sent a message to Sardar Vallabhai Patel and Jagajivan Ram, greeting the organization of the Indian National Trade Union Congress. The living condition of the workers mainly depended on their working conditions. The wages paid in the textile mills were very low, whereas the cost of living rose steeply. An unskilled worker received the wage of forty paise per day, while the spinner with a high degree of skill got only sixty to sixty five paise per day. Even the weavers in most of the mills got hardly seventy paise per day which was the highest wage of a textile worker in almost all the mills in 1946. This low wage caused financial strain to the workers. Again, inspite of the tremendous increase in the cost of living majority of the mill owners did not increase the dearness allowances.

The grievances of the textile workers went unnoticed by the Government. Hence they agitated for an increase in wages. The employers took no steps to redress their grievances and so trade unions tried to pressurise the Government to take immediate action. A deputation on behalf of the Madras Provincial Trade Union Congress met V.V. Giri and discussed with him a number of outstanding grievances of the workers. They demanded a minimum living wage of thirty five rupees per month to the lowest category of workers, a uniform standard wage throughout the Province and opposed the bifurcation of wages such as basic wages, production allowances, night commission, abolition of multiple shift system and the reinstatement of victimised workers, bonus and other minor concessions. The Government, therefore, appointed Venkataramayya as a Court of Enquiry to go into all the problems connected with the working
conditions of labour in the textile industry in the Presidency. The Congress Government directed the mill owners to give interim relief as recommended; the mill owners refused and requested exemption on the ground that they were not making profits. The textile workers lost patience and under the influence of the Communists, they stopped work on several occasions demanding interim relief. The Congress Government deplored the attitude of the Communists and considered these activities of the latter as detrimental to the interests of the workers as well as to the people of Tamilnadu.