CHAPTER - IV

INDUSTRIAL RELATIONS-DURING THE PERIOD OF MINIMUM WAGE FIXATION IN THE RUBBER PLANTATIONS

4.1. INTRODUCTION

This chapter attempts to discuss the industrial relations in the rubber plantations in the period of Minimum Wages Fixation (1952-1960). In order to understand the problems, a detailed discussions on the Cost of Living Index, Money Wages and Real Wages have been made. Further, the important causes for the industrial disputes in the rubber plantations have also been discussed. For better exposition, the analysis has been classified under the heads:

(i) Wages before the Minimum Wage Fixation

(ii) Concept of Minimum Wage Fixation and

(iii) Minimum Wage Fixation in India,

4.2. WAGES BEFORE THE MINIMUM WAGE FIXATION

The low wage rates that existed prior to the Minimum Wages Fixation were reflected in the poor working conditions of plantation labourers in Kanyakumari district. The discussion of appropriate minimum
wages in the rubber plantation industry is an attempt to enhance the wage rates.

The first authentic document for the wage position in the rubber plantation industry during the period 1939-1946 is the Report of the Labour Investigation Committee.¹ The daily wages in the rubber plantations are shown in Table 4.1.

Table 4.1

Daily wages in the rubber plantations in Kanyakumari district during 1939-1946

<table>
<thead>
<tr>
<th>Category of Workers</th>
<th>Wages Rates in Paise during the years</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1939</td>
</tr>
<tr>
<td>Men</td>
<td>30-36</td>
</tr>
<tr>
<td>Women</td>
<td>24</td>
</tr>
</tbody>
</table>


Table 4.1 revealed the fact that there was an increase of sixty per cent in the average wages of the workers over a period of seven years. There was a disparity in wages between men and the women workers. The increase in wages was not due to any bargaining between the planters and the workers, but was because of the demand for men during the Second World War and difficulties in recruiting workers.

Rural workers, without having any proper training, were absorbed in the plantation work during this period (1939-1946). The planters recruited the workers with the help of professional labour agents called Kankanles\textsuperscript{2} for their rubber plantation industry. As a reciprocal gesture the Kankanles were given fringe benefits like interest-free loans and advances which were later adjusted from their wages. The same benefits were also extended to individuals as well as families who were willing to migrate to plantations. This positive approach helped the planters to get sufficient workers directly and therefore there was no break or gap in the functioning of the plantation industry.

The low wage has been paid to the plantation workers because of the following two reasons during that period:

i  No labour legislation which protect them was focused on the workers and

ii Plantation workers were absolutely unorganized in their activities and therefore helpless.\textsuperscript{3} But at the same time, planters were well-organized for their survival and were powerful.\textsuperscript{4}

During the period of increase in the cast of living, apart from the wages, the planters were compelled to give some concessions to the

\textsuperscript{2} In Kanyakumari District, the ‘Kankanies’ were known as ‘Maistries’
\textsuperscript{3} V.B.Karnik, Indian Trade Unions - A Survey, popular Prakasham, Bombay, 1978, P.16
\textsuperscript{4} United Planters’ Association of Southern India, A Note on Plantation Labour, Coonoor, 1983, p.140.
workers mainly to avoid workers abstinence from duties. Moreover, the concessions were given only to a meager member of workers.

In Kanyakumari District the average monthly earnings of a field worker was Rs.10.18 and that of a tapper was Rs.15.18 in the rubber plantation industry.\textsuperscript{5}

Under these conditions, the Government of India included plantations as one of the ‘sweated industries’ under the schedule of industries to be covered by the Minimum Wages Act, 1948.\textsuperscript{6}

\textbf{4.3. MINIMUM WAGE FIXATION - ITS CONCEPT}

According to the opinion of the International Labour Organisation (ILO), purpose of the minimum wage fixation is to eliminate the ‘sweating’ of labour.\textsuperscript{7} The Minimum Wage Convention (1928) eagerly calls upon the member countries to establish or keep to maintain machinery so that minimum rates of wages can be fixed. This is to be done wherever no arrangement exists for the effective regulation of wages by effective arrangement. Moreover, the same has also to be extended wherever wages are fixed exceptionally low.\textsuperscript{8}

\textsuperscript{5} Ibid, p.148
\textsuperscript{6} Government of India, \textit{The Minimum Wages Act}, 1948, p. 16
The ILO, with regard to the level of minimum wages, held that it must be fixed on the basis of simultaneous consideration of the following;

1. The workers’ recognized needs for maintaining a certain standard of living and
2. The economic possibility of ensuring them such living standards.\(^9\)

### 4.3.1. Fixation of Minimum Wages in India

The following are the effects of the enactment of the minimum wage legislation by the Government of India.

1. The Royal Commission of Labour gave its recommendations about the fixation of minimum wages in trades in which wages were the lowest.\(^{10}\)
2. The tripartite Labour Conferences in 1943, 1944 and 1945 discussed the formation of a statutory wage fixing machinery and
3. The Industrial Policy Resolution of 1948 made it a compulsion to fix a statutory minimum wages in ‘sweated industries’.

The Minimum Wages Act empowers the Central and State Government to fix statutory minimum wages in ‘sweated industries’ and

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\(^{10}\)
those occupations where opportunities for labour exploitation existed.\textsuperscript{11} 

According to this Act, the minimum wages may be fixed by considering any one of the following three systems:

(a) a basic rate and a special allowance liked to the cost of living index, or,
(b) a basic rate with or without the cost of living allowance or
(c) an all-inclusive rate allowing for the basic rate, cost of living allowance and the cash value of the concession if any.\textsuperscript{12}

Under this Act, a schedule of 24 industries for Minimum Wage Fixation was prepared for all over the State Governments. This situation warranted the State Governments to fix wage rates without delay. Since Kanyakumari District was part of the then Travancore -Cochin State, minimum wages for the workers in the rubber plantations of the District were fixed by the government of Travancore-Cochin.

\textbf{4.4. PRINCIPLES AND PROCEDURES ADOPTED BY THE MINIMUM WAGES COMMITTEE}

For fixing the minimum wages rates for different categories of workers, the following principles and procedures adopted by the Minimum Wage Committee.

4.4.1. Principles

Certain principles for fixing the minimum wage rate for different categories of workers followed by The Minimum Wage Committee.

4.4.1.1. Level of Minimum Wages

The Committee pointed out for the consideration of raising the amount by fixing minimum wages through it had not given any prescribed guidelines emphasized by the Minimum Wages Act and also it had not referred to the wage concepts namely the living wage, the fair wage and the minimum wage. The Committee rejected the living wage as an elastic concept. The fair wage could not be applied when the general wage level itself was low. The Committee accepted the concept of minimum wages which must provide accountability not only for the bare sustenance of life but also for the preservation of the efficiency of the worker. For this purpose, the minimum wage must also provide for some measure of education, medical requirements and amenities. The Committee therefore, agreed to calculate the subsistence plus level of the wage as minimum.  

4.4.1.2. Pay Capacity

The Committee also had a strong view that the capacity of the industry has to be taken into account for fixing minimum wages and it was a colossal waste to recommend a wage which the industry can ill afford to pay. The Committee also greatly accepted the vital point that the rubber plantations were not earning large profits due to the Government’s polity on price control.\(^\text{15}\)

It is evident that the Committee confused itself due to the consideration of two contradictory stands. The first one is to provide a minimum wage at the subsistence plus level and the second one is to give importance to the capacity of the industry to pay. Therefore, a wage rate which is suitable for both the concepts could be fixed. But in fact one of the basic norms set up by the Fair Wages Committee was that the minimum wage should be based solely on the requirement of the background of the worker.\(^\text{16}\)

4.4.1.3. Wage Difference

It was to be mentioned here that during the time of the Minimum Wage Fixation, the fixation of different wages between (i) field and factory


workers, and also between (ii) men and women workers were to be taken into consideration.

i) The planters opposed differential wage rates for both the field and the factory workers because they are frequently interchangeable. As per the labourers' point of view, the factory work stood on a different footing from field work and hence the wages for factory workers must be fixed at a higher rate.

The Minimum Wages Committee keenly observed and pointed out that the factory work involved more careful and skilled machinery operations. And also, it is equally true that any field worker can learn factory work quickly and so factory work in an estate is not strictly comparable to factory working an industry. Besides, according to the directions of the Plantations Labour Act, factory workers received all kinds of amenities. In addition to this, they had the opportunity to increase their income through their family; members who were working in the estates itself.

Further, it was also noted by the Committee that there was a small increase in the expenditure on clothing of factory workers. And also, it was observed that factory workers were not earning any piece rate wages as in
the case of tappers. Moreover, a little higher wage rate was paid to the traditional factory workers. The wages of factory workers in the pre-war period were 14 per cent higher than that of the field workers. Hence, it was resolved to maintain the same customary rate of difference.

ii) It was also resolved by the Committee that it did not violate the principle of equal pay for equal work which was suggested by the labour representatives.

Therefore, the then existing difference (4:3) in the wage rates for men and women was taken as a base line.

4.4.1.4. Supply of Amenities

As per the norms framed under the Plantations Labour Act, the State Government should have to take responsibility for the supply of amenities. Therefore, the Committee made a decision to confine itself to the fixation of the wages of the workers. Due to this, the Committee did not take into consideration financial burden of the Planters in providing these amenities.

4.4.1.5. Full Period Employment

The Minimum Wages Committee’s recommendation for minimum wages was accepted by the planters because they gave an assurance to the committee that they were ready to provide employment opportunities to
the workers throughout the year. If they failed to do so, the workers will have to be given their minimum wage for the days on which they are not employed.

4.4.2. Procedures - the Family Budget Enquiry

The Minimum Wages Committee made a decision to conduct a family budget enquiry in the plantation before fixing the minimum wage rates. This kind of enquiry was found necessary because a previous enquiry conducted in 1948 by the Indian Labour Bureau for the plantation workers in South India did not cover the plantation workers in Travancore. The conduct of the family budget enquiry was restricted only to estates having an area of 300 acres and above, covering about six per cent of the total acreage. The exclusion of other estates was due to the few number of workers employed in them. Of these, only seven estates with 2,808 workers were covered by the enquiry. None of the estates from Kanyakumari District was included in the family budget enquiry.

Therefore, the Minimum Wages Committee’s claim about the family budget enquiry is not a true one. It is not acceptable because it fails to cover all plantation areas of different sizes. Specific mention should be made representation was not given to the estates below 300 acres. The

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entire Kanyakumari area did not come under the purview of the survey. Proper planning in regard to the stratification was not done before the selection of estates and families for the enquiry.

That the Committee’s claim was defective was also strengthened by the fact that in an estate belonging to Cochin area, it was found that the total number of workers was 336 as against the estimated figure of 778. Therefore, it could be concluded that the submitted 31 budgets in that particular estate were disproportionate to the actual number of workers. Moreover, 26 family budgets out of 31 family budgets for this area were single man’s budgets. Hence, without any hesitation, the particular estate had to be excluded from the enquiry.

4.5. FIXATION OF MINIMUM WAGES

The Minimum Wages Committee followed the Ernakulam Index (1939 =100) as the basis for its calculation of minimum wages in the absence of a working class in the rubber plantation centers. In October 1951, the index was calculated as 389.

The Committee considered the view of breaking the minimum wages into basic wages and dearness allowance. The Committee made a decision to fix the basic wages as the cost of living index number of 200

and to compute the dearness allowance on the basis of 85 per cent neutralization for the remaining 189 points. The Committee also gave direction for the calculation of future dearness allowance too. According to it, the dearness allowance was to be adjusted at the rate of eight paise for men and six paise for women for every variation of 10 points over 389 points.

4.5.1. Minimum Time Rates

During the time of fixing time rate wages, the Committee recommended differential basic rates as well as dearness allowance between men and women. Higher rates of basic and dearness allowances were already given to factory workers (Table 4.2).
Table 4.2

Minimum wages rates recommended by the committee and notified by the government during 1952

<table>
<thead>
<tr>
<th>Category of Workers</th>
<th>Minimum Wage Rate Recommended by the Committee</th>
<th>Notified by the Government</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Basic</td>
<td>D.A</td>
</tr>
<tr>
<td></td>
<td>Rs.</td>
<td>P.</td>
</tr>
<tr>
<td>Field Workers</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Men</td>
<td>0</td>
<td>94</td>
</tr>
<tr>
<td>Women</td>
<td>0</td>
<td>70</td>
</tr>
<tr>
<td>Factory Workers</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Men</td>
<td>1</td>
<td>06</td>
</tr>
<tr>
<td>Women</td>
<td>0</td>
<td>81</td>
</tr>
</tbody>
</table>

Source: Government of Travancore-Cochin Notification, No. LI -9632/51/DD dated 30.6.1952
During the time of announcement about the finalized minimum wages, the Government of Travancore-Cochin took a strong step to cut a sizeable portion in the dearness allowance for all categories of workers. The rate of adjustment for every variation of 10 points over 389 points in the cost of living index was fixed at the rate of seven paise for men and five paise for women. The loss of dearness allowance thus sustained by men and women were 6.7 per cent and 11 per cent respectively. In the case of field workers, the wage rates were less by three per cent for men and 6.25 per cent for women respectively. Likewise, for the factory workers, the reduction was five per cent for men and six per cent for women respectively.

4.5.1.1. Defects of Minimum Wage Fixation in 1952

Though the fixing of a higher basic rate for factory workers is fully justified, the lower basic rate recommended for women factory workers does not appear to be just as the Committee has not been able to identify any exclusive light factory work meant for women workers as mentioned in the case of women field workers. Besides, this violates the basic principle of equal pay for equal work. Here the work done by men and women are identical and therefore no differentiation should have been
made between men and women workers regarding wages payable. The Minimum Wages Committee has only created an unnecessary wage differential.

On the same analogy the disparity in rates of dearness allowance recommended for workers engaged in factories and those engaged in field work as well as between men and women workers in both field work and factory work is quite unjustified. Dearness allowance is an allowance paid to the worker for neutralizing the increase in cost of living. The impact of this increase is felt equally by men and women and no artificial distinction ought to have been made here. By recommending differential rates of dearness allowance for men and women workers, the very purpose of granting dearness allowance had been defeated.

Besides, fixing rates of dearness allowance lower than the already recommended rates by the Government on the plea that there was a slumping the tea trade after the submission of the report of the Minimum Wages Committee to the Government, as represented by the employers was equally unjustified.

When the dearness allowance for tea plantation workers was reduced, automatically a similar reduction in the rates of dearness

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allowance to rubber plantation workers was also notified for the sake of uniformity. Another plea of the Government was that the 85 per cent neutralization in dearness allowance rate was higher than the rate accepted by the Labour Appellate Tribunal.\textsuperscript{20}

This fixation of dearness allowance at a lower level violated the normal principle formulated already for the lowest categories of wage earners. Therefore, the target amount should obviously be compensated to the extent of cent per cent of the increase in the cost of living. Moreover, once wages are fixed, the workers should be safeguarded against any rise in prices and also minimum wages should not be allowed to lag behind the rise in the cost of living.\textsuperscript{21}

Any one can infer that this (lower fixation of dearness allowance) is a clear case of favouritism shown by the Government to the planters. The Government had conveniently forgotten the spirit of the concept of minimum wages, that is, market forces should not take part in the wage fixation. For doing this effectively, the slump in the tea market, a short run market condition which has nothing to do with rubber, had been taken as a criterion to fix uniform rates of minimum wages for all types of plantation workers as demanded by the Planters. It must also be pointed out that the


\textsuperscript{21} \textit{Ibid}, p.12.
Minimum Wages Fixation is in no way connected with ‘capacity to pay’ of an industry. But, it should be solely based on the requirements of the worker and his family.\textsuperscript{22}

If there is found no working class to calculate the cost of living index for the plantation centers, the Minimum Wages Committee should not consider the Ernakulam cost of living index for the workers in the plantations in Kanyakumari district because the cost of living index for Nagercoil centre was separately available from 1939 onwards. Moreover, the Minimum Wages Committee should Lake the local index alone since it could reveal the real standard of living of the workers.\textsuperscript{23}

\textbf{4.5.2. Minimum Piece Rates}

As per the Minimum Wages Committee’s recommendations, piece rate wages for the tappers in the rubber plantation industry should have to be fixed on the basis of the yield of latex per acre per annum.

Rubber estates were classified into four. For each class of estate the following were fixed:

1. The standard output of rubber.
2. the rate per pound of latex and
3. the rate for over kilo

\textsuperscript{23} \textit{Ibid}, p.10.
This recommendation was accepted and notified by the Government without any alteration. Table 4.3 shows the classification of rubber estates and piece rate wages fixed for the tappers under Minimum Wages Fixation.

**Table 4.3**

Classification of rubber estates and piece rate wages fixed for the tappers under minimum wage fixation

<table>
<thead>
<tr>
<th>Class of rubber Estates</th>
<th>Yield (per acre per annum in pounds)</th>
<th>Standard output of Rubber (in pounds)</th>
<th>Rate per pound of rubber (in paise)</th>
<th>Rate for standard output of rubber (in paise)</th>
</tr>
</thead>
<tbody>
<tr>
<td>I</td>
<td>Below 250</td>
<td>3</td>
<td>24.5</td>
<td>73.5</td>
</tr>
<tr>
<td>II</td>
<td>250-400</td>
<td>6</td>
<td>14.5</td>
<td>87</td>
</tr>
<tr>
<td>III</td>
<td>401-600</td>
<td>10</td>
<td>8.5</td>
<td>85</td>
</tr>
<tr>
<td>IV</td>
<td>601 and above</td>
<td>14</td>
<td>6</td>
<td>84</td>
</tr>
</tbody>
</table>

Source: Government of Travancore-Cochin Notification, No. LI 9632/51/DD dated 30.6.1952

Table 4.3 shows that the committee followed a principle of fixing higher standard output for estates with higher yield and vice versa. Piece rates were fixed at inverse proportion to the yield so that workers were made to receive more or less equal rates in all classes of rubber estates without any discrimination.
But this fixation is defective on two counts. (i) the piece rate fixed for class I estate was so low (73.5 pause) that the piece rates paid in estates with low yield were the lowest for no fault of the workers. The rate should have to be fixed a little higher so that it is more or less equal to the rates in other classes of estates, (ii) the rate for class II estates was the highest.

4.5.3. Guaranteed Time Rates (GTR)

The Minimum Wages Committee recommended a guaranteed time rate, i.e. a minimum wage rate fixed for the workers who engaged in piece work on time basis. This recommendation guaranteed a fall back wage to the piece rated worker during the periods of involuntary unemployment. The Committee recommended a guaranteed rate of Rs.0.87 and Rs.0.65 for men and for women respectively.

The fixation of guaranteed time rates was mainly meant to safeguard the workers during the involuntary unemployment periods. Therefore it follows that should not come down to lower than that of the usual basic wage rate. If not, it might create considerable drastic changes in the worker’s standard of living. But, the rates recommended by the Committee were lower by 45 per cent for men and 44 per cent for women respectively than that of the basic wage rates. If equal wage rates for men and women

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24 Nagercoil was one of the important municipal towns in the then, Travancore-Cochin Stale. After the states’ reorganisation in 1956, Nagercoil became the Head Quarters of Kanyakumari District. The Cost of living Index of Nagercoil was one of the highest in Tamil Nadu.
respectively than that of the basic wage rates. If equal wage rates for men and women had been recommended by the Committee it could have been possible to avoid an unwarranted wage differential.

Whenever, the Government notified the guaranteed rates, they always lesser than that of the recommended rates. This is also an act of favoritism shown to the planters by the Government. Table 4.4 shows the recommended and notified rates:

Table 4.4

<table>
<thead>
<tr>
<th>Category of workers</th>
<th>Wage Rates Recommended</th>
<th>Wage Rates Notified</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rs.</td>
<td>P.</td>
</tr>
<tr>
<td>Men</td>
<td>0</td>
<td>87</td>
</tr>
<tr>
<td>Women</td>
<td>0</td>
<td>65</td>
</tr>
</tbody>
</table>

Table 4.4 also shows that the notified guaranteed time rate wages were less by eight per cent for men and 12 per cent for women workers.

Without minding all these defects, the Travancore-Cochin State Committee fixed a Minimum Wage which was higher than those fixed in
the states of the then Madras and Mysore for the plantation workers. The wage rates in Madras State were lower by 18 per cent for men and 16 per cent women. Similarly, the minimum wages in Mysore State was lower by 37.5 per cent for men and 32.5 per cent for women when compared with that the Travancore-Cochin Minimum Wage fixation.

4.6. ASSOCIATED PERKS OF THE MINIMUM WAGE FIXATION

During the time of Minimum Wages Fixation, some other benefits were also recommended. They were as follows:

a) A money wage increase about 196 per cent was the immediate benefit to the workers.

b) For the first time, the statutory Minimum Wages Fixation led to a standardization of wages in a region as against the wage rates which were not only uniform among the regions but also among the estates in the same region.

c) Another specific gain achieved was the statutory provision made for the regulation of hours of work and the weekly date of rest which were not given before the enactment of the Minimum Wages Act. According to this Act, the permissible working hours for an adult worker are nine hours a day and 48 hours a week for adults. Till date, the workers are enjoying this privileges.

After issuing the notification with regard to Minimum Wages, certain disputes arose in seven estates. Due to these disputes, there was a fall in the tapping of rubber. The planters ascribed this tendency to the so-called policy of slackening of work done by the tappers. Because of this situation, they represented this matter to the State Labour Commissioner. Likewise, the Labour Union also complained against the planters through a representation that certain concessions which they had been hitherto enjoying were proposed to be stopped by the planters. Hence, the Labour Commissioner convened meetings to resolve the above disputes. As a result of the discussions, the following terms of agreement were reached.

### 4.6.1. Computation of Wages

The planters contended in the tripartite meeting that the rates prescribed in the notification are all inclusive rates and therefore, the workers are not entitled to continue the enjoyment of the concessions and amenities over and above the rates fixed in the notification. Similarly the union also contended that by all means they are eligible to have these concessions and amenities in addition to the was prescribed in the minimum wage notification. Because of this, the labour union strongly objected to the stoppage of the existing concessions and amenities.

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26 Government of Mysore, *Notification No.LS 5271 LW 29-51-31* dated 25.3.1952,

27 *Memorandum of Settlement dt. 24.8.1952*, p.1
But, the Labour Commissioner gave assurances to them that matters on which there was scope for doubt and dispute would be clarified later because some of them were pending consideration of the government. The Commissioner also suggested that the whole question might be clarified from the stand point of agreeing upon a fair wage which was not the one indicated in the notification. Mention had to be made here that the notified wages were much less than that of the recommended wages. Considering all these points, the planters agreed to pay the notified minimum wages along with the concessions and amenities already being enjoyed by the workers till getting clarifications on all points notified by the Government.

4.6.2. Adjunct Benefits

Along with other existing benefits given to the workers, some other additional benefits were also agreed to be extended to them by the planters. They were as follows:

1. The planters agreed to supply tea for the workers daily in the morning.

2. Since the government was providing foodgrains at concessional rates to the estate workers, the planters agreed to give foodgrains at cost price.
3. The planters agreed to pay either Rs.1.60 or the average daily wage for the month, whichever was higher, on the Independence and Republic days.

4. The planters agreed to pay maternity benefit to the women workers at the rate of 75 paise per day for a maximum of 56 days.

5. The planters agreed to slowly implement the medical facilities as prescribed in the Plantation Labour Act. Since, this was a pending issue, they agreed to make arrangements for treatment of workers in Government hospitals and to settle the medical bills as certified by the doctor concerned.

6. The planters agreed to construct quarters for workers in a phased manner.
4.7. REVISION ON MINIMUM WAGE STRUCTURE IN 1958

The Minimum Wages rates were revised with effect from 1.4.1958.

Table 4.5 shows the details of the revision.

Table 4.5
Revised minimum wage rates for the rubber plantation workers in April 1958

<table>
<thead>
<tr>
<th>Category of workers</th>
<th>Men</th>
<th>Women</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rs.</td>
<td>P.</td>
</tr>
<tr>
<td>Field workers</td>
<td>1</td>
<td>72</td>
</tr>
<tr>
<td>Factory workers</td>
<td>1</td>
<td>87</td>
</tr>
<tr>
<td>Tapper - Piece rate</td>
<td>1</td>
<td>76</td>
</tr>
<tr>
<td>Guaranteed time rate (GTR)</td>
<td>0</td>
<td>86</td>
</tr>
</tbody>
</table>

Source: Administrative Report of the Assistant Commissioner of Labour. 1957-'08.

This revision of wages resulted in an increase of 12 paise for men and 13 paise for women among field workers. For factory workers, the increase was only six paise for men and nine paise for women.

Due to this revision women workers benefited more when compared with men workers. But this revision did not give any real benefit since the cost of living had increased from 369 points (in 1952) to 413 (in 1957) for the Nagercoil Centre, an average increase of about 12 per cent.
4.8. DISPUTES DURING THE PERIOD OF MINIMUM WAGE FIXTATION (1952-60)

It is necessary to discuss about the various strikes held in the period of Minimum Wage Fixation. Table 4.6 shows the causes for dispute and the period of strikes in the rubber plantations in that period.

Table 4.6

Details of strikes by the workers in the rubber plantation during 1952-1960

<table>
<thead>
<tr>
<th>Reasons for the Strike</th>
<th>Period of Strikes</th>
<th>Number of Mandays Lost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Concessions and amenities</td>
<td>16.07.52 to 24.07.52</td>
<td>9 days</td>
</tr>
<tr>
<td>Regularisation of the services of the field workers</td>
<td>11.07.55 to 21.07.55</td>
<td>11 days</td>
</tr>
<tr>
<td>Increase in wages, Gratuity scheme, House rent allowance, promotion</td>
<td>04.12.57 to 11.12.57</td>
<td>8 days</td>
</tr>
</tbody>
</table>

4.8.1. First Strike (16.07.52 to 24.07.52)

Following the issue of the notification regarding minimum wages dated 30th June 1952, certain disputes arose. The union objected to the stoppage of the existing concessions and amenities. Their contention was that they were eligible to have the benefit of these concessions and amenities in addition to the wages prescribed in the notification. The management on the other hand, contended that the rates prescribed in the notification are all inclusive rates and as such the labour are not entitled to the continuance of the concessions over and above the rates fixed in the notification.

Hence, the union went on a strike for nine days from 16.07.1952 to 24.07.1952. The following settlement was arrived in the presence of the Labour Officer, Nagarcoil.

1. It was agreed that the overtime wages for the factory workers will be paid according to the Factories Act.
2. The estates agreed to pay maternity benefit at 12 annas a day for a maximum of 56 days.
3. On rainy days on which no tapping work was done due to famine, 5 annas will be paid to the tappers.
4. The planters agreed to arrange for the treatment of the workers in Government Hospitals and pay the medical bill as certified by the doctor concerned.

5. Sickness benefit at two thirds of the recognized daily rate of that class of worker for an aggregate of 14 days in any one calendar year will be given by the estates.

6. The management agreed to construct houses for the labours in appropriate colonies.

4.8.2. Second Strike (11.07.55 to 21.07.55)

The All Travancore Estate Workers’ Union Kulasekharam presented to the management of the Kanthimathi, Maruthi, Vaikundam, Sivakolam, Makkampala and New Ambadi Estate a memorandum of demands contained there in should be conceded. The principal demand was regularization of the terms and conditions of the services of the field workers engaged in estates work.

As a result, the union agreed to the suggestions of the management to wait for the decision of the Government on the demands put forth by the various trade unions. The union withdrew the strike.
4.8.3. Third Strike (04.12.57 to 11.12.57)

In its memorandum dated 6.11.1957 the Tamil Nadu Estate Workers’ Union, Kulasekharam made the following demands.

a) Increase in wages for tappers and field workers
b) Introduction of a scheme of gratuity.
c) Confirmation of workmen who have put in a total service of six months.
d) Grant of house rent allowance to the workmen who have not been provided house accommodation.
e) Increasing the number of festival holidays from three to twelve days.
f) Abolition of contract system.
g) Supply of fuel to field workers.
h) Compensation to field workers for the period of no work,
i) Promotion on the basis of seniority.
j) Introduction of good attendance bonus system.

For the above demands, the union took a strike from 04.12.1957 to 11.12-1957.
The following settlement was arrived between the union and the planters.

An increase of 2 annas in the existing rates of minimum wages of tappers and field workers shall be given. For the factory workers the increase will be one anna in the existing rates of minimum wages. The increase in the rates of wages will take effect from 01.04.1958 in respect of all permanent workers.

The employers are to pay gratuity to the workmen on retirement at the rate of 15 days wages based on the last drawn wage rate immediately preceding retirement in respect of every completed year of service subject to a maximum of 15 months wages. The age of retirement was fixed at 60.

Bonus for the year 1957 will be 9 per cent of the earnings of the workers less what has already been paid to them for that year. This should be paid before the 15th July 1958.

Workers will be allowed 7 paid festival holidays every year. For the remaining part of 1958 they will be allowed 4 paid festival holidays.
4.8.4. Analysis of Real Wages by Comparing with Money Wages and Cost of Living Index-A Major Cause for the Poor Industrial Relations

To analyse the growth rates of real wages, the following hypothesis was framed and tested by the method of growth analysis.

**Hypothesis:** There exists no relationship between the real wages and poor industrial relations.

Compound Growth Rate discussed in the methodology is being used to study the growth rates of Cost of Living Index, wage rates (Money Wages and Real Wages). Table 4.7 shows the growth rates of Cost of Living Index, money wages and real wages in the period of minimum wage implementation (1952-1960).
<table>
<thead>
<tr>
<th>Category of workers</th>
<th>Money Wages</th>
<th>Real Wages</th>
<th>Growth rate of cost of living index</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Growth rate</td>
<td>Category of workers</td>
<td>Growth rate</td>
</tr>
<tr>
<td><strong>Field Workers</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Men</td>
<td>3</td>
<td>Men</td>
<td>-7</td>
</tr>
<tr>
<td>Women</td>
<td>4</td>
<td>Women</td>
<td>-6</td>
</tr>
<tr>
<td><strong>Field Workers</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Men</td>
<td>1</td>
<td>Men</td>
<td>-7</td>
</tr>
<tr>
<td>Women</td>
<td>2</td>
<td>Women</td>
<td>-11</td>
</tr>
<tr>
<td><strong>Tappers</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Piece rate</td>
<td>2</td>
<td>Piece rate</td>
<td>-7</td>
</tr>
</tbody>
</table>


It could be inferred that from Table 4.7 there was a significant increase of 11 percentage growth in the Cost of Living Index and in the case of Real Wage the growth rate is completely negative ranging from -11 per cent to -6 per cent. The worst affected in the rubber plantations were female workers whose wage growth rate was -11 per cent. In the case of male workers in all the three categories, it was a -7 per cent. That is there was an uniform decline in all the categories of men. The discrimination in the case of the female workers was that there was -6 per cent decline for field workers and -11 per cent in the case of factory workers.
In the case of money wages, the growth rates of all categories of workers were moving positively. Compared to the growth rates of the cost of Living Index there was no proportionate increase in money wages.

From the above analysis it is very clear that decline in the real wages was one of the major reasons for the poor industrial relations. As such the null hypothesis is rejected.
4.9. MINIMUM WAGES PAYABLE TO PLANTATION WORKERS

IN 2004

The following are the statutory minimum wages payable to plantation workers in Kanyakumari district for the period 01.07.2004 to 30.09.2004 based on the Minimum Wages Notification G.O.(2D) No.58, Labour and Employment Department, dated 30th August 1995.

Table 4.8

Minimum wage fixation during 2004

<table>
<thead>
<tr>
<th>Class of Employees</th>
<th>Basic (Rs.)</th>
<th>D.A. (Rs.)</th>
<th>Total (Rs.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adults</td>
<td>25.50</td>
<td>33.28</td>
<td>58.78 (58.42)</td>
</tr>
<tr>
<td>Adolescents</td>
<td>16.75</td>
<td>23.30</td>
<td>40.05 (39.79)</td>
</tr>
</tbody>
</table>

Note: The figures in brackets relate to the previous quart.

Table 4.8 shows that the minimum wage fixed for adults and adolescents was Rs.25.50 and Rs.16.75 respectively during 2004 with dearness allowance.
4.10. MINIMUM WAGES PAYABLE TO PLANTATION WORKERS IN 2005

The following are the statutory minimum wages payable to plantation workers in Kanyakumari district for the period 01.07.2005 to 30.09.2005 based on the Minimum Wages Notification G.O.(2D) No.58, Labour and Employment Department, dated 30th August 1995.

Table 4.9
Minimum wage fixation during 2005

<table>
<thead>
<tr>
<th>Class of Employees</th>
<th>Basic (Rs.)</th>
<th>D.A. (Rs.)</th>
<th>Total (Rs.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adults</td>
<td>25.50</td>
<td>35.58</td>
<td>61.20(61.08)</td>
</tr>
<tr>
<td>Adolescents</td>
<td>16.75</td>
<td>24.90</td>
<td>41.74(41.65)</td>
</tr>
</tbody>
</table>

Note: The figures in brackets relate to the previous quart.

According to Table 4.9, there is no change in basic pay and D.A alone was changed from Rs.33.28 to Rs.35.58.
4.11. MINIMUM WAGES PAYABLE TO PLANTATION WORKERS IN 2006

The following are the statutory minimum wages payable to plantation workers in Kanyakumari district for the period 01.07.2006 to 30.09.2006 based on the Minimum Wages Notification G.O.(2D) No.58, Labour and Employment Department, dated 30th August 1995.

Table 4.10
Minimum wage fixation during 2006

<table>
<thead>
<tr>
<th>Class of Employees</th>
<th>Basic (Rs.)</th>
<th>D.A. (Rs.)</th>
<th>Total (Rs.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adults</td>
<td>25.50</td>
<td>35.44</td>
<td>60.94(61.52)</td>
</tr>
<tr>
<td>Adolescents</td>
<td>16.75</td>
<td>24.81</td>
<td>41.56(41.96)</td>
</tr>
</tbody>
</table>

Note: The figures in brackets relate to the previous quart.
4.12. MINIMUM WAGES PAYABLE TO PLANTATION WORKERS IN 2007

The following are the statutory minimum wages payable to plantation workers in Kanyakumari district for the period 01.07.2007 to 30.09.2007 based on the Minimum Wages Notification G.O.(2D) No.58, Labour and Employment Department, dated 30th August 1995.

Table 4.11

Minimum wage fixation during 2007

<table>
<thead>
<tr>
<th>Class of Employees</th>
<th>Basic (Rs.)</th>
<th>D.A. (Rs.)</th>
<th>Total (Rs.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adults</td>
<td>25.50</td>
<td>39.82</td>
<td>65.32(64.64)</td>
</tr>
<tr>
<td>Adolescents</td>
<td>16.75</td>
<td>27.87</td>
<td>44.62(44.15)</td>
</tr>
</tbody>
</table>

Note: The figures in brackets relate to the previous quart.
4.13. MINIMUM WAGES PAYABLE TO PLANTATION
WORKERS IN 2008

The following are the statutory minimum wages payable to plantation workers in Kanyakumari district for the period 01.01.2008 to 31.03.2008 based on the Minimum Wages Notification G.O.(2D) No.58, Labour and Employment Department, dated 30\textsuperscript{th} August 1995.

\begin{table}
\centering
\caption{Minimum wage fixation during 2008}
\begin{tabular}{|l|c|c|c|}
\hline
Class of Employees & Basic (Rs.) & D.A. (Rs.) & Total (Rs.) \\
\hline
Adults & 25.50 & 41.84 & 67.34(66.16) \\
\hline
Adolescents & 16.75 & 29.28 & 46.03(45.21) \\
\hline
\end{tabular}
\end{table}

Note: The figures in brackets relate to the previous quart.
4.14. MINIMUM WAGES PAYABLE TO PLANTATION WORKERS IN 2009

The following are the statutory minimum wages payable to plantation workers in Kanyakumari district for the period 01.01.2009 to 31.03.2009 based on the Minimum Wages Notification G.O.(2D) No.34, Labour and Employment Department, dated 15th June 2008.

Table 4.13
Minimum wage fixation during 2009

<table>
<thead>
<tr>
<th>Class of Employees</th>
<th>Basic (Rs.)</th>
<th>D.A. (Rs.)</th>
<th>Total (Rs.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adults</td>
<td>81.50</td>
<td>32.96</td>
<td>114.46(109.98)</td>
</tr>
<tr>
<td>Adolescents</td>
<td>55.50</td>
<td>22.66</td>
<td>78.16(75.08)</td>
</tr>
</tbody>
</table>

Note: The figures in brackets relate to the previous quart.
4.15. MINIMUM WAGES PAYABLE TO PLANTATION WORKERS IN 2010

The following are the statutory minimum wages payable to plantation workers in Kanyakumari district for the period 01.04.2010 to 30.06.2010 based on the Minimum Wages Notification G.O.(2D) No.34, Labour and Employment Department, dated 15th June 2008.

Table 4.14

Minimum wage fixation during April to June 2010

<table>
<thead>
<tr>
<th>Class of Employees</th>
<th>Basic (Rs.)</th>
<th>D.A. (Rs.)</th>
<th>Total (Rs.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adults</td>
<td>81.50</td>
<td>48.00</td>
<td>129.50 (125.34)</td>
</tr>
<tr>
<td>Adolescents</td>
<td>55.50</td>
<td>33.00</td>
<td>88.50 (85.64)</td>
</tr>
</tbody>
</table>

Note: The figures in brackets relate to the previous quart.
4.16. MINIMUM WAGES PAYABLE TO PLANTATION WORKERS DURING 01.10.2010 TO 31.12.2010

The following are the statutory minimum wages payable to plantation workers in Kanyakumari district for the period 01.10.2010 to 31.12.2010 based on the Minimum Wages Notification G.O.(2D) No.34, Labour and Employment Department, dated 15th June 2008.

Table 4.15
Minimum wage fixation during October to December 2010

<table>
<thead>
<tr>
<th>Class of Employees</th>
<th>Basic (Rs.)</th>
<th>D.A. (Rs.)</th>
<th>Total (Rs.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adults</td>
<td>81.50</td>
<td>50.19</td>
<td>131.69 (130.14)</td>
</tr>
<tr>
<td>Adolescents</td>
<td>55.50</td>
<td>34.50</td>
<td>90.00 (88.94)</td>
</tr>
</tbody>
</table>

Note: The figures in brackets relate to the previous quart.

According to Table 4.15, it is understood that there is no change in basic pay and D.A. was changed from Rs.48 to Rs.50.19 for adults and from Rs.33 to Rs.34.50 for adolescents.
4.17. SUMMARY

At the time of fixing the minimum wage rates, there was a substantial increase in the money wages due to the tremendous increased in the cost of living index. But the real wages had declined. A proper verification or assessment about the capacity of the planters was not done. If it was done, then the minimum wage rates would have been much higher than the actually recommended rates. The recommended wages should have been notified lower minimum wages which were already recommended without assigning any reason. It can only be concluded that the government was interested in showing a favour to the planters. As a consequence the relationship between the workers and the management as well as the government became strained.