CHAPTER 5

IMPORTANT RECOMMENDATIONS OF THE CENTRAL WAGE BOARDS FOR SUGAR INDUSTRY AND THEIR IMPLEMENTATION
CHAPTER 5

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5.1 **INTRODUCTION**:

In Indian rural economy the sugar industry has a unique place. The sugar factories constitute the focal points of growth in rural areas. The industry has a strong rural linkage for transmission of industrial growth. The sugar industry being, the second largest processing industry next to cotton textile is providing direct employment to more than 3.5 Lakh workers in the country.

In view of the important place of the sugar industry in the national economy, the Govt. of India, Ministry of Labour appointed the First Central Wage Board for sugar Industry in December 1957. Whereas the second central wage Board was set up on 16th November 1965 and the recommendations of the second central wage Board expired on Oct. 1974. In absence of the Third Central Wage Board, the state Governments revised wages, dearness allowance etc on the basis of Tripartite Agreements. Thus from Oct. 1974 onwards the changes of adhoc nature in wage structure came about in the sugar industry and thus the Third Central Wage Board for Sugar Industry was setup on 17 July 1985 with a view to workout a wage structure on the principles of Fair Wage as set forth by the committee on Fair wages.
The fixation of wage structure is always a delicate task because conditions in India vary from region to region, industry to industry and establishment to establishment. The board has always tried to see the welfare of the working class community.

To cope up with these differences certain principles on which wages are fixed have been stated from time to time by the supreme court.

1. Broadly speaking the first principle is that, there is minimum wage which must be paid irrespective of the extent of profits, the financial conditions of the establishment or the availability of workmen on Lower Wages. This minimum wage is independent of the kind of industry and applies to all alike big or small.

2. The Second principle is that the wages must be fair i.e., sufficiently high to provide a standard family with food, shelter, clothing, medical care and education of children appropriate to workman but not at a rate exceeding his wage earning capacity in the class of establishment to which he belongs. Fair wage lies between minimum wage and the living wage which is the goal.
As the time passes and prices rise even the fair wages fixed tend to sag downwards and a revision is necessary. To a certain extent this disparity is made up by additional payment dearness allowance. Dearness allowance is often a little less than hundred percent neutralisation when revision of wages became necessary, the revision is done on certain principles. Each case has to be considered on its own facts.

Thus the Central Wage Board for Sugar Industry is required to take into Account the following points in determining the wage structure of an industry.

01. New based Minimum Wages.
02. Industries capacity to pay.
03. Productivity of Labour.
04. Prevailing rates of Wages.
05. Level of national income and its distribution.
06. Place of industry in the economy of the country.
07. Needs of the industry in the developing economy.
08. Requirements of social justice.
09. Adjustments of wage differentials in such a manner as to provide incentive for skill formation.

In spite of the hardships, the First Central Wage Board submitted its report to the Government on
26th Nov. 1960, and its recommendations were to remain in operation for five years.

The Second Wage Board submitted its report on 16th February 1970 and the recommendations of the Board were also to remain in operation for a period of five years.

The Third Wage Board for Sugar Industry submitted its report to the Govt. of India on 31st January 1989. The recommendations of this board shall remain in force for a period of 10 years with effect from 1st January 1988.

In the present chapter the attempt has been made to study the important recommendations of various Central Wage Boards for Sugar Industry and how far they have been implemented in the sugar Factories selected for the study. Here the study of First Central Wage Board, 1960 has been avoided, Because no factory including Terana SSK Ltd. has implemented the recommendations1,2.


5.2 **IMPORTANT RECOMMENDATIONS OF SECOND CENTRAL WAGE BOARD FOR SUGAR INDUSTRY - 1970**

The following are some of the important recommendations made by the central wage board for sugar industry—

01> The recommendations of this board shall apply to the vacuum pan sugar factories and not to the Khand-sari and gur refineries and allied industries such as manufacture of potable spirit, power alcohol and confectionery and sugar-cane farms.

02> All employees in the sugar industry falling within the definition of 'Workman' as contained in the Industrial Disputes Act 1947 should be covered by the recommendation of this board. Also the Labour welfare officer and medical and educational staff should be governed by the recommendation of this board.

03> i) If a workman is transferred from the sugar factory to any other allied industry, then he should receive the same wages as obtaining in the sugar factory or that in the allied industry, whichever is higher.

ii) If a workman is employed to work partly in the allied industry including sugarcane farms owned by the sugar factory and partly in the sugar factory, he
should receive the same wages as obtaining in the allied industry or in the sugar factory, whichever is higher.

iii) All persons employed by a sugar factory for work in its residential colony should also be included in the definition of 'workman' for the purpose of recommendations of the board.

04> The recommendation of this board shall apply to the workman engaged by a contractor of a factory for work connected with--

a) Manufacturing process.

b) Cleaning any part of the machinery or premises used for manufacturing process.

c) Handling, loading, unloading of raw material, stores and finished product within the premises of the factory.

d) Repairs and maintenance of machinery, building or other capital assets of the sugar factory.

05> The contract Labour employed outside the factory premises and in harvesting and transporting of sugar-cane are not covered by the recommendation of this board.

06> The board made recommendations with regard to the payment of VDA (Variable Dearness Allowance)
(Effective from 1st July 1967) on the basis of the average of the All Indian Consumer Price Index Numbers for working class (base:1949=100) during the preceding 12 months from July to June instead of the earlier practice of paying it on the same basis from 1st Oct. every year.

07> i) The board recommends upgradation of over 50 occupations. ii) The Board recommends grades, duties etc for Labour welfare officers and medical officers.

08> i) The Board recommends that at the state level, there should be a Tripartite machinery consisting of the representatives of the Labour, employers and state Govt. to Lay down the broad principles that should govern the standardization of the muster rolls.

ii) At the factory level there should be a Bipartite committee, to fix up the muster rolls.

09> For the purpose of wage revision this board has decided to adopt the same number of regions as determined by the First Wage Board but with some re-arrangement of states in different regions as follows.

i) Northern Region:
Consists states of Punjab, Haryana, Uttar Pradesh, Bihar, West Bengal, Assam and Orissa.
ii) Central Region:
Consists of Rajasthan and Madhya Pradesh.

iii) Southern Region:
Consists of Gujarat, Tamilnadu, Pondicherry, Kerala, Andhra Pradesh and Mysore (present Karnataka).

iv) Maharashtra Region:
Consists of Maharashtra only.

10) The Seasonal workmen in the supervisory clerical, Highly skilled and skilled grades should continue to get retaining allowance at 50 percent of their monthly basic pay. Seasonal workmen in the semi-skilled Grade should get retaining allowance at 25 percent of their monthly basic pay and dearness allowance as under the recommendations of the First Wage Board.

The unskilled workmen employed on seasonal basis are not entitled to get any retaining allowance.

11) Every factory should supply fire wood to its workers for their domestic use on 'No profit No Loss' basis if there is demand for the same from them.

12) i) The Gratuity scheme has been made applicable to all employees in respect of whom the board has revised the wage structure.
ii) The age of superannuation has been raised from 58 year to 60 years.

iii) The Board recommends that the management should obtain from every employee the names of his nominees who are entitled to receive the gratuity in the event of his death before the amount is paid.

iv) The Board recommends that the management should disburse the gratuity amount within a month from the date when it becomes due.

13) The Board recommends the following wage scales and G.D.A. (Graduated Dearness Allowance) in all the regions.

14) The Labour welfare officer should get the wage-scale and dearness allowance as prescribed by the respective state Government.

15) The Medical Officer should be allowed either to opt for the Wage-scale, dearness allowance (both GDA & VDA) now prescribed by this board or for his existing emoluments.

16) In all regions the VDA should be given by linking it with the new series of all India Average Consumer Price Index Numbers for Industrial workers (Basic: 1960-100)
17) The VDA should be paid for the points over 150 to 176 from 1st Nov. 1989 at the following rates:

a) For operatives upto skilled B and for clerks drawing revised basic pay upto Rs. 150 per month, the rate should be 83 paise per point.

b) For all other employees, the rate should be 95 paise per point.

18) The First Wage Board recommended payment of a special weightage of Rs. 5 p.m. over and above the wage scale to palleder/Hamal in all regions and of Rs. 5 p.m. to peon, watchman, Laboratory boy, sweeper, cleaner and Guest House attendant in Maharashtra region. According to this Board's recommendation, the Laboratory by having been upgraded from unskilled grade to semi-skilled grade will cease to get the weightage. All other categories mentioned above excepting Palledar/Hamal will continue to get the weightage of Rs. 5 p.m. The guest House attendant in other regions will also get a weightage of Rs. 5 p.m. Besides in all regions, the centrifugal mazdoors other than the centrifugal operators engaged in high speed automatic centrifugals, will get a weightage of Rs. 5 p.m.

19) The Board discourages the practice of continuing the employment of an employee beyond the age of super-
annuination of reemployment after retirement on terms less favourable than those on which they were previously in service. If for any reason any such employee is continued in employment he should get the same terms of services as before.

20> If a vacancy arises by dismissal, death or superannuation of a workman or by any other cause and if the management does not propose to fill up that vacancy, the question whether the vacancy should be filled up or not should be settled by negotiation between the management and the Trade-Unions in the factory.

21> All the disputes relating to the implementation of the recommendation of this board, which are not settled through bipartite negotiation should be referred to a Tripartite machinery to be set up by the Govt. of the State concerned.

22> These recommendations should not have the effect of reducing or denying any existing emoluments or benefits or amenities to which the employees are entitled.

23> These recommendations should remain in force for a period of 5 years with effect from 1st Nov. 1969¹.

iii) **THIRD CENTRAL WAGE BOARD FOR SUGAR INDUSTRY-1982:**

Following are the important recommendations of the Third Central Wage Board for Sugar Industry in India—

01> The Recommendations of this board shall govern the service conditions of:

i) The workers of vacuum and sugar factories only.

ii) All employees falling within the definitions of 'workman' as contained in the industrial Dispute Act of 1947.

iii) Workers engaged on contract basis in connection with—

A. Manufacturing process.

B. Cleaning any part of the machinery or premises used for manufacturing purpose.

C. Work connected with handling, loading or unloading of raw material stores, finished products within the factory premises. D. Repairs and maintenance of machinery, building or other capital assets of sugar Factory.

iv) All persons employed by the sugar Factory for work in its residential colony.
The contract Labour employed outside the sugar factory and for harvesting sugar cane or its transport to the Sugar Factory shall not be covered by the recommendations of this board.

The Board recommends the following categories for fitment of the workers:

**OPERATIVES:**

i) Un-skilled.

ii) Semi-skilled.

iii) Skilled B.

iv) Skilled A.

v) Highly skilled.

**CLERKS:**

vi) Clerk Grade IV

vii) Clerk Grade III

viii) Clerk Grade II

ix) Clerk Grade I

**SUPERVISORY:**

x) Supervisory C

xi) Supervisory B

xii) Supervisory A

Some of the occupations contained in the nomenclature of the second wage Board have either been deleted or merged with other occupations.
The Board recommends the following wage scales applicable to all the regions.

**Revised Wage structure**

<table>
<thead>
<tr>
<th>Category of Workers</th>
<th>Revised scale</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>A. OPERATIVES:</strong></td>
<td></td>
</tr>
<tr>
<td>1. Unskilled.</td>
<td>Rs. 800-10-900-15-1050/-</td>
</tr>
<tr>
<td>2. Semi Skilled.</td>
<td>Rs. 900-15-1050-20-1250/-</td>
</tr>
<tr>
<td>3. Skilled B.</td>
<td>Rs. 1050-25-1300-30-1600/-</td>
</tr>
<tr>
<td>4. Skilled A.</td>
<td>Rs. 1200-30-1500-35-1850/-</td>
</tr>
<tr>
<td>5. Highly Skilled.</td>
<td>Rs. 1300-35-1650-40-2050/-</td>
</tr>
<tr>
<td><strong>B. CLERKS:</strong></td>
<td></td>
</tr>
<tr>
<td>6. Grade IV</td>
<td>Rs. 1050-25-1300-30-1600/-</td>
</tr>
<tr>
<td>7. Grade III</td>
<td>Rs. 1200-30-1500-35-1850/-</td>
</tr>
<tr>
<td>8. Grade II</td>
<td>Rs. 1300-35-1650-40-2050/-</td>
</tr>
<tr>
<td>9. Grade I</td>
<td>Rs. 1400-40-1800-45-2250/-</td>
</tr>
<tr>
<td><strong>C. SUPERVISORY:</strong></td>
<td></td>
</tr>
<tr>
<td>10. Grade C</td>
<td>Rs. 1400-40-1800-45-2250/-</td>
</tr>
<tr>
<td>11. Grade B</td>
<td>Rs. 1500-45-1950-50-2450/-</td>
</tr>
<tr>
<td>12. Grade A</td>
<td>Rs. 1700-60-2300-75-3050/-</td>
</tr>
</tbody>
</table>

In order to extend full benefit of the existing total wage of a worker as on 1-1-1988 to some catego-
ries of workers in the matter of fixation of pay in the revised scale the concept of Fixed Allowance (FA) has been devised.

07> The following categories of employees shall get weightage shown against each over and above the revised wage scale now fixed:

<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>Categories</th>
<th>Region</th>
<th>Weightage per month.</th>
</tr>
</thead>
<tbody>
<tr>
<td>01</td>
<td>Palledar / Hammal</td>
<td>All regions</td>
<td>Rs. 40/- p.m.</td>
</tr>
<tr>
<td>02</td>
<td>Guest House Attendant</td>
<td>Do</td>
<td>Rs. 25/- p.m.</td>
</tr>
<tr>
<td>03</td>
<td>Centrifugal Mazdoor other than the centrifugal operators engaged in high speed automatic centrifugals.</td>
<td>Do</td>
<td>Rs. 25/- p.m.</td>
</tr>
<tr>
<td>04</td>
<td>Peon Watchman Sweeper. Cleaner</td>
<td>Maharashtra País País País</td>
<td>Rs. 25/- p.m.</td>
</tr>
</tbody>
</table>

NOTE: The weightage amount shall neither be taken into account while fixing the basic wage in the revised scale nor shall it be taken as a part thereof at any stage.

08> The Labour Welfare Officer will get the wage scale as prescribed by the respective state Governments subject to the condition that no officer shall get less than the wage scale now prescribed for the supervisory B Grade.
The Medical Officer shall be allowed either to opt for the revised wage scale as recommended by this board or his existing wage scale.

The pay of other medical staff such as Compounder, nurse, dresser, and midwife shall be fixed in the revised scale as per their category mentioned in the standard nomenclature. These employee getting other amenities such as free uniform, free residential accommodation and electricity or other allowance such as uniform allowance, he/she should continue to receive the same.

The teaching staff shall get the wage scales as prescribed by the respective state Govt. or the existing scales whichever is higher.

The age of superannuation is fixed at 60 years. The Board discourages the practice of continuing the employment of an employee beyond the age of superannuation or re-employment after retirement on terms less for our favourable than those on which they were previously in service. If for any reasons, any such employee is continued in employment, he shall get the same terms of service as before such employees whose services were continued or who were re-employed in the same position or before 1-1-1988 are still continuing.
in service, shall also be entitled to the benefit of this recommendation with effect from 1st Jan. 1988.

13> The gratuity is payable to the workers in terms of the provision of the payment of Gratuity Act. 1972 as amended from time to time.

14> The bonus is payable to the workers in terms of the provision of the Payment of Bonus Act. 1965 as amended from time to time.

15> If a factory has, on or after 1-1-1988 under any settlement with the employees or the unions, given any general increase in wages, interim or otherwise, such increase shall be adjusted against the rise in wages on account of future increments in the revised scale as recommended by the board.

16> A Sugar Factory which considers that it has surplus employees may resort to the existing legal provision on the subject in the context of alleged surplus Labour or persuade the workers union to follow the mutually acceptable course like the decision of the Bi-partite committee taken in U.P. in 1982.

17> The scheme of VDA shall be as under - (Variable Dearness Allowance) :-

   1) VDA shall be paid on the basis of All India Consumer Price Index (CPI) for Industrial workers on
base 1960=100. The Labour bureau, Shimla, Ministry of Labour, has released New series of CPI for industrial workers in base 1982=100. from oct. 1988 replacing the CPI on base 1960=100. The CPI on base 1960=100 is now calculated by multiplying the CPI on base 1982=100 with the conversion factor of 4.93 released by the Labour Bureau.

ii) The basic wages for calculating VDA shall be that in the revised scale plus fixed Allowance if any.

iii) VDA shall be calculated at the same percentage of basic wage in (ii) above by which the CPI for industrial workers (1960=100) rises over CPI 744 (Quarterly average of August-Oct. 1987) in case of 100% neutralisation.

iv) The VDA shall be revised every quarter on the basis of quarterly average of the CPI(1960=100) over the base CPI 744.

V) Neutralisation of price (Index rise) at the rate of 100% shall be for those drawing basic wage in revised scale plus F.A. (if any) upto Rs. 1250/-

vi) 80% neutralisation of CPI rise shall be for those drawing basic pay in revised scale plus FA, if
any, above Rs. 1250/- and up to Rs. 2050/- subject to the minimum of VDA amount payable to the workers drawing up to Rs. 1250/- as basic in new scale plus F.A. if any.

vii) 70% of neutralisation of CPI rise shall be for those drawing above Rs. 2050/- as basic wage in the revised scale subject to a minimum of VDA amount payable to the workers drawing Rs. 2050/- as basic pay.

viii) The percent change in the index level shall be calculated up to two decimal points i.e., 1.235% will be rounded off as 1.24% and 1.234% shall be taken as 1.23% any.

ix) The scheme of VDA shall be implemented from 1st July, 1989 over base CPI of 744 (1960=100).

18>) i) Retaining allowance shall be paid to unskilled workers at the rate of 15% of basic pay plus fixed Allowance, if any, and VDA for the off season with effect from 1.1.1988.
ii) The unskilled workers getting retaining allowance at a rate higher than 15% shall continue to be paid at the existing rate.

iii) All other categories of workers shall be paid retaining allowance at the existing rate.

19) i) The workers allotted housing accommodation in the factory premises before 1st Jan. 1989, shall continue to pay house rent as per schedule determined by the second wage Board.

ii) The workers allotted housing accommodation on or after 1st Jan. 89 shall pay house rent at the rate detailed in Table 35.

20) These recommendations shall remain in force for a period of 10 years with effect from 1st Jan. 19891.

<table>
<thead>
<tr>
<th>REGION</th>
<th>1st CENTRAL WAGE BOARD</th>
<th>2nd CENTRAL WAGE BOARD</th>
<th>3rd CENTRAL WAGE BOARD</th>
</tr>
</thead>
<tbody>
<tr>
<td>NORTH</td>
<td>Punjab, (including Haryana)</td>
<td>Punjab, Haryana, Uttar Pradesh</td>
<td>As per 2nd Wage Board.</td>
</tr>
<tr>
<td></td>
<td>Uttar Pradesh, Bihar, West</td>
<td>Bihar, West Bengal, Assam &amp; Orissa.</td>
<td></td>
</tr>
<tr>
<td>SOUTH</td>
<td>Tamil Nadu, Andhra Pradesh</td>
<td>Tamil Nadu, Pondicherry, Kerala</td>
<td>-do-</td>
</tr>
<tr>
<td></td>
<td>Kerala &amp; Mysore (Karnataka)</td>
<td>Andhra Pradesh, Mysore (Karnataka)</td>
<td>Gujarat</td>
</tr>
<tr>
<td>CENTRAL</td>
<td>Gujarat, Rajasthan, M.P.,</td>
<td>Rajasthan and Madhya Pradesh</td>
<td>-do-</td>
</tr>
<tr>
<td></td>
<td>and Orissa.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>MAHARASHTRA</td>
<td>Maharashtra</td>
<td>Maharashtra</td>
<td>-do-</td>
</tr>
</tbody>
</table>

IMPLEMENTATION OF IMPORTANT RECOMMENDATIONS OF THE CENTRAL WAGE BOARDS FOR SUGAR INDUSTRY IN THE FACTORIES SELECTED FOR THE STUDY:

In order to review the implementation, the recommendations of the Central Wage Boards for Sugar Industry were enlisted and had been put forth to the labour and welfare officers, the executives and trade union leaders of all the seven factories in the form of questionnaire. The answers so received have been analysed here. These recommendations are applicable to sugar factories in India. Attempts have been made here to study as to how far the important recommendations have been implemented in the working of the sugar factories.

1) Siddheshwar SSK Ltd, Sillod:

1) Siddheshwar SSK Ltd was registered in the year 1969, while the second wage Board 1970 was implemented in the factory on 1st Juy 1977. Where as the recommendations of the Third wage Board 1989, were implemented in the same year on 1st Oct, 1989.

2) The categories for fitment of workers as operatives, clerks and supervisory as laid down by Third wage Board are implemented.

3) Occupational nomenclature contained in the list prescribed in the Third wage Board have been implemented in the same period.
4) The revised wage structure (Revised Scales) as stated in the recommendations of the third wage Board have been implemented in the same period.

5) Labour & welfare officers’ wage scale is given as prescribed by the Government of Maharashtra.

6) There is no teaching staff appointed by the factory as per the recommendation of C.W.B.

7) The gratuity is paid to retiring and outgoing employee who has put in at least five years of his service of the factory in terms of the provisions of Gratuity Act 1972 as amended from time to time.

8) The bonus is paid to workmen in terms of the provisions of the Bonus Act 1965 as amended from time to time.

9) The variable Dearness Allowance is paid to the workman on the basis of All India consumer price Index (CPI) with the conversion factor released by the Labour bureau and the scheme is implemented as prescribed by the Third central wage board.

10) The seasonal workmen are paid the retaining allowance for the off-season period in the following manner as per Third wage Board.
<table>
<thead>
<tr>
<th>Categories</th>
<th>Rate of Retaining Allowance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Supervisory Clerical, highly skilled, Skilled, Grades.</td>
<td>50 percent of Monthly Basic pay and D.A.</td>
</tr>
<tr>
<td>Semi-Skilled workman</td>
<td>25 percent</td>
</tr>
<tr>
<td>Unskilled workman</td>
<td>15 percent</td>
</tr>
</tbody>
</table>

11) House rent is charged by the factory as determined by the third wage board for the housing accommodation to the workmen of the Factory.

2) **Samarth SSK Ltd, Vadigodri**:  
   1) Samarth SSK Ltd was established in the year 1982. There was no implementation of the first and second central wage Board was implemented in the factory. The Third Central Wage Board the factory on 1st May 1990 for all practical purposes.

   2) The categories of workers as contained in the recommendation of the Third wage Board 1989 have been implemented.

   3) The occupational nomenclatures contained in the list and prescribed in the Third central wage Board have been implemented in the same period.

   4) The revised wage scales have been implemented by the factory as stated in the recommendation of the Third wage Board.
5) Labour welfare officer is paid as per the scale prescribed by Govt. of Maharashtra.

6) There is no teaching staff appointed by the factory as recommended by the Third C.W.B.

7) The gratuity scheme is implemented in terms of the provisions of the Gratuity Act 1972 as amended from time to time.

8) The bonus is paid to the workmen in terms of the provisions of The Bonus Act 1965 as amended from time to time.

9) The V.D.A. is paid to workmen on the basis of All India consumer price Index (CPI) with the conversion factor released by the labour bureau and the scheme is implemented as prescribed by the Third wage Board.

10) Seasonal workers are paid retaining Allowance for the off-season period of the year as prescribed by III C.W.B.

11) House Rent is charged by the Factory for the housing accommodation provided to workmen as per III C.W.B.
3) Jai-Bhawani SSK Ltd. Gevarai :

1) Jaibhawani SSK Ltd was established in the year 1973. There was no implementation of the First central wage Board because by the time of establishment of the factory. The II C.W.B. had come into existence and therefore the second wage Board with Honourable Patil committee award was implemented from 1-8-1980 in the factory. The third wage board was implemented from 1989 for all practical purposes.

2) The categories for fitment of workers as operatives, clerks and Supervisory as laid down by the III C.B.W. have been implemented.

3) The occupational nomenclatures contained in the list prescribed in the III C.W.B. have been implemented in the same period.

4) The revised wage structure (Revised Scales) as stated in the recommendations of III C.W.B. have been implemented in the same period.

5) The wage scales of Labour & welfare officers are given as prescribed by the Govt. of Maharashtra.

6) There is no teaching staff appointed by the factory as recommended by III C.W.B.
7) The gratuity is paid to the retiring or outgoing workmen of the factory in terms of the provisions of the Gratuity Act 1972 as amended from time to time.

8) The VDA is paid to workmen on the basis of all India consumer price with the conversion factor released by the Labour bureau and the scheme is implemented as prescribed by the III C.W.B.

10) The seasonal workmen of the factory are paid retaining allowance for the off-season period as prescribed by the III C.W.B.

11) The employees are provided staff quarters free of rent. Water facility is tree. But the electricity charges are to be paid by the individual dwellers.

4) Majara Shetkari SSK Ltd:

1) Majari Shetkari SSK Ltd was established in the year 1984. There was no implementation of the First and Second central wage board in the factory because actually the trial crushing of the factory took place in the year 1986-87. And The Third wage Board report came into existence on 1 Jan, 1989. Therefore the Third wage board was implemented on 1 St
January 1990 and Third wage board agreement on 1-1-1994 to 31-12-97. It means between 1987-1990 the payment of wages and salaries to the workmen were made on consolidated method.

2) Categories of workers as laid down in the III wage board have been implemented from June 1995 onwards.

3) The revised wage structure (Revised Scales) as stated in the recommendations of the Third wage Board have been implemented on 1st Jan 1990.

4) The wage scales of Labour & welfare officer are given as prescribed by the Govt. of Maharashtra.

5) There is no teaching staff appointed by the factory as recommended by III C.W.B.

6) The gratuity is paid to the retiring & outgoing workmen of the factory in terms of the provision of the Gratuity Act 1972 as amended from time to time. A trust named as, "Manjara Sugar Employees group Gratuity trust" is looking after the gratuity payment work.

7) The bonus is paid to workmen in terms of the provisions of the Bonus Act 1965 as recommend from time to time.
8) The seasonal workmen of the factory are paid the retaining allowance for the off season period as prescribed by the III C.W.B.

9) The weightage allowance is paid to the few categories of workmen over & above the revised wage scales as per the third wage board, per month from June 1995.

10) The housing accommodation is provided to the employees as per their need. The house accommodation is provided and house rent is charged as per recommendations of III C.W.B. The lighting & wager facility to the staff quarters is free of cost.

5) Terana Shetkari SSK Ltd. Osmanabad:

1) Terana Shetkari SSK Ltd. was established in the year 1965 but The First central wage board was not implemented in the factory while the second C.W.B. was implemented on 1971 with effect from 1969. Whereas the Thrid Central Wage Board was implemented on 1990.

2) The categories of workers as prescribed by The Third wage Board were implemented in the same period.
3) The Revised wage structure (Revised Scale) as stated in the recommendations of the Third wage Board have been implemented in the same period.

4) There is no teaching staff appointed by the factory as per the recommendations of the C.W.B.

5) The gratuity scheme is implemented in terms of the provisions of The Gratuity Act 1972 as amended from time to time.

6) The bonus is paid to the workmen in terms of the provisions of the Bonus Act 1965 as amended from time to time.

7) The variable Dearness allowance is paid on the basis of All India consumer price Index (CPI) with the conversion factor released by the labour bureau and the scheme is implemented as prescribed by The III C.W.B.

8) The seasonal workers are paid retaining allowance for the off-season period of the year as prescribed by The Third wage Board but payment is made after the crushing season starts.

9) Housing accommodation is provided to workmen and house rent is charged as per the recommendations.
6) **Purna SSK Ltd, Basmatnagar**: 

1) Purna SSK Ltd was established in the year 1970. So the second wage Board was implemented in the factory in the year 1981, whereas the Third Central wage Board was implemented in the year 1989.

2) The categories of workers and the occupational nomenclatures prescribed in the Third central wage board have also been implemented in the same year.

3) The revised wage structure as stated in the recommendations the wage Board have implemented immediately.

4) Labour & welfare officer wage scale is given as prescribed by the Government of Maharashtra.

5) There is no teaching staff appointed by the factory as per the recommendation of C.W.B.

6) The retiring and outgoing workmen completing minimum five years of service in the factory are paid gratuity amount in terms of the provisions of the Gratuity Act 1972 as amended from time to time.
7) The seasonal workmen are getting the retaining allowance for the off-season period in the following manner as per the Third wage Board.

<table>
<thead>
<tr>
<th>Categories</th>
<th>Rate of Retaining Allowance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Supervisor</td>
<td>50 percent of Monthly Basic pay and D.A.</td>
</tr>
<tr>
<td>Clerical, highly skilled.</td>
<td></td>
</tr>
<tr>
<td>Skilled, Grades.</td>
<td></td>
</tr>
<tr>
<td>Semi-Skilled workman</td>
<td>25 percent</td>
</tr>
<tr>
<td>Unskilled workman</td>
<td>15</td>
</tr>
</tbody>
</table>

8) House rent is charged by the factory as determined by Third wage Board for housing accommodation to the workmen. Water facility is free. Whereas the electricity is charged at the concessional rate.

7) **Godavari-Manar SSK Ltd. Shankar nagar:**

1) Godavari-Manar SSK Ltd. was established in the year 1976, naturally for all practical purposes. The Second wage board was applicable and thus implemented in 1983. While the Third wage Board was implemented for all practical purposes in the year 1989.

2) The categories of workers and occupational nomenclature prescribed by the Board have been implemented in the same year.

3) The revised wage scales being implemented as per the Third wage Board.
4) There is no teaching staff appointed by the factory as per the recommendation.

5) The gratuity scheme is implemented in terms of the provisions of the gratuity Act 1972 as amended from time to time.

6) The Bonus is paid to workmen in terms of the provisions of The Bonus Act 1965 as amended from time to time.

7) The YDA is paid on the basis of All India consumer price index (CPI) with the conversion factor released by the labour bureau and Scheme is implemented as per the wage Board.

8) The retaining allowance is paid to the seasonal workmen for the off-season period of the year as prescribed by the third wage Board.

9) Staff Quarters are provided to the workmen and house rent is charged as per the Third wage Board but water facility is free of cost and electricity is charged at the concessional rate for staff quarters.

4.3 CONCLUSIONS:

The Wage Boards were set up for Sugar Industry from time to time with a view to work-out a
wage structure on the principles of fair wage. Every possible care has been taken by the boards to make the recommendations more comprehensive, beneficial and practicable.

The recommendations of the wage boards are to be implemented by the factories. In India situation varies from state to state, region to region and area to area. In view of the varying situation the implementation of the recommendations is very interesting to study.

For testing of the hypothesis, the important recommendations of central wage Boards for sugar industry were put forth in the form of questionnaire and the answers received from all the seven factories and their officials, were used. The answers received have been exhibited in the table and in view of the table the recommendations and their implementation have been explained in terms of it effects. Although all the factories selected for the study are cooperative factories and to all of them C.W.B.s are applicable. But if minutely observed we witness certain variations and gaps in the implementations.
Table No. 5.2

**STATEMENT SHOWING THE YEAR OF IMPLEMENTATION OF CENTRAL WAGE BOARDS IN THE FACTORIES FOR THE STUDY:**

<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>Name of the factory</th>
<th>Year of First Establishment</th>
<th>Second wage Board (1960)</th>
<th>Third wage Board (1970)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2. Samarth SSK Ltd</td>
<td>1982</td>
<td></td>
<td></td>
<td>May 1990</td>
</tr>
<tr>
<td>4. Manjara Shetkari SSK Ltd</td>
<td>1984</td>
<td></td>
<td></td>
<td>1st Jan 1990 (But at consolidated method)</td>
</tr>
<tr>
<td>5. Terana Shetkari SSK Ltd</td>
<td>1965</td>
<td>1971 1990</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Source:** 1) Office Record of Time & labour & welfare officer of factories as on 31st March 1997.

The Table No. 5.2 indicates that even though all the seven factories have been established
quite sufficiently after 1960 i.e., after the first central wage Board for sugar Industry came into exist-
ence, the sugar factories had no initiative for the implementation of first wage Board on the part of management supposing themselves as their take off stage or promotion stage for the factory.

In case of second central wage Board also except Terana SSK Ltd other factories were late in implementing the recommendations.

But in case of the third central wage Board there was tremendous zeal and initiative in the imple-
mentation right in the year 1989-90. May be because of the creative leadership and awareness among the work-
ers and management. It is highly remarkable here that the factories were particular in implementation of the third wage Board recommendation with the exceptions of a few. Here some of the other findings in relation to the implementations of important recommendation of the Third Wage Board have been discussed :

1) The categories for fitment of workers as laid down by Third C.W.B. are implemented in the same year in all the factories selected for study.

2) The occupational nomenclatures contained in the list prescribed in the III C.W.B. have been implemented in the same year in all seven factories.
3) The revised wage scales as stated in the recommendations have been implemented in all seven factories.

4) The wage scales of labour & welfare officers are given as prescribed by the Govt. of Maharashtra in the factories for the study.

5) It was found in the investigation that the teaching staff has not been appointed by the factories as per the recommendations of the Third C.W.B.

6) The gratuity scheme is implemented in terms of the provision of the gratuity Act 1972 as amended from time to time, for the retiring and outgoing employee who has put in minimum five years of service in the organization, in all the seven factories.

7) The bonus is paid to workmen in all the seven factories in terms of the provision of the Bonus Act 1965 amended from time to time.

8) The VDA is paid to the workmen on the basis of All India price index (CPI) with conversion factor released by the labour bureau, in seven factories as prescribed by the wage Board.
9) The Retaining allowance is also paid to the seasonal workman for the off. season period as per III C.W.B.

10) The house rent is charged by the factories for the housing accommodation provided to workman as determined by the III C.W.B.

The First Central Wage Board was set up in 1957. The Board submitted the report to Government in 1960 and the recommendations were to remain in operation for five years. Means second central wage board was due in 1965, but it could not happen.

The Second Central Wage Board was set up in the year 16th November 1965. The Board submitted its report in 1970. The recommendations of the Board were to remain in operation for five years. The recommendations were applicable with effect from 1969. Means recommendations expired on October 1974. Means Third Wage Board should have come into existence on 1974. But it could not happen.

The Third Wage Board was set up on 17th July 1985 and report was submitted on 31st January 1989. The recommendations were to remain in force for a period of 10 years with effect from 1st January 1988.
Means Board will expire on 1998. But so far there are no positive steps in that direction.

The above facts reveals very clearly that every time, to work out the wage structure on the principles of fair wages was delayed from the Government side and therefore it could be said that the labour of sugar cooperatives were underpaid during that period.
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3) Ibid P.10.

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6) Office Record & Inte. Siddheshwar SSK Ltd.
   Review of labour & welfare officer

7) " Samarth SSK Ltd.

8) " Jaibhawani SSK Ltd.

9) " Manjara Shetkari SSK Ltd.

10) " Terana Shetkari SSK Ltd.

11) " Purna SSK Ltd.

12) " Godavari Manar SSK Ltd.