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REPORT ON JAMSHEDPUR TRADE UNIONS

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JAMSHEDPUR is the biggest centre of the steel and engineering industry in India. Out of the eight factories in Jamshedpur, employing about 50,000 workers, the Tata Iron and Steel Co. (TISCO) alone employs about 36,000 workers. The Tata Locomotive and Engineering Co. (TELCO) employs another 3,500 workers. The other Indian concerns, namely Indian Steel and Wire Products Co. (ISWP) (owned by Indra Singh), the Tatanagar Foundry (Narsingh Agrawal and Rakhkhit), Hume Pipe Co. (Walchand Hirachand) and the Jamshedpur Engineering and Mfg. Co. together employ about 5,000 workers. The two British-owned and managed firms, the Tinsplate Co. of India and the Cable Co., together employ 5,000 workers.

Paid-up Capital and the Profits of the Industry

The total paid-up capital of the five concerns in Jamshedpur amounts to Rs. 12 crores, 30 lakhs. Out of this, the total paid-up capital of TISCO alone is ten crores, fifty-two lakhs and that of TELCO is two crores. The Tata Iron and Steel Co., on its paid-up capital of about ten crores, has distributed a total dividend of Rs. 40 crores, 97 lakhs. Its Reserve Fund amounts to Rs. 12 crores, 50 lakhs. The Commission of the Managing Agents during the last two years alone amounted to Rs. 80 lakhs. A gross profit of more than Rs. 100 crores has been earned by the company in the last two decades.

The total paid-up capital of the Indian Steel and Wire Products Co. is only Rs. 22 lakhs. The paid-up capital of the rest of the Indian concerns will not total more than a few lakhs.

Of the two British concerns, namely the Tinsplate Co. of India and the Cable Co. of India, the paid-up capital of the Tinsplate Co. is only Rs. 75 lakhs. This company has distributed a dividend of more than Rs. 3 crores upto the year 1950 and built up a reserve fund of Rs. 60 lakhs. The

managing agency commission for the year 1950 alone was Rs. 8 lakhs. The Tinsplate Co. has earned a net profit of Rs. 26,40,000 for 1952-53 alone. The Indian Cable Co. started with a nominal capital of Rs. 18 lakhs in the year 1922. This was raised to Rs. 27 lakhs in 1935-36. The huge dividends paid to the shareholders were partly capitalised in 1950-51 and 1952-53, bringing the paid-up capital to Rs. 80, and then, 165 lakhs. It has accumulated a reserve fund of Rs. 1 crore, 36 lakhs and a depreciation fund of Rs. 45 lakhs. For the two years, 1948 and 1950, the net profit of the Company amounted to Rs. 99 lakhs, 22 thousand.

Production Capacity and the Condition of the Industry

The total rated capacity of steel production in our country is only about 1,070,000 tons, out of which the production capacity of the TISCO alone is estimated at 750,000 tons. This production not only pales into insignificance when compared with the steel production of the industrially advanced countries of the world; even compared with the estimated requirements of steel in our country at its present level of industrial development, it falls short by more than a million tons. Thus, the shortage is more than the total production of steel today.

Although the import of steel is allowed freely, it accounts for only 250 to 300 thousand tons. Moreover, imported steel costs Rs. 200-300 per ton more than Indian steel. Thus, even after allowing for imports, the total steel available in the country falls short of the requirements by 750,000 tons.

Tatas propose to step-up production from their existing capacity to 950,000 tons; the Indian Iron and Steel Co., from its present 280,000 tons to 650,000 tons; the Bhadravati Steel Works from 40,000 tons to 100,000 tons. Granting all the above increases, which total 1,700,000 tons, there is still a gap of 800,000 tons. This gap is now sought to be closed by the setting up of a new steel plant at Rourkella with a total capacity of 500,000 tons.

Thus we find that the Indian Steel industry, even though affected to a certain extent by the slump in the commodity market in 1952-53, is not faced with any serious shrinkage of market. On the contrary, the real problem is how to meet even the present restricted requirements of the country.

The same is true for the tinsplate industry. The total production of the Tinsplate Co., the only one of its type in

India, is about 63,000 tons annually which has an assured market with their two big consumers, the Burma Oil Co. and the Metal Box Co. India's total requirements of tinplate are estimated today at 134,000 tons. Imported tinplate, like imported steel is much more costly than the Indian product and does not at all meet the gap between requirements and availability. The Indian Cable Co. is similarly the only concern in India producing cable, its production covering not more than 30% of the country's requirements.

The TELCO is also an expanding concern and it is estimated that with its present plan for expansion and setting up new branches of production, the total number of workers employed will be doubled within the next few years. It is expected in future to undertake production of Diesel tractors etc.

Conditions of the Workers

Tatas claim to be the best employers in the country and that the condition of the workers in Jamshedpur is exemplary. The claim is, however, very far from justified.

The minimum rates of wages for unskilled workers in TISCO, numbering at least 6,000, are as tabulated below; the same minimum rates are also prevalent with some slight variations in all other factories in Jamshedpur. It will be seen that they fall short of the minimum rates not only of the tobacco industry and Batas but of the textile industry as well.

	<i>Male</i>	<i>Female</i>
Daily Rate	14 as. to Re. 1	12 as. to 14 as.
Basic Wages (26 days)	Rs. 21-12-0	Rs. 19-8-0
D.A.	20- 0-0	20-0-0
Food Rebate	17- 0-0	17-0-0
Total	54-12-0	52-0-0

A Good Attendance Bonus amounting to 20% of the basic wages for weekly-paid and daily-rated employes working outside the works and of 10% for all daily-rated and monthly-rated employees drawing Rs. 150 per month and less who are not absent without leave or on *leave without pay* for more than two days for every four-weekly period or in a month, is provided for.

The rates of pay of the skilled workers vary very greatly, both as between different categories of workers in

TISCO as well as between the same category of workers in TISCO and in other concerns. The rate for skilled and semi-skilled workers in TISCO ranges from Rs. 1-1 to 3-15 daily. It is estimated that about 5,000 workers draw wages at a basic rate of from Rs. 1-1 to 1-10 and 6,000 to 7,000 at a rate of from Rs. 1-8 to 2-2 and about 10,000 at a rate of from Rs. 2-1 to 3-15.

In TELCO there are three grades for skilled workers, namely Rs. 1-12 to 2-2; Rs. 2-4 to 3 and Rs. 3-4 to 4 per day. The largest number of workers fall in the first two categories. It must be remembered that the nature of the job in TELCO requires more highly-skilled personnel than are required in the other concerns.

The rate of pay of skilled and semi-skilled workers in the Tinsplate Co. is extremely low when compared with the rates of the skilled workers in the TISCO. In this connection, it must be remembered that the nature of the job in the Tinsplate Co. is almost the same as in the Sheet Mill Department of TISCO; yet the grade of the overwhelming majority (about 2000) of Tinsplate workers is Rs. 1-6 to 1-14 per day.

On a production of 61,400 tons of saleable steel per month the TISCO pays a Performance Bonus equivalent to 50% of the basic wages to all the workers in the production department, of 40% to the Maintenance Sections and one third of the Maintenance Bonus to a section of weekly workers known as B coolies. An efficiency bonus scheme on the basis of Time Study and fixation of time standards has also been introduced since 1948. A similar bonus scheme on the basis of piece-rate and Time Study is also prevalent in TISCO. There is a production bonus scheme in Tinsplate also.

The present policy of the Tatas as well as other employers in Jamshedpur can be summed up in two words—wage-freeze and retrenchment. J.R.D. Tata has formulated both the aspects of this policy in unmistakable terms: firstly, reduction of the total number of workers by indirect retrenchment and, secondly, no increase in the emoluments given to the workers without a corresponding increase in the average production per worker.

The Tatas have been pushing forward their policy of retrenchment through indirect and invisible means—creation of an army of surplus workers inside the works on the basis of the recommendations of the IBCON department; strict retirement and superannuation on the basis of reports of the Company doctors; not filling up the vacancies or

filling up some of them with the surplus workers from other departments; introducing a system of almost permanent *acting* appointments of lower paid employees on higher jobs with nominal acting allowance.

It is estimated that not less than three to four thousand workers have been declared surplus and 5,000 vacancies occurring during the last six years which had not been filled up. It is through these methods of Time Study and indirect retrenchment that the average production of steel per worker in TISCO has gone up from 17.66 tons in 1949-50 to 19.60 tons in 1950-51, 20.11 tons in 1951-52 and about 22 tons in 1952-53. It has also to be remembered that this policy of indirect retrenchment is being carried out against the background of opening of new departments and the plan for a considerable expansion of production.

The main weapon for carrying through this policy is the Incentive or Efficiency Bonus scheme, which was expected to reduce the number of workers on the one hand and pacify the workers on the other by registering some small increase in their earnings. Mr J. R. D. Tata, in one of his speeches, claimed that because of the gradualness of the process, the scheme will not cause any hardship to the workers; on the other hand, the saving thus effected will be distributed among the rest of the employed workers. However, it did not take very long for the workers to realise the true significance of the whole scheme as they found from their experience that the more they toil, the more illusory becomes the incentive Bonus as the Reference Period Index, which in common parlance is the level of production upto which the workers are not entitled to any bonus, is not only fixed arbitrarily but is raised from time to time without any reference to the workers.

While any increase in the earnings of the workers is flatly refused, in actual reality the facilities enjoyed by the workers are being curtailed in a number of ways. School fees for the children of the employees as well as non-employees (who are mostly dependants of the employees) have been doubled during the last few years; the hospital facilities have been strictly limited to the wives and children of the employees and the fees charged for non-employees have been doubled in the same way. The considerable increase in the rates in the Works Canteen and the increase in the rent of the new quarters compared to the old ones etc. are other means of indirect wage cut.

There are only about 12,000 quarters for the 36,000 TISCO workers. The rest of the workers live in horribly

unclean bustees and kutchra houses, mostly constructed by the workers themselves on Company land for which they have to pay land rent. The company has the full right to evict these "owners" within twenty-four hours and dismantle the houses.

The Tatas also maintain a large army of reserve labour in the form of temporary workers as well as contractor labour. Temporary workers are estimated to total about 8,000, out of which from four to five thousand are at work at any one time. Most of the temporary workers work at jobs which are permanent in nature and a large number of them have a service footing ranging from three to five years. The usual trick is not to allow any worker to remain in continuous service for more than eleven months. Similarly, a large number of workers employed on construction of repair jobs are contractor labour. Recently the tendency is for the Company more and more to employ contractor labour in place of temporary workers and temporary workers in place of permanent employees. The advantages to the Company are obvious. Needless to say that the temporary workers are the worst paid and do not get any facilities.

Apart from the TELCO workers, who do not face any immediate problem of retrenchment, all other factories of Jamshedpur are resorting to rationalisation and retrenchment. The ISWP retrenched not less than 600 workers since 1950; in Tinsplate about 300 contractor labourers have been replaced by permanent workers who had been declared surplus. There is a proposal to introduce an automatic system in the Hot Mill Department in Tinsplate and obviate the necessity of the rolling process. If the plan materialises it will affect at least 600—700 workers.

During the last two years, the Tinsplate workers have been deprived of a number of facilities which they had won as a result of the strike of 1946. These include gratuity, accident bonus, hospital facilities, etc.

The Chief Demands of the Workers

The most widespread demand in TISCO, Tinsplate, TELCO and other industries in Jamshedpur, is for a general increase in wage levels. The demand of certain sections of the TELCO workers for a minimum flat rate of production bonus is also of the same nature.

Another important demand is for the filling up of vacancies and a guarantee against workers being declared

surplus. Related with this is the question of Acting and Acting Allowances.

The weekly-paid unskilled workers have a number of pressing demands like payment of Incentive Bonus, increase in the share of Performance Bonus, opening of greater avenues for promotions and other facilities equal to those of daily-rated monthly workers.

Other demands are: Permanent jobs for the temporary workers and equal rates of pay with the permanent workers for the same type of work and quarters for all and adequate allowance till quarters are provided.

Among the most important demands of the trade union movement in Jamshedpur is the demand for the reinstatement of all victimised workers. A large number of workers belonging to the Communist Party, the R.S.P. and the Socialist Party were discharged in 1949-50 and later, on political grounds. More were discharged after the heroic strike struggle of the ISWP workers in 1949, others more recently in the strike of the packing section workers of TISCO. Still more recently, about eleven workers of Tinsplate Co. have been discharged for no fault except demanding a democratic election for their Union. The same is the case with three workers of Tatanagar Boudry.

The specific problem for the TU movement in Jamshedpur is that, not only do the existing INTUC Unions, under the leadership of Mr. John, not take up the cases of the discharged workers, but in many cases the discharges take place with their connivance and encouragement.

The Trade Union Movement in Jamshedpur

At the present moment, three Unions exist among the workers in Jamshedpur—the various INTUC Unions under the presidentship of Mr. John; the Tata Mazdoor Sabha affiliated to the HMS and the Jamshedpur Mazdoor Union, affiliated to the AITUC. Of these, only the INTUC Unions are recognised by the managements.

Some of the notable struggles that took place during the last two years are:

Slow-down in Tinsplate in 1952-53 over the issue of profit-sharing bonus. The subsequent lock-out by the management was defeated and the workers received not only their full wages for the lock-out period but also won their demand for full profit-sharing bonus.

Slow-down and subsequent strike of the Machine Shop workers in TELCO over the issue of a change in the production bonus scheme.

The three-day strike of the Packing Section of the Sheet Mill Department in TISCO over the question of change in designation and increase in grades and the boycott of the canteen resorted to by about 6,000 workers.

Besides these there were numerous *ghairaos* on a departmental plane over departmental issues. The Hot Mill in TISCO also went on a strike against the suspension of three workers.

Most of these actions took place on the basis of departmental initiative and departmental unity forged by the workers themselves. In TISCO, the problem remains that of workers moving separately in their own departments on demands which, in most cases, they have in common with other departments. Because various classes of workers and departments fight separately, the management is able to defeat these struggles in isolation. The Jamshedpur Mazdoor Union seeks to unify all these struggles and bring together the workers, irrespective of their affiliations, on a common platform of struggle for their demands.

In Tinsplate Co., the workers have been carrying on a struggle for the removal of the present INTUC leadership and an overwhelming majority of workers have signed a motion of no-confidence against them. They have also passed a resolution to this effect in a specially-requisitioned meeting. But neither the Government nor the Company is ready to accept the verdict of the workers. The whole campaign started with the demand for the revision of grades, which the existing Union leadership had refused to accept. During this campaign about a dozen workers have been discharged.

Almost all the factories in Jamshedpur are thus seething with discontent. The biggest task before the AITUC unions is to unify all the workers for a struggle to win their demands. And in this fight, one of the biggest issues is restoration of trade union rights and trade union democracy for the workers.

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