



GOVERNMENT OF MADRAS

REPORT OF THE
COURT OF ENQUIRY

INTO LABOUR CONDITIONS IN BEEDI,
CIGAR, SNUFF, TOBACCO-CURING
AND TANNING INDUSTRIES

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REPORT OF THE COURT OF ENQUIRY INTO LABOUR CONDITIONS IN BEEDI, CIGAR, SNUFF, TOBACCO-CURING AND TANNING INDUSTRIES.

INTRODUCTION.

The Court of Enquiry into labour conditions in beedi, cigar, snuff, tobacco-curing and tanning industries was appointed in August 1946. The circumstances that led to the constitution of this Court are succinctly set forth in the Press Communiqué, dated 9th August 1946, which may be quoted *in extenso* :—“ The Government have received several representations regarding the improvement of the conditions of workers in tanneries and in mundies and other similar establishments in the Madras City which handle hides and skins, in tobacco-curing concerns and in industries engaged in the manufacture of beedies, cigars, and snuff. It has been suggested that the time has come for Government to take steps to standardize, as far as possible and practicable, the conditions of workers in these industries in regard to wages, hours of work, sanitation, ventilation, lighting, etc., besides holidays, leave with pay and other beneficial measures. The Government accept the suggestion and appoint Dr. B. V. Narayanaswamy, M.A., PH.D., as a Court of Enquiry to go into the problems connected with the working conditions of labour in the said industries in the Province. The object of the enquiry is to have a comprehensive picture of the conditions of service of the workers in these industries in the Province in order to standardize them as far as possible. After hearing employers' and workers' organizations, the Court will frame issues and submit them to Government and thereafter further proceedings will be continued.”

2. From the above Press Communiqué, it may be seen that the Court of Enquiry was appointed with the following terms of reference :—

(i) to present a comprehensive picture of the conditions of service in the beedi, cigar, snuff, tobacco-curing and tanning industries in regard to (a) working conditions, sanitation, ventilation, lighting, etc., (b) hours of work and holidays, (c) leave with pay and other beneficial measures and (d) wages,

(ii) to hear and examine the evidence of employers' organizations,

(iii) to hear and examine the demands of the workers' organizations, and

PREFACE

THIS REPORT covers five industries and contains six parts. Each of the first five parts is devoted to a study of the special problems of beedi, cigar, snuff, tobacco-curing and tanning industries, respectively, while the sixth deals with problems and issues common to all the industries; thus the latter constitutes an indispensable adjunct to the special studies in the preceding parts. Hence it must be read along with the special parts in order to gain a clear knowledge of the problems confronting each industry. In the words of the Press Communiqué, "the object of the Enquiry is to have a comprehensive picture of the conditions of service of the workers in these industries in the Province" and every effort was made to present a clear and detailed picture of all the industries, so that it may serve as a necessary background to appreciate the issues and recommendations. The unorganized character of all the industries placed within the purview of the Court rendered the collection of relevant data supremely difficult. However, the difficulties were overcome and this report was got ready within a period of eight months and a half. I am greatly indebted to Mr. K. S. Sonachalam, M.A., my Secretary, for his ceaseless efforts on my behalf and for the many useful suggestions he has made. He has been of great assistance both throughout my visits and in the preparation of the report, and I desire to place on record my highest appreciation of his services.

I thank all those who co-operated with me in conducting this Enquiry and in particular, the Honourable Sri V. V. Giri and the Honourable Dr. T. S. S. Rajan, the Ministers for Labour, for having given all the necessary help I required.

Finally I am extremely thankful to the Government of Madras for having acceded to my request to work in an honorary capacity.

B. V. NARAYANASWAMI,

15th May 1947.



(iv) to frame issues and record its findings thereon with a view to standardizing as far as possible and practicable, the conditions of service of the workers in all the said five industries.

3. Staff, consisting of one Secretary, three Investigators, one stenographer and a clerk, was sanctioned for the Court. The office of the Court was set up on 2nd September 1946 and before the end of the month, three experienced Investigators representing the three major languages of the Province, viz., Tamil, Telugu and Urdu, were appointed. In the meantime one general questionnaire common to all the industries, five separate special questionnaires for each of the five industries and a Standard of Living schedule were drawn up.

4. The most striking features of the five industries placed under the purview of this Court are (1) that they are essentially unorganized in character and (2) that few of them use any power. Beedi industry is entirely non-power unorganized one; two concerns in the cigar industry and only one in the snuff industry are under the operation of the Factories Act. In the case of tobacco-handling, grading and curing industry, about ten factories are of large size subject to the Factories Act but they constitute only a minute fraction of the total number of tobacco-grading establishments. With regard to the tanning industry, it has been included under the operation of the Factories Act in 1942 but only about half a dozen out of more than 300 tanneries use any sort of power. Due to these characteristics, considerable difficulty was experienced in getting a fairly correct knowledge of the size, number and location of the individual establishments in these five industries. Even in the case of tanning industry, a full and exhaustive list of the concerns could not be found in the list of "Large industrial establishments coming under the operation of the Indian Factories Act for 1945", prepared by the Department of Industries and Commerce. Owing to these factors, this enquiry is of an exploratory nature and naturally I had to surmount innumerable difficulties in gathering the necessary data and in presenting a comprehensive picture of these industries from industrial, labour and social points of view. The immensity of the difficulties and the complexities of the problems that had to be tackled for gathering the data and for correctly appreciating the situation in the various industries are pointed out in their appropriate places in the succeeding pages.

5. An advance information of the number of industrial units is an indispensable pre-requisite to any line of scientific investigation. For this purpose, the Department of Central Excise was approached for supply of detailed information relating to beedi, cigar, snuff and tobacco-curing concerns in this province. I am extremely grateful to them for having

readily and freely furnished me with this information and for having helped me whenever I wrote to them or sent any member of my staff to the Collector's office, Madras, for the collection of the necessary data. My grateful thanks are also due to the Inspector of Local Boards and Municipalities for having asked the various local boards and municipalities to supply me with a list of licensees engaged in any one of the five industries within or around their respective jurisdictions. After collecting this basic information, a tentative selection of the important centres of these five industries was made and the Investigators were sent with the questionnaires and Standard of Living schedules for direct investigation to the various centres. A very extensive, if not an exhaustive, survey was attempted; two of the Investigators Messrs. G. Santhana Babu and P. Gurusironmani had previous experience of similar work under the Economist for Enquiry into Rural Indebtedness and the third Mr. Yusuf Ali Khan, whose services had been lent by the Corporation of Madras, had considerable executive work to his credit. All of them had to visit a number of places where they had to show tact as well as a scientific and objective attitude with regard to the hostile camps of employers and labour. Their work had been arduous and they discharged their duties with commendable loyalty and thoroughness (vide Appendix I for the places visited and industrial units investigated).

6. In the meantime, specially drawn questionnaires were sent to all the Workers' Union, registered as well as unregistered so far as the latter were known, in response to which memoranda were received setting forth their grievances, demands and suggestions for improvement of working conditions. The Madras Trade Union Congress also submitted a very exhaustive memorandum, giving in the case of some industries data for calculation of their capacity to pay higher wages. The tanning industry has some sort of a Provincial Manufacturers' Association in the South Indian Hides and Skins Merchants' Association, whereas in the case of the other industries, a provincial organization of employers or producers is conspicuously absent; but local associations were found in a few cases. All these associations and prominent businessmen were addressed to send detailed memoranda on wages, working conditions, etc. More than 250 replies were received. In March 1947, a series of sittings of the Court took place when numerous witnesses representing both employers and workers tendered evidence and they were critically examined to arrive at a true picture of the existing conditions. I take this opportunity to thank all these gentlemen for their very hearty co-operation with the Court in its proceedings.

7. From the middle of September 1946 I also visited the most important centres of the five industries, inspected the workshops, interviewed the workers and also met in conference their representatives as well as those of employers; these tours and conferences were of immense help in acquiring an intimate and personal knowledge of the various aspects of the problem of wages and working conditions.

8. I must not fail to acknowledge my thanks to the Commissioner of Labour for his valuable suggestions at the outset of my enquiry, although he is not in any way responsible for the recommendations contained in this report.

My thanks are also due to my clerks, Messrs. C. Sundaram and S. Krishniah.

My thanks are due to the District Manager, the Indian Leaf Tobacco Development Company, Limited, Chirala, for having kindly lent me negatives and prints for the illustrations facing pages 89, 90 and 94 and to the Provincial Marketing Officer, Madras, for having kindly supplied me with the prints for the illustrations facing page 93.

PART I.

BEEDI INDUSTRY.

9. An intensive survey of beedi manufacture in all the important centres of beedi industry shows that the oldest beedi-making firm was established as early as 1887. This industry has got strongly localized even in the first decade of the present century in Madras City, North Arcot district, and Mukkudal area in Tinnevely district. With the advance of the century, the industry has steadily grown and spread almost all over the Province. The rapid growth of the industry has been facilitated not by the availability of suitable tobacco or wrapping leaves but by the abundant supply of intelligent though illiterate labour, capable of quickly learning the simple craft of beedi-making.

THE PROCESS OF MANUFACTURE.

10. The manufacture of beedis is done by human hand and not by any machinery. It consists of five processes, viz., (1) cutting of wrapper leaves, (2) rolling of beedis, (3) closing the ends, (4) warming and (5) labelling and packing. The first and the fourth processes are least skilled and are usually performed by women at home or by children within the premises of the workshop. The leaves of *diosporos melanoxydon* are used for wrapping the tobacco and serve the place of paper in cigarettes. These leaves are not locally available within the Province and are imported from Hyderabad, Central Provinces and the Jeypore State. They are cut to the required size. Employers generally give a tin plate as a model for the size of cut leaves. The cut leaves are roughly trapeziform, the length of the parallel ends being about 1.5 and 1.2 inches and the distance between them being 3, 2.5 or 2 inches according to the size of the beedi manufactured. In the East Coast, the leaves are soaked in water in the evening and cut next morning—whereas in the West Coast, they are cut first and made wet later. Cutting of leaves includes the minor operation of smoothening the surface of the leaves by planing or scratching away with a knife the thicker veins of the leaves. The second process of rolling the beedis is a skilled job that requires practice for about three months before a reasonable efficiency is attained. A small quantity of tobacco is put in the cut-leaf, rolled deftly and a bit of twine is tied round it. The third process of closing the mouth at the fire end is done by children. (In the case of Jodi beedis in which both the ends are closed, the chief worker closes the other end before passing it on to the children.) Then the beedis are bundled in 25s and taken to the employer at the end of the day's work. The employer inspects the bundles, rejects the badly rolled beedis and pays for the accepted ones at th

profits increase. In his anxiety to widen his profit margin, he frequently encourages the employment of numerous children at nominal wages by the adult workers or entrusts beedi rolling to women who will be willing to accept lower wages.

16. The advantages of indirect employment are manifold. The manufacturer of beedis is relieved of the trouble and expenses of hiring out or putting up work-houses and keeping them tidy and clean. He is also freed from all the unpleasantness of dealing with the labourers. Thirdly by selling his tobacco and wrapper leaves at artificial prices and buying the finished beedis at proportionately artificial prices, the actual profit shown in his trade in beedis is kept very low; this brings down the income-tax assessment.

SIGNIFICANCE OF THE INDUSTRY.

17. Madras Province is one of the largest beedi-producing regions in India. According to the Department of Central Excises, the total clearance of beedi tobacco for the years 1944-45 and 1945-46 were 10,179,774 lb. and 10,853,509 lb., respectively and for the nine months from 1st April 1946 to 31st December 1946 was 8,807,124.5 lb. In the last three years, the monthly consumption of beedi-tobacco has gradually and steadily risen from about 8.48 lakhs lb. in 1944-45 to 9.04 lakhs lb. in the next year and to 9.78 lakhs in the year 1946-47. On a rough estimate that one pound of tobacco is used for the production of 1,100 beedis (this point will be discussed at length later), the daily output of beedis in the Province is in the order of 3.586 crores. As stated in the Report on the Marketing of Tobacco in the Madras Presidency, 1941, the per capita consumption of beedis in the Province works out to 202 as compared with only 17 cigarettes. On the basis of the survey made by the Investigators of the Court, beedi industry alone gives employment to over 90,000 people in the Province. The foregoing data will indicate the significant place this industry occupies in the industrial economy of the Province.

UNORGANIZED CHARACTER OF THE INDUSTRY.

18. Despite the fact that, from the standpoint of employment figures, the beedi industry is one of the biggest in the Province, organization is conspicuously absent in every sense of the term. The Factories Act is not applicable to it although there was a short interlude between 1937 and 1941 when the Madras Government had applied the Act to beedi factories employing 20 or more persons; as it was not practicable to prosecute the offenders of the Act, the beedi factories were omitted by the Madras Government from the fresh notification issued under section 5 of the Act. Free from the operation of the Factories Act, the industry has manifested a bewildering variety in size, organization, employment, etc.

From the data supplied by the Central Excise Department and the Local Boards and Municipalities, it is evident that there are at present about 1,656 beedi-making establishments of which 350 are in Madras City. There is hardly any corporate feeling among the manufacturers of beedis which is patent from the absence of any Provincial Beedi Manufacturers' Association; there are, of course, some Beedi Merchants' Association in certain towns like Mangalore and Vellore but all the manufacturers of beedis in these towns are not members of such associations. On the side of the workers, trade union movement is of recent growth. Very few Beedi Workers' Unions are in a position to give the number employed in the industry in their localities. Unregulated by any Factories Act, lacking effective organization on the part of employers as well as workers, the industry presents a very stiff problem to anybody interested in gaining a clear and correct picture of the economic, labour and other conditions prevailing in this trade. It is not possible for the Investigator, as in any organized industry under the operation of the Factories Act, to turn to the Inspector of Factories, for ascertaining the location, size and employment figures of the numerous industrial units; nor is it feasible to get these data from any Employers' Association or Workers' Union. The industry is hopelessly unorganized and completely diffused over the entire Province. There is hardly any village in most of the districts in the Province where beedi is not made. A large number of these villages are too small to have Union Panchayats. Hence the lists supplied by the Local Boards will not include establishments located in such tiny hamlets. Thus the total number of establishments given above as 1,656 will be an under-estimate rather than an over-estimate.

AGE AND VITALITY OF THE INDUSTRY.

19. Nothing reliable can be known regarding the time or the manner in which this industry came to be established in this Province. Beedi industry requires special types of tobacco which are not grown in any considerable quantity in this Province as the following table will show:—

*Raw tobacco mainly intended for the beedi trade, imported by rail from other provinces in 1938-39 **

	LB.
From Mysore	6,430,500
„ Bombay	853,000
„ Nizam's State	279,000
„ Bengal	15,300
„ Bihar and Orissa	244,600
„ Others	60,000
Total	7,883,000

* Vide report on the Marketing of Tobacco in the Madras Presidency, 1941.

stipulated rate per 1,000. The fourth stage of manufacture consists of placing the bundles of 25 beedis in rows in trays and pushing these trays into artificially heated chambers for a few minutes so that the beedis may be dried and rendered crisp. At the final stage, in certain firms the beedi bundles are wrapped in their paper with trade mark labels and made into larger packages of 20 bundles each; in certain other firms ring labels with the trade mark are put round each beedi before the packing is done. The packages contain 500 beedis each and are sold straight to wholesalers. Ring labelling is usually done by women and final packing including warming is done by monthly paid workers. Except the last category of workers, all the rest are paid at piece-rate.

ORGANIZATION OF THE INDUSTRY.

11. From the foregoing description of the processes of manufacture, the importance of human labour will be obvious. Employment of labour is the crux of the problem in the beedi industry. In recent years, to avoid the difficulties of labour management, most of the big beedi manufacturers have resorted to entrust this part of the work to middlemen-contractors. Consequently the organization of the beedi industry manifests wide differences from place to place and even from firm to firm in the same place. Of the numerous minor variations, a brief description of the five systems of organization falling under the two broad groups of direct and indirect employment will suffice for our purpose.

I. *Direct employment of labour.*

12. In the whole city of Madras with more than 350 beedi workshops, there is only one instance of direct employment among the larger producers. In certain centres like Bellary, Nandyal, Cuddapah and Kamalapuram, direct employment preponderates and in places like Madura, Trichinopoly, Tinnevely, Salem, Mangalore and West Coast centres, direct employment has not gone out of vogue. Three types of direct employment may be distinguished. (1) The workers are massed together in the manufacturers' workshops or premises and given work to be done under the direct supervision of the employer and his maistris. This system is prevalent in many places; in Bellary, one firm alone employs 714 workers, in two one-storeyed buildings. (2) The manufacturers run workshops in a number of places, employing in each 50 or 60 workers and pay them directly. They have to work under the supervision of paid supervisors of the manufacturers. The origin of this variety of direct management is attributed to a desire to escape the consequence of labour troubles. If beedi workers at one centre resort to strike, the manufacturer turns to the branches he runs in other centres to continue

production. The opening of a number of branches in different localities confers this great advantage of maintaining a certain minimum of production regardless of sporadic outbreaks of strike. It is an effective device to rob the wind out of the sails of workers' strikes. By way of illustration, it may be stated that a Ranipet manufacturer has a branch at Kaveripauk, a Vaniyambadi firm has a branch at Vellore and another at Ambur, Coimbatore firms have branches at Jalarpet, and a Mangalore firm has branches at Badagara and some other places in the West Coast.

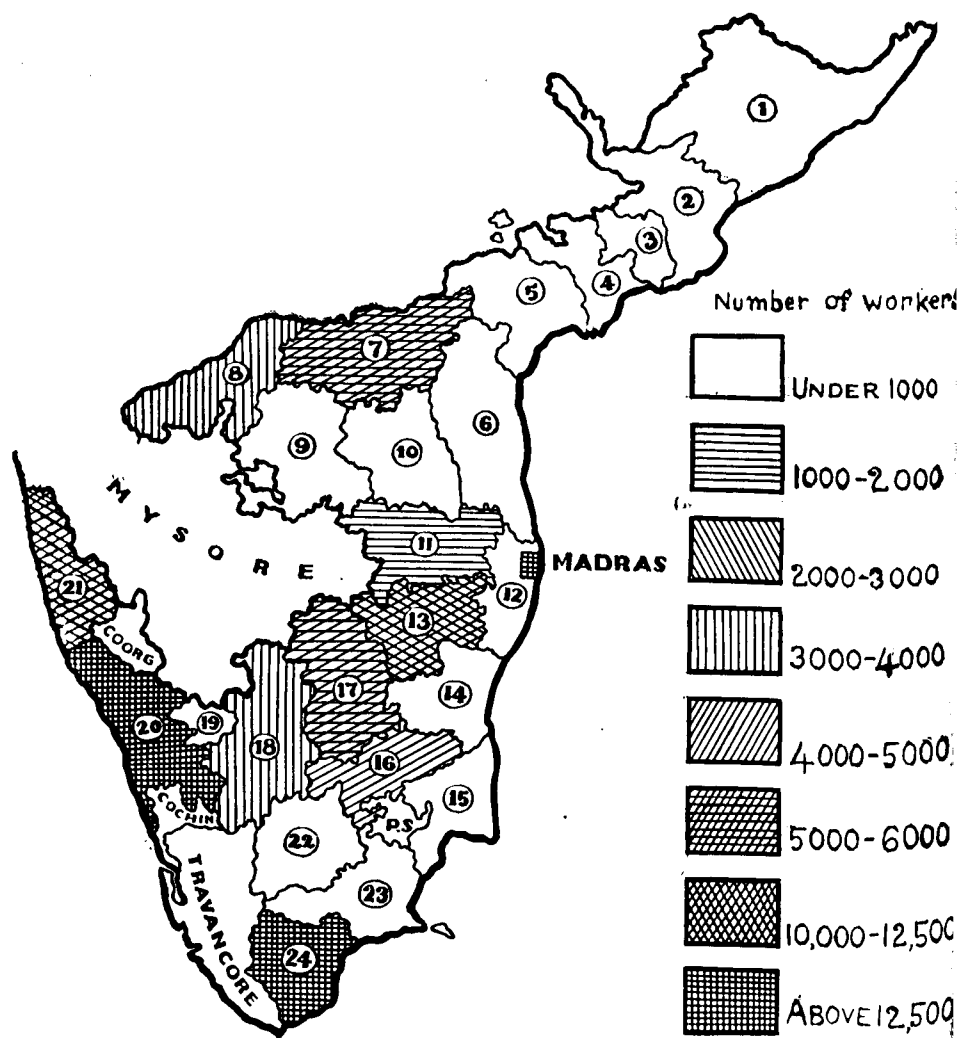
13. (3) Direct employment of women working in their respective homes constitutes the third of the species. This is the characteristic system in Mukkudal area and is found in several centres in Chittoor district. This system successfully avoids all labour troubles because the domestic women workers never assemble together at any place at any time.

II. *Indirect employment.*

14. Appointment of middlemen for getting the work done keeps all labour questions out of the mind of the manufacturer. The middlemen act like buffers between actual workers and beedi manufacturers. This system is spreading everywhere like the "big bay tree." Two types of indirect employment may be discerned. (1) In the first case, the middleman buys the required raw materials—tobacco and wrapping leaves—from the beedi manufacturer at certain fixed prices and sells back the finished beedis at a previously stipulated price. In selling the raw materials, the prices quoted by the manufacturers should be accepted and these prices, particularly of wrapper leaves, are highly inflated; thus the beedi manufacturer plays the role of trader in tobacco and wrapper leaves. When he buys the finished beedis, he allows some profit to the middlemen. The beedis thus bought are affixed with his trade mark and labels and put in the market as his beedis when he gets his usual margin of profit as seller of beedis. It is an unwritten code that the middlemen should buy only from the manufacturer and not from the open market where prices may be lower. Under this system, technically speaking, the beedi manufacturer does not manufacture at all. He is a seller of tobacco and wrapper leaves and a dealer in beedis.

15. Another variant of indirect employment of labour is found when the beedi manufacturer supplies all the raw materials to a person who has to make them into beedis with hired labour. For every 1,000 beedis made, this agent will be paid a commission of 2 annas, if he lays bare all the items of his expenditure. In certain places, this agent is offered Rs. 2 or so per 1,000 beedis inclusive of all expenses. Under this arrangement the commission agent is interested in reducing as far as possible the wages because *pro tanto* his

BEEDI INDUSTRY



DISTRICTS.

- | | | |
|--------------------|--------------------|--------------------|
| (1) Vizagapatam. | (9) Anantapur. | (17) Salem. |
| (2) East Godavari. | (10) Cuddapah. | (18) Coimbatore. |
| (3) West Godavari. | (11) Chittoor. | (19) Nilgiris. |
| (4) Kistna. | (12) Chingleput. | (20) Malabar. |
| (5) Guntur. | (13) North Arcot. | (21) South Kanara. |
| (6) Nellore. | (14) South Arcot. | (22) Madura. |
| (7) Kurnool. | (15) Tanjore. | (23) Ramnad. |
| (8) Bellary. | (16) Trichinopoly. | (24) Tinnevely. |

but are of vital significance in an examination of the labour conditions and wages. So it was proposed to cover all the important centres. Forty-two places out of the 127 centres of beedi manufacture as shown by local boards figures were chosen, by paying equal regard to the number of units and to the aggregate output of beedis in these centres. In each centre so selected, the beedi-making establishments were divided into two classes of big and small ones, on the basis of annual output and units were selected on the principle of stratified sampling. On the whole 174 beedi-making establishments were brought under the scope of direct and detailed investigation as per general and special questionnaires. The results of this investigation are set forth in the subsequent pages. With this intimate knowledge of the economic conditions, profit-margins, labour conditions, wages, etc., the Court took evidence from the employers and workers with the help of authorized representatives wherever available, before setting upon the task of drawing final conclusions and framing issues as required by the Government.

GEOGRAPHICAL DISTRIBUTION.

21. Beedi industry, though subject to the widest scatter, is not uniformly distributed all over the Province. There are certain regions where the industry may be said to be concentrated. The concentration of beedi industry in certain districts in the Province will be evident from the following statement showing the annual consumption of tobacco for beedi manufacture:—

Important districts.						Consumption of * tobacco in 1945-46.
						L.B.
Madras	.	.	.	.	.	2,424,955
Tinnevely	..	..	..	..	..	1,671,301
Malabar	..	..	..	..	..	1,662,969
North Arcot	..	..	..	..	..	1,054,037
South Kanara	..	..	..	..	..	870,688
Salem	..	..	..	..	..	491,956
Kurnool	..	..	..	..	..	477,165
Trichinopoly	..	..	..	..	..	380,654
Coimbatore	..	..	..	..	..	305,357
Bellary	..	..	..	..	..	253,396
Chittoor	..	..	..	..	..	43,657
Total ..						9,635,834

Total for the whole Province .. 10,853,509.

The eleven districts shown in the table account for about 89.2 per cent of the total consumption of tobacco for beedi manufacture in the Province. These districts, covering a major part of the Province, exhibit different types of organization of the beedi industry. Differential traits can be noticed

* Data supplied by the Department of Central Excise.

The wrapper leaves, another important raw material, are also imported mainly from Hyderabad, Central Provinces and Jeypore State. It is said that the Central Provinces became the foremost beedi-producing province in India due to availability of wrapper leaves in abundance. Bombay is another important beedi-producing region and she owes her pride of place to the famous Nippani tobacco grown in Gujerat. On the other hand Madras has secured a high place among beedi-producing regions without having either in abundance the special types of tobacco or the peculiar wrapping leaves required. It is strange that not only the output of beedis in Madras is considerable but exports of beedis to Ceylon, Burma and the Far East from Madras are of major importance. It is not possible to exactly determine when this industry was first established in this province; however from the present Enquiry it has been found that the industry is not less than 60 years old. Notwithstanding the absence of natural advantages of easy access of raw materials, this industry has grown up so vastly as to provide employment for over 80,000 workers, who may not be adequately paid or working under satisfactory conditions; but the rapid growth of the industry shows its inherent vitality and adaptability to the economic weather of Madras.

METHOD OF INVESTIGATION.

20. The data supplied by the Local Boards and Municipalities served to indicate in some measure the location and the number of beedi-making establishments; while the materials furnished by the Department of Central Excise helped to indicate the size of the larger industrial units *. The data supplied by these two departments showed that (1) beedi is being manufactured in 127 municipal towns and union panchayats and (2) that the number of manufacturers producing more than four million beedis is 386. It must be noted that many small villages without any local boards are also centres of beedi manufacture. Hence the total number of beedi manufacturers, both big and small, would far exceed the aggregate number of 1,656 derived from the figures obtained with the help of the Inspector of Local Boards. It may be roughly stated that the units may exceed 1,800, and they may be located in more than 150 places. After having secured this preliminary knowledge of the significance, character and scatter of the industrial units, some scientific method of investigation had to be chosen. In view of the peculiar industrial structure and distribution of the beedi industry, it became evident that any undiluted application of the method of random sampling would lead to incorrect conclusions; because it must be remembered that the bigger units are very small in number

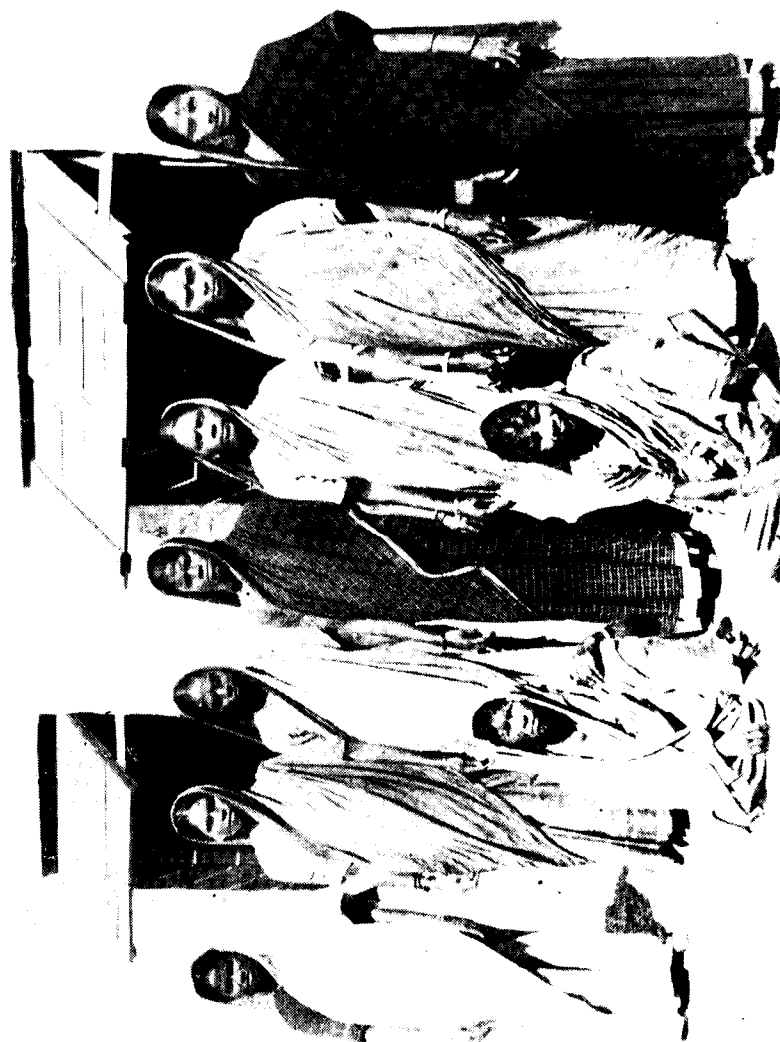
* The annual statement showing the number of manufacturers of beedies and their names includes only those producing more than four million beedies per annum.

not only in organization but also in the employment of women and children and even in the size and weight of the beedis.

22. The total number of workers in the important regions is 85,470. Adding 5 per cent of this figure to represent those districts of minor importance in respect of beedi manufacture, the total number of people employed in the whole province will be nearly 90,000. It must be admitted that the results of direct investigation in the various important regions regarding total employment figures can at best be only approximate. In order to test the correctness of these figures, a formula was worked out. The total quantity of beedi-tobacco released for beedi manufacture by the Central Excise Department is known. Of this, a certain quantity may be recorded as released within the province but manufactured outside; for example tobacco released at Rajahmundry may be rolled into beedi in the Nizam's Dominions. That amount of tobacco which belongs to this category must be deducted from the provincial figures. On the other hand, tobacco released in the Mysore State is manufactured into beedi in Anantapur and other districts. This kind of duty-paid imported tobacco must be added to the provincial figure. Assuming that the deduction and addition cancel each other, the provincial figure of 1.08 crore lb. of beedi-tobacco may be taken as the quantity manufactured into beedis within the province. Beedi workers always complain of irregularity of employment. On an average they are likely to get work for about 220 days in a year. It is more or less a verified fact that an average worker makes not more than 1,000 beedis a day. One pound of tobacco is used for the production of 1,000 to 2,000 beedis according to the brand and locality of production. On an average one pound may yield 1,200 beedis. With the above data, it is possible to calculate the total number of workers. According to this calculation, the total number of workers will be 88,880. Taking all the foregoing into consideration, it will not be wide of the mark to say that about 90,000 workers are dependent on the beedi industry in this Province.

EMPLOYMENT OF WOMEN AND CHILDREN.

23. Women find employment in all the stages of beedi manufacture. They cut wrapper leaves, roll beedis and put the ring labels on beedis. From the wide survey made by my staff Investigators and from personal experience gained by my visits to important centres, it can be confidently stated that women seldom go to the premises of the beedi-manufacturer for beedi-making. They are generally home-workers to whom materials are supplied by the agents of the manufacturers at their doors, the finished product being collected in the evenings or the next day. It may be laid down as a general rule that ring-labelling is usually done by



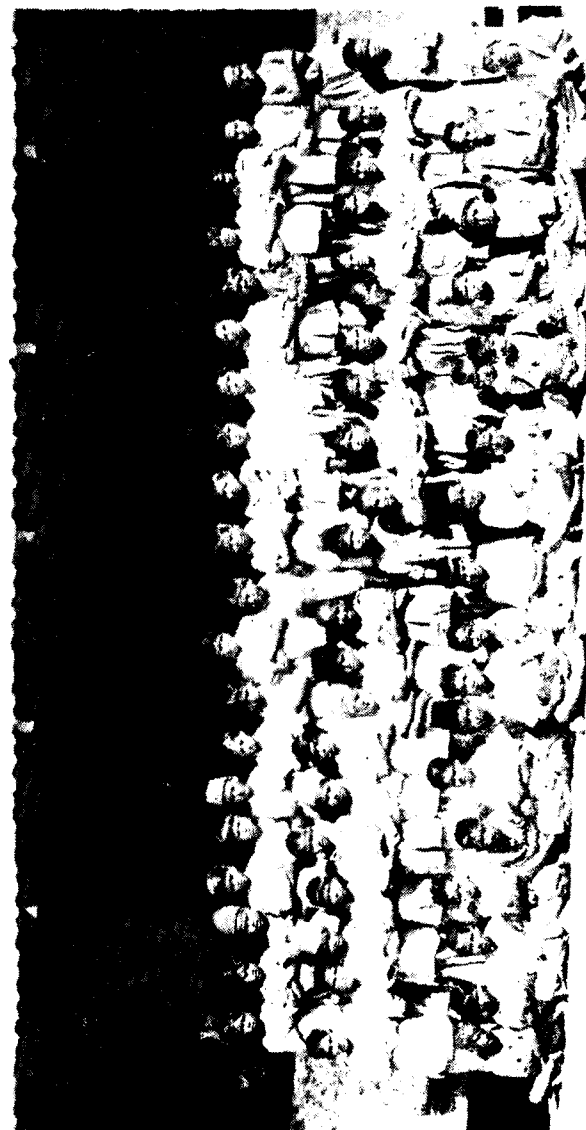
WOMEN WORKERS EMPLOYED IN A BEEDI FACTORY

women workers. In Madras City and North Arcot district, most of the women workers are engaged in cutting the wrapper leaves according to the size of a tin plate given to them and in scraping away the harder veins found in them. In and around Mukkudal, the great beedi manufacturing centre in the South, women do all the stages of making beedis. The mainstay of the beedi manufacturers there are the women belonging to poorer classes living in villages spread over the western half of Tinnevely district. In many places like Bellary, Vellore and Vaniyambadi, wives of men workers cut, clean and prepare the leaves at home while the latter do the rolling of beedis in the workshops. Conditions in the West Coast are a little different; in the whole of Malabar, women are rarely employed while in South Kanara, Muslim women in large numbers are engaged in beedi-making. Two characteristics of women employment stand out prominently—(1) They never congregate in beedi establishments and do work as women do in textile factories and (2) the nature of their work varies from place to place, ranging from mere cutting of leaves to making finished beedis. Due to these characteristics, it is not possible to compute accurately the number of women employed. However, certain methods were followed to get at approximately dependable figures for various important regions. In Tinnevely district where homework is the dominant feature, the beedi manufacturers state from their production figures, that nearly 13,000 women are employed. They have arrived at this figure by calculating output at the rate of 1,000 beedis per worker. To make 1,000 beedis a day, a woman should make beedi-making her fulltime job and leave cooking and house-keeping to be done by others. Direct investigation in certain villages has clearly shown that women are making beedis together with household work. Hence the rate of daily output must be lowered to 700 beedis. If this argument is accepted, the women workers in Tinnevely district will be about 20,000. In Madras City and other places where women confine themselves to cutting leaves alone, they are able to cut leaves for 2,000 beedis a day. In other words, one woman worker will be able to supply cut-leaves on an average to two men workers specializing in rolling. It has been found that men workers number nearly 16,000 in Madras City of whom half the number will be cutting the leaves themselves. For the remaining 8,000 men workers depending on cut-leaves, an army of about 4,000 women have to work in their kitchen or pial, but almost always behind the purdah. In South Kanara, the beedi manufacturers have recently carried the industry to the villages to avoid labour troubles, rampant in towns. In the remote and sequestered villages, women belonging to low income groups accept lower wages, work patiently and deem beedi-making as a Godsend to put some money in these hard days into their

hands. The number of women in this part of the Province is roughly estimated at 1,500. In the other regions, the employment of women is not very great and may not be far above 1,000. Hence in the whole Province, approximately 26,500 women are engaged in the preliminary or main work of beedi-making.

24. Employment of children in beedi industry is almost universal. They are chiefly boys although very young girls in small numbers are found in certain centres like Bellary. They are engaged in both the preliminary work of cutting and clearing the leaves and closing the ends of beedis. Each adult worker usually employs one child but employment of two to three children is not uncommon. The children are employed invariably by the adult workers and the manufacturers of beedis naturally disclaim any responsibility for their employment. Wherever children are employed, they work as many hours as the adult workers who employ them, and the pace of their work is set by the speed with which the master workers roll beedis. In some cases the children are related to the workers employing them; but more often they are children belonging to indigent families in the neighbourhood, hired by the workers. Advances are also paid to the parents or guardians of these children in many cases and the system of employment smacks of indentured labour. In quite a large number of cases, the children are orphans, and their widowed mothers are said to be dependent on the pittance they earn by their long hours of work under very unhealthy conditions. The workers employing them admit that their daily output would be considerably diminished in the absence of child-work; some of them feel even pride in being instrumental in helping these children to eke out some living. They look at the problem of child-labour from a business-cum-philanthropic point of view and hardly appreciate the social implications thereof. Leaving out those children working in their homes under the care of their parents or guardians, the number of children employed in the workshops is strikingly high. Out of the 174 beedi workshops investigated in 135 places the number of children employed was 4,207 out of a total of 10,887 workers. Nearly four out of five factories employ children. The percentage of children to total workers is 38.6 per cent. Looked at from another angle, one adult worker is assisted on an average by 0.63 child. In other words, for every 3 workers, 2 children are working. The number of children employed in the sampled workshops in the various centres is given below :—

Number of workshops investigated.	Total number of workers.	Total number of workshops employing children.	Percentage of workshops.	Number of children employed.	Percentage of children to workers.
174	10,887	135	77.5	4,207	38.6



A GROUP PHOTO OF CHILDREN EMPLOYED IN A BEEDI WORKSHOP

In view of the objective method of sampling undertaken these figures may be taken as a true reflection of the conditions existing in the beedi industry as a whole.

25. Even children of six years old are employed. In 84 out of the 172 firms investigated, children ranging from 6 years to 12 years are employed. In 37 firms only, the youngest worker is 14 years old or above; this fact reveals that these are about 20 per cent of the workshops where child-labour is not prevalent, but wherever children are admitted their number is as great as that of adult workers. The advances paid to the parents or guardians of children vary from Rs. 10 to Rs. 50 per child. This system of pledging the services of little children is rampant in Madras and the Children (Pledging of Labour) Act, 1933, is more honoured in the breach than in the observance. The master-workers employing these children give them all kinds of sundry work, in addition to leaf-cutting and closing the end, like getting tea or betels from the nearest tea shop or betelnut shop.

UNEMPLOYMENT AND UNDEREMPLOYMENT.

26. It is a notorious fact that beedi workers are not able to get regular work all through the year. The causes of irregularity of unemployment are various. In rainy days, tobacco will not be fit to be rolled into beedis and work will be suspended. When stocks accumulate, manufacturers are loath to continue production as beedis deteriorate and get spoiled if kept in warehouses for more than three months; so overstock leads to curtailment or complete stoppage of employment. Further if the supply of tobacco and wrapper-leaves—both being imported from distant places—runs out or is short, the quantum of available work will disappear or shrink. The manufacturers of beedis declare almost in unison that regularity of employment can never be guaranteed owing to the inherent difficulties of ensuring regular supply of materials and regular clearance of their stocks. But they expand the daily output whenever there is a good demand for their goods and it is admitted by the manufacturers themselves in most of the centres (except Tinnevely district) that they are able to get experienced beedi makers in adequate numbers. It may then be inferred that the supply of labour at most of the places is equal to the high demand for workers in the periods of peak production; obviously in the seasons of slack production, a large proportion of the workers are underemployed if not unemployed. It must be noted here that, outside the Mukkudal area where home-workers are predominant, beedi makers are fulltime workers; beedi-making is their main and only occupation and not a subsidiary one. Hence there is a considerable degree of underemployment in all parts of the years except periods of peak production. In certain weeks, when production is severely stepped down,

there will be a great degree of unemployment. Apart from abnormal causes of unemployment, the Workers' Unions all over the Province complain that the workers are not able to get even 20 days of work in a month throughout the year. It will be apparent from the foregoing description that there is almost always a reserve of unemployed, hanging about the premises of their employers seeking work. It is the existence of this reserve that is bound to be a sore spot on the side of labour.

27. The above conclusion is true of almost all the places except Tinnevely district. Beedi manufacturers at Melapalayam and Tinnevely who employ men workers in their premises experience scarcity of skilled workers. They go to the neighbouring State of Travancore to recruit labour, paying advances and bus fare to bring the workers to their places. These employers say that these workers very often forsake those who took the trouble of bringing them and they have to lose not only the advances but also the workers. This grievance appears to be real because local menfolk do not take to beedi-making as much as to weaving. Except for this, the other regions in the whole Province certainly possess surplus labour—a reserve army of unemployed always exerting an adverse influence on the working and wage conditions of labour—operating like a drag on the advance of labour.

AGE DISTRIBUTION OF THE WORKERS.

28. Even superficial observers cannot fail to notice that workers past their middle age are seldom seen in beedi workshops. Beedi-making is not mere unskilled manual labour; it involve deftness of fingers for decent output and strong nerves to stand the strain of long hours of work in stuffy rooms; hence they become literally "too old at forty," as the results of my investigation clearly show. Out of a total of 10,887 workers employed in the 174 workshops investigated only 536 or 4.9 per cent of the total were over 40 years old. On the whole, not more than 13 workers between 55 and 60 were found in these workshops. In estimating the age of the illiterate workers, the indirect questions by my investigators supported by unstinting help from the employers, anxious to maintain that old age was not a bar to efficiency, had enabled to arrive at very near correct figures. Even if there is any little error, it will be very low and always on the side of recording overage than underage. So the figures relating to the age of workers cannot be impugned as understatement. The future of the workers who get "too old at forty" is a problem of grave import. They are thrown on the scrap-heap of unemployables. Accustomed to light manual work, heavy tea-drinking and sedentary life, they go out of the workshops

unfit for any productive work. Welfare activities concerning beedi industry must have a wide scope to include these prematurely old and derelict beedi workers.

LABOUR TURNOVER.

29. Unorganized and unregulated as they are, the beedi workshops do not pay any attention to the keeping of wage rolls, register of workers giving length of service of each, leave, sickness, etc. Data relating to length of service of the workers were gathered in each workshop with reference to each workers by eliciting information from the workers themselves in the presence of employers. The statement that "In scarcely any factory can one find the same set of workers working two consecutive months and in four months' time hardly any worker who was working in the first month will be seen*" can be said to be roughly true of only conditions in Tinnevely and Melapalayam where workers recruited from other places are employed under conditions of labour scarcity. It is only in places where competition for labour among the employers is keen, temptation exists to offer higher advances to attract workers from a rival's factory to one's own. In the areas where labour supply is adequate or superfluous, employers do not vie with one another to secure labourers and thus induce any high degree of labour turnover. Getting of advances tends to bind the workers to the employers and very rarely workers come across other employers who offer higher advances, sufficient for the repayment of earlier advances and to leave over a decent surplus. The universal complaint of the workers is that advances tie workers down to certain employers and curtail seriously their freedom of choice of workshop or employer. It is, of course, different with regard to workers recruited from strange places who come from nowhere and disappear into nowhere, swallowing the advances paid to them in the meanwhile. However this category of workers is found only in very few places. In all other areas, local labour with local affiliations is employed. The migratory character of this labour is the combined result of the working and wage conditions. Daily payment of piece wages leaves no nexus between the employer and the worker. Absence of monthly wages, leave with pay, privilege or sick leave, etc., make little difference whether the worker has put in 10 years or 10 days of service. In recent years hundreds of new small and big beedi establishments have come into existence which have really aggravated the migratory character. The following table gives the results of

* Labour Investigation Committee, Government of India: Report on an enquiry into conditions of labour in the beedi, cigar and cigarette industries p. 30.

the person to person investigation into labour turnover in the sampled beedi establishments:—

Labour turnover.

Service.	Number of workers.	Percentage to total.
Workers with less than one year of service ..	2,395	21.99
Workers with one year and below three years of service ..	4,833	44.39
Workers with three and over three years of service ..	3,659	33.62
Total ..	10,887	100.00

About 22 per cent of the workers, i.e., 2,395 out of 10,887 workers have less than one year of service in the establishments where they were found working at the time of investigation. About 66 per cent of the workers show only less than three years of service in the respective establishments where they were working. These figures show that the labour turnover is very high. Measures must be taken to beat down these figures.

Absenteeism.

30. Attendance registers are not kept by employers with regard to workers as they are paid only piece wages. Hence calculations of absenteeism cannot be made accurately. It is reported by the employers that the recent payment of higher wages has encouraged absenteeism. The investigations made do not lend support to this contention. No worker is so affluent as to voluntarily give up a day's wage. It is quite likely that an occasional spree may lead to absence from work for a day or two but the same worker usually works longer hours after his return to make good the earnings lost. The workers are maintaining only sub-normal health but breakdown in health is not frequently reported. With the minimum of health they carry on their work and it is possible because no great muscular energy is needed for beedi-rolling. The employers' complaint of absenteeism runs counter to the workers' grievance of inadequate work and irregular employment. In view of these conflicting opinions reliance can be placed only on the results of direct investigation which lead to the conclusion that that absenteeism is not a major evil in this industry.

Advances.

31. The extreme penury of the major portion of the beedi workers drives them to the necessity of receiving advances from their employers. The amount of advances varies from Rs. 10 to Rs. 150 and depends upon the character, credit and efficiency of the workers. The system of paying advances is prevalent everywhere but of lesser importance in the centres

in the West Coast; the average amount advanced at Calicut is Rs. 10 and at Palghat Rs. 17 while no advance is paid at Cannanore and Tellicherry. In certain centres like Cuddapah, Kumbakonam, Madura, Nandyal, Rajahmundry and Tanjore the number of workers getting advance reaches cent per cent. The per capita advance is the highest at Vaniyambadi, Trichinopoly and Nandyal being Rs. 121, Rs. 117 and Rs. 107, respectively. The table given below is an abstract of the statement on advances included in the appendices:—

Total number of places.	Total number of units investigated.	Total number of workers. (Adults.)	Total amount of advances in Rupees.	Number of workers who received advances.	Average advance per head in Rupees.	Average advance per head receiving the advance in Rupees.	Percentage of workers receiving the advance.
42	174	6,680	1,63,374	3,604	24	45	53.9

N.B. Figures correct to the nearest rupee.

Among the sampled workers, 53.9 per cent have taken advances the average advance per head receiving the advance being Rs. 45. When the total of advances is spread over the total number of adult workers numbering 6,680 the average per head comes to Rs. 25.

32. Apart from the advances paid by employers to adult workers, two kinds of advances merit mention: (1) the beedi manufacturers in several cases make advances to branch managers who are the direct employers of labour. The sums so advanced range up to several hundreds of rupees. The branch managers execute promissory notes for the advances received. (2) The adult workers give small sums ranging from Rs. 20 to Rs. 30 without any security to the parents or guardians of children employed by them.

33. Time was when employers giving advances to workers stipulated that the recipients should work at lower wages. It was really an abominable system because the employers levied a heavy toll on the earnings of these workers while all the time pretending to have lent money without any interest. But this system has decayed with the awakening of the working classes and the standardization of wages in almost all the centres. At present it is true that no muffled form of interest-taking exists. But deductions of 2 annas to 4 annas in the daily earnings are made towards the repayment of the loans advanced. To the question whether the advances are fully repaid, the employers have given two diametrically opposing replies. One section says that the whole money should be treated as gifts and not to be reckoned as investment. The other section holds that the larger portion of the advances is recoverable, though in dribbles. Yet both these sections of employers have nothing to say against the system of advances. They are not at all vociferous in demanding.

Changes in wage rates in different places—cont.

Place.	1939.				1942.				1943.				1946.			
	Maximum.		Minimum.		Maximum.		Minimum.		Maximum.		Minimum.		Maximum.		Minimum.	
	RS.	A. P.	RS.	A. P.	RS.	A. P.	RS.	A. P.	RS.	A. P.	RS.	A. P.	RS.	A. P.	RS.	A. P.
Mayavaram	..	..	..	..	..	..	..	..	0 14 0	0 10 0	0 10 0	0 10 0	1 12 0	1 0 0	1 0 0	1 0 0
Nandyal	..	..	..	..	..	..	..	..	0 12 0	0 9 0	0 9 0	0 9 0	0 15 0	0 15 0	0 15 0	0 15 0
Palghat ..	0 7 6	0 7 6	0 7 6	0 7 6	0 12 0	0 12 0	0 12 0	0 12 0	0 14 0	0 14 0	0 14 0	0 14 0	2 0 0	1 13 0	1 13 0	1 13 0
Panruti ..	0 6 0	0 6 0	0 6 0	0 6 0	0 11 0	0 11 0	0 8 0	0 8 0	0 11 0	0 10 0	0 10 0	0 10 0	1 0 0	1 0 0	1 0 0	1 0 0
Puttur ..	..	..	..	..	..	..	..	..	0 7 0	0 4 0	0 4 0	0 4 0	1 3 0	0 14 0	0 14 0	0 14 0
Rajehmundry	..	..	..	..	..	..	..	..	..	..	..	..	1 4 0	1 4 0	1 4 0	1 4 0
Rajampet	..	..	..	..	..	..	..	..	0 14 0	0 14 0	0 14 0	0 14 0	1 2 0	1 2 0	1 2 0	1 2 0
Ranipet ..	0 9 0	0 5 0	0 5 0	0 5 0	0 12 0	0 12 0	0 6 0	0 6 0	0 12 0	0 6 0	0 6 0	0 6 0	1 6 0	0 15 0	0 15 0	0 15 0
Salem ..	0 8 0	0 6 0	0 6 0	0 6 0	1 4 0	1 4 0	..	..	1 6 0	..	..	..	1 10 0	..	..	..
Tadpatri	0 6 0	0 6 0	0 6 0	0 6 0	0 8 0	0 8 0	0 8 0	0 8 0	0 10 0	0 4 0	0 4 0	0 4 0	1 0 0	0 14 0	0 14 0	0 14 0
Tanjore ..	0 8 0	0 5 0	0 5 0	0 5 0	..	..	..	..	1 0 0	..	..	..	1 6 0	1 4 0	1 4 0	1 4 0
Tellicherry	0 7 0	0 5 0	0 5 0	0 5 0	0 8 6	0 8 6	0 6 0	0 6 0	0 13 0	0 7 6	0 7 6	0 7 6	1 8 0	1 4 0	1 4 0	1 4 0
Tirupati	..	..	..	..	..	..	..	..	0 14 0	0 14 0	0 14 0	0 14 0	1 3 0	1 3 0	1 3 0	1 3 0
Trichinopoly	..	..	..	..	..	..	..	..	0 8 0	0 8 0	0 8 0	0 8 0	1 4 0	1 4 0	1 4 0	1 4 0
Vaniyambadi	0 9 0	0 8 0	0 8 0	0 8 0	0 11 0	0 11 0	0 10 0	0 10 0	1 2 0	0 14 0	0 14 0	0 14 0	1 6 0	1 4 0	1 4 0	1 4 0
Vellore ..	0 10 0	0 5 0	0 5 0	0 5 0	1 4 0	1 4 0	0 7 0	0 7 0	..	..	..	..	1 6 6	1 2 0	1 2 0	1 2 0
					(Salai)								1 8 0			
					0 5 4	0 5 4	0 5 4	0 5 4	0 9 0	0 7 0	0 7 0	0 7 0	0 15 0	0 13 0	0 13 0	0 13 0
Kurnool	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..

In 1939, wages for making 1,000 beedis have varied from 3 annas 4 pies at Mukkudal * to 10 annas at Coimbatore, Erode, Madras and Vellore. In 1946, the wages range from 13 annas 4 pies at Mukkudal to Rs. 2 at Coimbatore and Palghat. The percentage of disparity between the rates of wages in 1939 has been greater being 200 than that in 1946 being only 160. In all the centres only since 1943, the wages have recorded a steep rise. Owing to the existence of more than one rate of wages even in a single centre, the maximum and minimum rates are shown in the table. The extremely low wages in Mukkudal area is to be explained by the fact that it is a cottage industry and womenfolk are engaged in it in their spare hours. In such circumstances their bargaining power is weak; another reason may be the absence of any trade union. On the other hand, the high wages of Rs. 2 at Palghat and Coimbatore is due to the existence of strong and militant workers' union as much as to a relative scarcity of labour. The wages in Madras are lower, being Rs. 1-8-0 because the Beedi Workers' Union is not so militant added to the fact of a relative abundance of labour. The relative scarcity and abundance of labour at Palghat, Coimbatore and Madras are evident from a study of the standard of living schedules. Workers at the first two centres get work on an average for 25 days in a month while those in Madras, for only 16 days.

Wages for the different classes of beedis.

37. Beedis are made in three sizes, senior, medium and junior, which may be distinguished by their lengths. Wages for all these sizes of beedis are the same, whether longer or shorter, thicker or thinner. However, differences in wages exist with regard to sada and jadi beedis. The table on pages 20 and 21 shows the variation in rates of wages for these two classes of beedis at important centres in the Province.

* At Mukkudal the custom was to pay one pie for making 25 beedis in 1939.

as the workers' unions do, for its complete abolition. This attitude of the employers discloses the fact that advances, in the long run, are not bad from their business point of view. This is but as it should be; because the number of workers who can successfully evade or dodge repayment are strictly limited. The circumstances under which the workers live make them believe in the dictum that "Honesty is the best policy." So most of them willingly pay back the advances. But the most pernicious point about advances is that they are taken again soon after the earlier advances are repaid, thus, once the worker receives advances, he continues for ever to be an advance-receiver for the simple reason that the surplus of his income over expenditure will hardly suffice to tide him over periods of abnormally heavy expenditure like child-birth or funeral.

The workers' unions unanimously demand the complete writing off of advances and considerable increment of wages to strengthen the workers' saving capacity.

WAGES.

34. Wages constitute a very important part of cost of production of beedis and are paid on piece basis. The employer does not distinguish between the various processes of beedi-making when he pays a certain wage for making 1,000 beedis. The wage is paid for the first three processes already explained, viz., cutting of wrapper leaves, rolling of beedis and closing the ends. Special wages are paid generally for ring-labelling.

35. Wages are not uniform in all the centres of beedi manufacture. Different rates of wages are paid by different firms. There is also variation in wages for the different classes of beedis. "Jadi" beedis which require closing of both the ends are paid at a higher rate than "Sada" beedis in which only the fire-end is closed. Adult skilled workers, getting these wages, have to pay from their own pockets wages for the children employed by them. Hence in calculating the net rate of wages per 1,000 beedis, the wages paid to the women or children for cutting the wrapper leaves and closing the ends must be deducted from the total wages paid by the employers.

36. The trend of wages in recent years has been upward in response to the rising cost of living. The table on pages 17 and 18 shows the variation in the rates of wages for these two classes of beedis at important centres in the Province.

Changes in wage rates in different places.

Place.	1939.		1942.		1943.		1946.	
	Maximum.		Maximum.		Maximum.		Maximum.	
	RS.	A. P.	RS.	A. P.	RS.	A. P.	RS.	A. P.
Ambur ..	0 9	0	0 5	9	0 14	0	0 15	0
Arcoot ..	0 6	0	0 6	0	0 14	0	0 14	0
Badagara ..	0 8	0	0 6	0	0 12	0	0 14	0
Bellary ..	0 6	0	0 6	0	0 8	0	0 14	0
Calicut ..	0 6	0	0 6	0	0 12	6	0 12	0
Cananore ..	0 6	6	0 6	0	0 7	0	0 14	0
Cuddapah ..	0 10	0	0 4	0	0 14	0	0 14	0
Chingleput ..	0 10	0	0 4	0	0 5	0	0 14	0
Chittoor ..	0 10	0	0 4	0	0 14	0	0 14	0
Coimbatore ..	0 10	0	0 4	0	0 14	0	0 14	0
Conjeevaram ..	0 10	0	0 4	0	0 14	0	0 14	0
Dhanushkodi ..	0 10	0	0 4	0	0 14	0	0 14	0
Ellore ..	0 10	0	0 4	0	0 14	0	0 14	0
Erode ..	0 10	0	0 4	0	0 14	0	0 14	0
Gudiyatham ..	0 8	0	0 5	0	0 14	0	0 14	0
Jalarpet ..	0 7	0	0 7	0	0 14	0	0 14	0
Kalahasti ..	0 6	6	0 6	0	0 14	0	0 14	0
Kamaleapuram ..	0 6	6	0 6	0	0 14	0	0 14	0
Kavaripauk ..	0 6	6	0 6	0	0 14	0	0 14	0
Kumbakonam ..	0 3	4	0 3	4	0 14	0	0 14	0
Madura ..	0 9	0	0 8	0	0 14	0	0 14	0
Mukkulai ..	0 9	0	0 8	0	0 14	0	0 14	0
Melapalayam ..	0 10	0	0 8	0	0 14	0	0 14	0
Madras ..	0 9	0	0 8	0	0 14	0	0 14	0
Mangalore ..	0 9	0	0 8	0	0 14	0	0 14	0

Among the men workers, the wages for sada beedis are lowest at Kalahasti, being only 11 annas, while they are highest at Chingleput and Salem being Re. 1-6-0. The women workers at Melapalayam are getting only 10 annas per 1,000 sada beedis. With regard to jadi beedi, the lowest wage of 12 annas is found at Kalahasti and the highest wage of Rs. 2 at Coimbatore and Palghat. Home workers are generally paid lower wages, regardless of sex; the employers justify the payment of lower wages by saying that in the absence of supervision, the quality of work is inferior and even the quantity of tobacco in each beedi is less due to pilfering. In certain centres like Bellary, Kalahasti, Mayavaram and Tadpatri, the employers pay between 14 annas and Re. 1 even for jadi beedi and they plead that they cannot afford to pay the Madras or Mangalore rate of wages since the percentage of wastage of leaves and tobacco is greater at their centres than at the latter places. Thus several reasons are adduced for the existence of varying rates of wages at the different centres for the same kind of work.

Women's wages.

38. Regardless of the centre or the type of beedi manufactured there, it may be stated as a broad truth that of all classes of workers, women are paid the lowest rate of wages. They are invariably home workers and most of them, Muslim women living behind the purdah. The statement given below shows the difference in wages between men and women in all the sampled centres where women also are engaged in beedi-making:—

Place.	Sada beedi.			Jadi beedi.		
	Men.		Women.	Men.		Women.
	RS.	A. P.	RS. A. P.	RS. A. P.	RS. A. P.	RS. A. P.
Madras	..	..	..	1 8 0	1 8 0	..
Mangalore	..	..	..	1 8 0	1 0 0	..
Melapalayam	0 12	0	0 10 0	1 6 0	1 0 0	..
Mukkudal	..	..	0 13 4	1 0 0	..	..
Kurnool	..	..	(Mostly women)	(Mostly men)	..	..
	0 15	0	0 13 0	..	..	..
Kalahasti	0 14	0	0 12 0	..	..	..
	0 13	0	0 11 0	..	..	..

It may be noted that the quality of beedis made by women at Mukkudal has not been inferior to those made by men workers elsewhere. In Madras, although a few hundreds of women are rolling beedis, the majority of them are engaged in cutting the leaves and ring-labelling. Women are paid between 4 annas and 6 annas for cutting leaves for 1,000 beedis and from 1 anna to 2 annas for ring-labelling 1,000 beedis.

39. Any study of women's wages will be incomplete without a reference to the peculiar system of camouflaging low wages obtaining in many places—particularly in Madras. Under this system, women working at home are also paid nominally the same wages as men working in workshops, say, Rs. 1-8-0 per 1,000 beedis. But the quantity of tobacco supplied for making 1,000 beedis will not be sufficient for even 900 beedis. As they are expected to make 1,000 beedis out of the tobacco given to them, they are forced to buy additional quantity from the branch manager or employers; this may cost the women worker 4 to 6 annas which really operates as a deduction from the nominal wages. Unaware of this indirect cut in their wages, these simple-minded women workers declare or are taught to declare that their wages are Rs. 1-8-0 per 1,000 beedis to any person who cares to question them.

Wages of children.

40. Very young children from 6 years to 10 years generally cut the wrapper leaves and close the ends for which work they are paid from 2 annas to 6 annas per day, in different centres. Whether the payment is made daily or monthly, these children will have to work as many hours as the adult workers employing them. In a few years, the boys learn to roll the beedis when they are employed as 'apprentices' by the master-workers. These apprentices are paid wages ranging from 6 to 12 annas by expert adult workers who have intimate knowledge of their efficiency: if a boy can roll in a day 500 beedis and earn 12 annas at the rate of Rs. 1-8-0 per 1,000 beedis, the master-worker will pay him only 6 annas or 7 annas. These apprentices cannot seek independent employment since branch managers and beedi manufacturers do not possess any idea of their capacity. On account of these factors, as boys grow up and learn beedi-rolling they have got to invariably serve a period of apprenticeship when they are forced by circumstances to accept very low wages. This is exploitation in excelsis as master-workers try to fatten themselves on the sweat of young boys. This is a case of big fish eating small ones. At Kurnool, in one factory a single master-worker employs as many as eight boys, thereby increasing his output to 9,000 beedis a day. There are, of course, places like Badagara where children do independent work and get the same rate of wages as adults.

41. No beedi manufacturer or middleman contractor, known popularly as 'branch manager,' pays any allowance or bonus to the workers. As has been already noted, the wages have risen to about three times during the last six or seven years and in one or two centres even to four times the level of wages ruling in 1939. But this does not mean that wages are adequate to meet the high cost of living.

Variation in rates of wages for various brands of 1,000 beedis in 1946.

Serial number and place.	Sada beedi.			Jadi beedi.		
	Minimum.		Maximum.	Minimum.		Maximum.
	RS.	A. P.		RS.	A. P.	
1 Ambur ..	..	..	..	..	..	..
2 Arcot ..	..	..	..	..	..	..
3 Badagara ..	..	..	..	..	..	..
4 Bellary ..	..	..	..	..	..	..
5 Calicut ..	..	..	..	..	..	..
6 Cannanore ..	..	..	..	..	..	..
7 Cuddapah ..	..	..	..	..	..	..
8 Chingleput ..	..	..	..	..	..	..
9 Chittoor ..	..	..	..	..	..	..
10 Coimbatore ..	..	..	..	..	..	..
11 Conjeevaram ..	..	..	..	..	..	..
12 Dhanushkodi ..	..	..	..	..	..	..
13 Erode ..	..	..	..	..	..	..
14 Gudiyatham ..	..	..	..	..	..	..
15 Jalarpet ..	..	..	..	..	..	..
16 Kalahasti ..	..	..	..	..	..	..
17 Kamalapuram ..	..	..	..	..	..	..
18 Kaveripakam ..	..	..	..	..	..	..
19 Kumbakonam ..	..	..	..	..	..	..
20 Kurnool ..	..	..	..	..	..	..

21 Madras ..	..	..	..	..	..	..
22 Madura ..	..	..	..	..	..	..
23 Makkudal *	..	..	..	..	..	..
24 Mellapalayam *	..	..	..	..	..	..
25 Mangalore ..	..	..	..	..	..	..
26 Mayavaram ..	..	..	..	..	..	..
27 Nandyal ..	..	..	..	..	..	..
28 Palghat ..	..	..	..	..	..	..
29 Panruti ..	..	..	..	..	..	..
30 Puttur ..	..	..	..	..	..	..
31 Rajahmundry ..	..	..	..	..	..	..
32 Rajampet ..	..	..	..	..	..	..
33 Ranipet ..	..	..	..	..	..	..
34 Salem ..	..	..	..	..	..	..
35 Tadipatri ..	..	..	..	..	..	..
36 Tanjore ..	..	..	..	..	..	..
37 Tellicherry ..	..	..	..	..	..	..
38 Tirupati ..	..	..	..	..	..	..
39 Trichinopoly ..	..	..	..	..	..	..
40 Vaniyambadi ..	..	..	..	..	..	..
41 Vellore ..	..	..	..	..	..	..

* Sada beedi rolled by women and other members of the family in the houses in their leisure times and jadi beedi rolled by men in the work-houses.
 † Indicates Lavangalur beedi price. (Salai).

Payment of wages.

42. Wages are paid daily in almost all the important centres of beedi industry. Weekly settlement of wages is found at Salem. The women workers of Mukkudal area get their wages fortnightly or monthly.

Deduction from wages.

43. In recent years with war time greater demand for workers and with self-conscious labour, cash deductions for any purpose—charitable or otherwise—has become rare. But deductions are made indirectly. At Mukkudal, every bundle of 25 beedis must really contain 26 beedis; in other words, for every 1,000 beedis for which wages are paid, the worker has to give 40 beedis without getting any wage. Generally speaking deductions of various subtle and pernicious types have gone out of vogue in recent years.

Earnings.

44. As the wages are paid on piece basis, wages vary with the varying efficiency of the workers as well as with the number of children employed by the adult workers. In the present investigation an attempt has been made to find out the following data:—(1) maximum output reached by the expert workers, (2) minimum output of a worker, (3) daily output of an average worker and (4) daily earnings per average worker per day; all the data relate to workers without boy assistants. A detailed statement showing these data is included in the appendices.

45. It will be evident from that statement that the daily earnings of a worker of average ability range from 14 annas to Rs. 2-4-0. In order to understand the level of earnings aright, the average earnings per year must be computed because of the irregularity of employment in the beedi industry. Only in a very few months, the workers get 26 days of employment (leaving the four weekly holidays) but in certain other months they get work only for 12 or 14 days. This fluctuation in employment is generally found in all centres. As the bulk of the workers have specialized themselves in this trade and are averse as well as unable to seek employment in any other trade, the earnings of the working days should help them to tide over workless days. A clear and correct appreciation of the income position of the beedi workers can be had only when their annual earnings are calculated. In view of the extreme degree of fluctuation in their employment, calculation of annual earnings presents serious difficulties; but they have got to be overcome because no correct idea of the economic position of the workers can be gained by a study of the daily earnings or even monthly earnings. The problem of finding



A TYPICAL SCENE IN A BIG BEEDI WORKSHOP—CHILDREN AND ADULTS WORKING TOGETHER

out the annual income would have been rendered easy, if the employers maintain correct accounts of payments of wages. As the industry is at present unorganized, there is no need to keep wage-rolls for a year continuously; even where such registers are kept, they do not clearly show either the number of children employed or the number of days they had assisted the adult workers. The evidence of the employers and that of the workers are tinged with bias and exaggeration. Owing to these inherent difficulties, the number of working days in each centre was found out by careful analysis of the wage registers and the evidence of the employers and workers, with the result that it may be safely stated that the workers are able to get on an average 240 days of work in a year. Ordinarily a worker rolls 1,000 beedis a day using leaves cut by women to whom he has to pay 4 annas. Thus the net earnings will be Re. 1-1-0 in most of the centres where wages are Rs. 1-8-0 per 1,000. At other centres they will be lower. For 240 days of work in a year, the earnings will be Rs. 300. The monthly earnings work at Rs. 25 per mensem at the highest.

46. Mukkudal area with its army of women out-workers has to be treated separately. The rate of output per woman worker does show some variation being 800 beedis a day but wages are at a lower level, viz., Re. 0-13-4 per 1,000 beedis. The average number of working days in a year is about 280 days because the manufacturers in this centre are able to give more regular work than anywhere else *. Apart from the weekly holidays no worker is forced to remain idle by any faulty organization on the part of manufacturers. Religious or social ceremonies, visits to other villages and sickness may account for the loss on an average of about three days in a month. So it will not be far wide of the mark to say that they work for about 23 days in a month and the wages are therefore about Rs. 16 per mensem.

STANDARD OF LIVING.

47. In order to assess the standard of living of the workers in beedi industry, a special schedule was drawn up (vide Appendices). It was originally proposed to investigate into the budgets of 500 families. However, owing to limitations of time the target could not be reached; only 450 family budgets were studied of which 10 schedules had to be rejected as unsatisfactory. The results of 440 family budgets, which were accepted, were tabulated. The total population covered by this enquiry was 2,114 consisting of 686 men, 754 women, 380 boys and 294 girls. The families were classified into five

* The two biggest manufacturers, for example, meet only about three-fourth of the total demand existing for their beedis. Hence no question of overstock arises. Regarding raw materials, they take care to possess ample stocks always.

48. The composition of the families of workers in the beedi industry as revealed by an analysis of the sample of 440 budgets which has been taken up for study is shown in the table on page 27. The average size of the family is 4.78 made up of 1.55 men, 1.71 women, 0.86 boy and 0.36 girl. It will be noticed by a comparison of this table with the previous one that the size of the family increases with the income, the former increasing from 4.11 in the first group to 6.40 in the fifth group and the latter rising from Rs. 25-0-10 to Rs. 104. The income of the fifth group is 416 per cent of that of the lowest income group. It is significant that the average number of gainfully employed persons in the highest income group is 3 while that of the lowest is only 1.28. The average income of a gainfully employed person in the lowest income group is Rs. 19-9-0 while that of a person in the highest income group is Rs. 34-11-0 or 177.3 per cent of former. It will then be evident that the variation in the average income per family is much more glaring than the variation in the income of a gainfully employed person. The earnings of all beedi workers of average ability are almost the same but in the above analysis, the worker in a larger family earns Rs. 34-11-0 while the worker in a small family only Rs. 19-9-0. This disparity in the incomes of these two classes of workers is to be mainly accounted for by the greater assistance the worker belonging to a larger family gets from the members of his family than what the other is likely to get from the members of a smaller family *. The following table shows the variation in the average income of the five groups of families and those of gainfully employed persons in the same five groups.

Income groups.	Average income per family.		Average income per gainfully occupied person.	
	Amount.	Percent- age.	Amount.	Percent- age.
	RS. A. P.		RS. A. P.	
Below Rs. 35	25 0 10	100	19 9 0	100
Rs. 35 and below Rs. 50 ..	40 10 2	162.1	18 4 0	93.3
Rs. 50 and below Rs. 75 ..	61 1 0	243.6	25 7 0	130.0
Rs. 75 and below Rs. 100.	83 10 8	333.4	28 6 0	145.0
Rs. 100 and above	104 0 0	415.0	34 11 0	177.0

The average income of a family, taking all the groups together, is Rs. 42-8-11. The Enquiry into the Family Budgets of industrial workers in Madras City undertaken in 1937 by the Department of Industries, covered 310 family budgets among the beedi workers and at that time, the average income per

* It may be noted that generally the workers do not describe their children as earning members.

family per month was only Rs. 20-5-10.* The present average level of wages is about 212.5 per cent of the level prevailing in 1937-38 when that enquiry was conducted. Since 1937-38, the wages have recorded a steep rise, particularly since 1942. The rise in the rate of wages may be roughly 250 per cent for the whole Province. The average income of a family has not risen up to 250 per cent, probably due to the lower number of working days in a year at present than the number of working days about ten years ago. Hence the results of the present investigation indicate a nearly correct picture of the workers' income and earnings. To sum up these results, ordinarily the average size of beedi workers' family is 4.78 with an income of Rs. 42-8-11 per mensem; the gainfully employed persons in an average family are 1.93. The per capita income among the beedi workers' families is Rs. 8-14-4. Converting the children into adults at the rate of two children per adult, the average adult income among this class will be Rs. 10-10-6.

Expenditure.

49. An analysis of the results of investigation into 440 families from the point of view of expenditure reveals certain stark truths about the economic conditions of the beedi workers. The total expenditure of all the families is Rs. 27,667-9-6 whereas their total earned income is only Rs. 18,726-8-0. About 91.8 per cent of the families have a deficit budget and only about 8.2 per cent have a surplus budget. This high percentage of deficit budgets may be taken as a normal feature among beedi workers as most of them bridge the gap between income and expenditure by means of advances taken from employers and borrowings from money-lenders. However the magnitude of the deficit is startling which should be accounted for by the extraordinarily low earnings of a number of workers in the months of November and December 1946, which witnessed unprecedented rains all over the Province.† Consequently most of the workers got less number of working days and therefore less than normal earnings. Rain or sunshine, the workers and their families have got to live through the period and the data relating to expenditure should be taken as the irreducible minimum; since in these months of low income, most of their unwise and wasteful items of expenditure would have been checked or cut to the bone. The significance of the figures of expenditure, in this context, may well be appreciated. In these lean months, an average family has been spending

* Report on an Enquiry into the Family Budgets of Industrial Workers in Madras City, 1938, p. 114.

† The budget position in an earlier month could have been studied had it not been for the short memory of the workers and the consequent unreliability of such data.

groups on the basis of income. The following table will show the number of families in each group, the total income of each group and the average income per family.

Income groups and their average income.

Income groups.	Total number of families.	Total income.		Average income per family.	
		RS.	A. P.	RS.	A. P.
Below Rs. 35	184	4,610	0 0	25	0 10
Rs. 35 and below Rs. 50 ..	120	4,876	8 0	40	10 2
Rs. 50 and below Rs. 75 ..	100	6,106	0 0	61	1 0
Rs. 75 and below Rs. 100.	30	2,510	0 0	83	10 8
Rs. 100 and above ..	6	624	0 0	104	0 0
	440	18,726	8 0	42	8 11

The lowest income group earning below Rs. 35 per mensem has 184 families constituting 41·8 per cent of the total number of families investigated. The next group of families with an income ranging from Rs. 30 and below Rs. 50 per month consists of 120 families, being 27·3 per cent of the total number of families. These two lowest income groups together constitute 69·1 per cent. The third, fourth and fifth income groups contain 100, 30 and 6 families, respectively, and their percentages to the total number of families are 22·7 per cent, 6·8 per cent and 1·4 per cent. The families were chosen strictly on the basis of random sampling in all the 42 centres of beedi industry *. The preponderance of families earning below Rs. 50 per month in the samples studied may be taken as a fair index of the actual conditions obtaining among the working classes engaged in the beedi industry. The average incomes of the five groups of families range from Rs. 25-0-10 for the lowest income group to Rs. 104-10-0 for the highest income group.

* No distinction has been made between workers in Madras City and those in mufassal towns: because, it is truly contended that owing to the efficient operation of the various controls and the rationing laws, the cost of living in the metropolis has been kept down, if not forced to levels lower than those existing in the upcountry towns. Firewood, rice and other necessities are selling at controlled prices in the city whereas in many centres firewood is selling at higher prices than those prevailing in Madras.

Serial number.	Income groups	Total number of families..	Family Composition.					Total number of persons per family.					Total number of gainfully employed.	Average number gainfully employed.
			Total number of persons.					Total number of persons per family.						
			Men.	Women.	Boys.	Girls.	Total.	Men.	Women.	Boys.	Girls.	Total.		
1	Below Rs. 35 ..	184	230	286	144	96	756	1·25	1·56	0·8	0·5	4·11	238	1·28
2	Rs. 35 and below Rs. 50.	120	162	188	88	86	524	1·35	1·57	0·7	0·7	4·32	266	2·20
3	Rs. 50 below Rs. 75 ..	100	200	192	116	90	598	2·00	1·02	1·16	0·9	5·08	240	2·40
4	Rs. 75 below Rs. 100 ..	30	76	78	28	16	198	2·53	2·60	0·93	0·53	6·59	88	2·93
5	Rs. 100 and above ..	6	18	10	4	6	38	3·00	1·70	1·70	1·00	6·40	18	3·00
	All income groups ..	440	686	754	380	294	2,114	1·55	1·71	0·86	0·66	4·78	850	1·93

Rs. 62-14-1 per month. The following table shows the amounts spent on food, housing and other important items. The percentage shown in the last column refers to the total expenditure incurred by the total number of families.

Family budgets—Expenditure on important items.

Particulars.	Total expenditure.			Percentage to total expenditure.
	RS.	A.	P.	
Food	16,635	3	6	60.1
Housing	1,078	6	0	3.9
Clothing	1,640	8	0	5.9
Fuel and Lighting	1,520	2	0	5.5
Tea and Coffee	3,035	12	0	11.0
Miscellaneous	3,757	10	0	13.6
Total	27,687	9	6	100

Total income—Rs. 18,726-8-0.

Number of families—440.

50. It will be evident from the above table that 60.1 per cent of the total income is spent on food, 3.9 per cent on housing, 5.9 per cent on clothing, 5.5 per cent on fuel and lighting, 11.0 per cent on tea and coffee and 13.6 per cent on miscellaneous items. On the whole, expenditure is 47.6 per cent over and above the income. This deficit is awful; unless some device is made to close it, the situation among the beedi workers will tend to be explosive. The workers are found to spend a disproportionate amount on tea or coffee; this evil habit must be checked. To my surprise I found that public opinion both among workers and employers view this excessive expenditure on tea or coffee with indulgence and toleration. There are some on both sides, employers and employees, who advocate that tea or coffee is a much-needed stimulant. Any industry that is based on labour turning out work under stimulation should be unequivocally condemned. A drastic reduction of the present consumption of tea will reduce to some extent the yawning deficit. Apart from this, it is not possible to exhort the workers to reduce expenditure on any other item. Indeed, there is every reason to believe that many workers go without sufficient basic food on most of the workless and wageless days. Then the only other alternative of closing the gap is to raise the level of wages. It is of fundamental importance that workers should be provided with the minimum of income so as to ensure a reasonably comfortable standard of life. It should be possible for any industry worth the name to pay such wages as to keep its labourers healthy and efficient. The foregoing analysis of the income and expenditure of 440 families, selected at random, shows that the economic condition is extremely unsound and a rise in wages is indicated. The magnitude of increment

is conditioned by two factors, viz., (1) the need to maintain minimum standard of life on the part of the workers and (2) the capacity of the industry to pay higher wages. An idea of the former has been gained in the preceding paragraphs; some knowledge of the latter can be gleaned only by a study of the profits of the industry to which I propose now to turn.

Cost of production and profits.

51. The cost of production of beedis varies from centre to centre as well as from manufacturer to manufacturer. It depends, firstly, on the blending of the various kinds of tobacco like Nippani, Mysore Choor, Gujarati and Sangli, the prices of which are not uniform. A popular mixture of these varieties contains two of Gujarati, one of Mysore Choor and one of Nippani. The admixture of scraps of Virginia, unfit for cigarette manufacture and selling at lower prices, is now falling out of vogue. In Salem district, tobacco from Surat or Sangli is mixed with local country tobacco in equal parts. At Coimbatore, Palghat and Calicut, Nippani is mixed in larger proportions. Wide differences in the ratios constitute an important reason for wide variations in their cost of production. Again, the quantity of tobacco put in each beedi is not uniform; for example, one maund (25 lb.) of tobacco is used for making 22,000 to 50,000 beedis according to their sizes and places of origin.

52. Secondly, the cost of wrapper leaves also displays a wide variation from centre to centre. Apart from the larger quantities of leaves required for making big-size beedis, their prices usually record very violent fluctuations. Leaves are imported from outside the Province; due to their heavy bulk and low value, cost of transport to the beedi manufacturing centres features as no mean item and varies with the distance that has to be covered. The incidence of overhead charges is lighter in the case of the big business unit when methods of packing, etc., are the same; generally differences are found in the latter. Some firms put a ring label showing the trade mark on every one of the beedis made; other firms have dispensed with this practice. The quality of the paper used for packing and the kind of printing trade marks, etc., on it differ from firm to firm. All these account for differences in the overhead charges.

53. The margin of profit depends as much upon cost of production as on the selling price. With regard to the latter, very wide differences exist even among the same type of beedi which are governed by the popularity or otherwise of the beedis in the market. Another factor of considerable significance is that the beedi manufacturers vigorously compete with one another for markets and spend large sums on competitive advertisement. In certain cases the markets are far away from the producing centres; one brand of beedi

55. It will be interesting to note in this table that the overhead charges range from 2 annas in certain firms at Salem, Gudiyattam and Madras to 7 annas in a firm at Arcot and 11 annas in another firm at Coimbatore. We are not very much concerned with over-rating of overhead charges because we will be then erring only on the side of liberality of computing the profits. Similarly in the case of every item under-valuation has been carefully avoided. The market price of 1,000 beedis varies from Rs. 3 to Rs. 6 at Tinnevely and Rs. 6-13-0 at Coimbatore. The margin of profit per 1,000 beedis is nowhere below 8 annas except in three cases, one at Salem and two in Madras City, which will receive presently further consideration. It is suggested by Workers' Unions that big manufacturers producing 1,000,000 beedis a day are easily making a profit of Rs. 500 or more per day according to the above or similar calculations. For our purpose, it is needless to go into a detailed study of the aggregate profits of manufacturers. What we are directly concerned with is that, after very liberal allowances are made to their cost of production, their profits do not fall below 8 annas per 1,000 beedis. In sixteen cases out of the 25 samples, the rate of profits is 10 annas or more per 1,000 beedis. This reveals clearly how far the manufacturers have the capacity to raise the rates of wages.

56. A reference to the low margin of profit recorded at Salem, and in two cases in Madras calls for certain observations. To these three cases, the other three samples studied in Madras may be added. In all these cases, the system of middlemen contractors is adopted. A reference has already been made to this system from the standpoint of employment of labour. Now it will be appropriate to point out another substantial advantage accruing to the beedi manufacturers from this system. This system had been aptly described as buying and selling system by the Rege Committee. The beedi manufacturer sells tobacco and leaves at artificially inflated prices to the middleman contractor or branch-owners. In Madras City, one maund of tobacco, used for making 25,000 beedis, is sold at Rs. 50 and the leaves required for making 1,000 beedis at Re. 1; it is quite possible for the contractor to buy in the open market the same commodities at much lower prices but he is expressly forbidden from doing so. The manufacturer agrees to buy the beedis made by these contractors at stipulated prices which are generally one or two annas less than those at which they themselves sell to the wholesale merchant. In these transactions, prices are artificially inflated at two points, viz., when tobacco and leaves are sold to the contractor and when the manufactured beedis are purchased from the contractor. From this artificial manipulation, the beedi manufacturer is able to make handsome

profits in selling the raw materials on the one hand and to reduce the margin of profits on the sale of beedis on the other hand. It may be seen from the appendix that the profits are deliberately kept low being only one anna in the majority cases and only two to four annas on a transaction worth more than Rs. 5. This apparently meagre profit ill-fits in with most of the cases of flamboyant prosperity of the beedi manufacturers. Suspensions, generated by this paradox of quarter or half anna profit per rupee and rapid accumulation of wealth, led to an intensive investigation into the profits of beedi magnates. It has been found that the prices paid by them to contractors are only nominal but they are entered into account-books for satisfying the Income-tax Commissioner. But behind these registers there is a real accounting according to which the contractors get lower prices. If profits are, as they should be, based on these lower prices, they will be much more than eight annas per 1,000 beedis; if these profits are reinforced by profits accruing from the sale of tobacco and leaves at inflated prices, the real margin of profit in beedi business can be truly comprehended.

57. The middlemen-contractors dance to the tune of the big manufacturers because they are given decent advances (Rs. 1,000 to Rs. 3,000) for running the business and they can in their turn exploit the wage earners by means of under-payment of wages or under-supply of materials. Thus this system of middlemen-contractors is evil in all respects; it deprives the Central Government of its legitimate revenues by camouflaging the real profits; it enables these middlemen to squeeze and exploit the poor workers and lastly it does in the long run no good to the contractors either. It is a system ingeniously fabricated by the enterprising beedi manufacturers which keeps away the labour trouble and also helps them to augment their profits.

It may then be concluded that the beedi manufacturers, doing their business directly or indirectly, have ability to pay higher wages without any jeopardy to the continued prosperity of their business.

WORKING CONDITIONS.

58. The occupation of beedi rolling is carried on in all sorts of places—in large workshops housed in pucca buildings, small workshops, in houses, verandas of houses, small dingy rooms without windows, in kachcha buildings under the shade of trees, banks of tanks and canals, in short, in all imaginable places according as the industry is concentrated or diffused. Wherever direct employment of labourers by big manufacturers is found, hundreds of workers are generally massed together in old ram-shackle houses, with rickety stair-cases, unwashed and sometimes unplastered walls and mostly

manufactured at Mangalore has its chief market in Madras City while most of the Madras manufacturers sell the bulk of their goods in distant upcountry markets. Thus cost of marketing or sales service is an important item which is saddled on to the cost of production.

54. Lastly a single manufacturer may produce so many different types of beedis—sada, jadi, big and small size—that the problem of calculating the cost of production is rendered further intricate. The foregoing paragraphs will indicate the numerous difficulties present in arriving at a correct calculation of the profit margin. However, an attempt has been made to estimate approximately profits in the manufacture of about 25 brands of beedis; some of the data for this purpose were supplied by the producers to my investigators who took care to examine their worth; with regard to some centres, the Workers' Unions assisted by experienced workers supplied the necessary figures. The table on next page shows the components of the cost of production, selling price and profits for certain selected brands of beedis.

Cost of production of 1000 beedis in some places.

Serial number and place.	Cost of tobacco.	Cost of wrapper leaves.		Cost of thread packing and other overhead charges.		Wages.		Total cost of production.		Selling price.		Margin of profits.	
	RS. A. P.	RS. A. P.	RS. A. P.	RS. A. P.	RS. A. P.	RS. A. P.	RS. A. P.	RS. A. P.	RS. A. P.	RS. A. P.	RS. A. P.	RS. A. P.	RS. A. P.
1 Cannanore..	0 14 6	0 6 6	0 3 0	0 3 0	1 4 0	2 12 0	3 12 0	1 0 0	3 12 0	1 0 0	0 0 0	0 0 0	0 0 0
2 Cuddapah ..	1 11 0	0 12 0	0 3 0	0 3 0	1 4 0	3 14 0	4 8 0	0 10 0	4 8 0	0 10 0	0 0 0	0 10 0	0 0 0
3 Nandyal ..	0 9 6	0 12 0	0 3 0	0 3 0	0 15 0	2 7 6	3 6 0	0 14 6	3 6 0	0 14 6	0 0 0	0 14 6	0 0 0
4 Kamalapuram ..	1 10 8	0 12 0	0 2 4	0 2 4	1 0 0	3 9 0	4 4 0	0 11 0	4 4 0	0 11 0	0 0 0	0 11 0	0 0 0
5 Tanjore ..	1 2 0	0 8 0	0 4 0	0 4 0	1 6 0	3 4 0	4 8 0	1 4 0	4 8 0	1 4 0	0 0 0	1 4 0	0 0 0
6 Arcot (Big) ..	1 8 0	0 8 0	0 7 0	0 7 0	1 0 0	3 7 0	4 8 0	1 1 0	4 8 0	1 1 0	0 0 0	1 1 0	0 0 0
7 Arcot (Small)	1 4 0	0 6 0	0 7 0	0 7 0	0 15 0	3 0 0	3 8 0	0 8 0	3 8 0	0 8 0	0 0 0	0 8 0	0 0 0
8 Gudiyattam (Sada).	0 14 0	0 6 0	0 2 0	0 2 0	1 2 0	2 8 0	3 0 0	0 8 0	3 0 0	0 8 0	0 0 0	0 8 0	0 0 0
9 Gudiyattam (Jadti).	1 12 0	0 6 0	0 2 0	0 2 0	1 6 0	3 15 6	4 4 0	0 10 0	4 4 0	0 10 0	0 0 0	0 10 0	0 0 0
10 Tellicherry ..	1 9 0	0 8 0	0 1 3	0 1 3	1 6 0	3 8 3	4 8 0	0 15 9	4 8 0	0 15 9	0 0 0	0 15 9	0 0 0
11 Tinnevelly (Small)	1 4 0	0 6 0	0 2 0	0 2 0	1 4 0	3 0 0	4 8 0	1 8 0	4 8 0	1 8 0	0 0 0	1 8 0	0 0 0
12 Tinnevelly (1 lig)	1 8 0	0 6 0	0 4 0	0 4 0	1 6 0	3 8 0	4 6 0	2 8 0	4 6 0	2 8 0	0 0 0	2 8 0	0 0 0
13 Kalahasti ..	1 8 0	0 8 0	0 4 0	0 4 0	0 14 0	3 2 0	4 6 0	1 4 0	4 6 0	1 4 0	0 0 0	1 4 0	0 0 0
14 Bellary ..	1 8 0	0 6 0	0 8 0	0 8 0	0 14 0	3 4 0	4 10 0	1 6 0	4 10 0	1 6 0	0 0 0	1 6 0	0 0 0
15 Coimbatore ..	1 12 0	0 10 0	0 11 0	0 11 0	2 0 0	3 5 3	6 13 0	1 10 0	6 13 0	1 10 0	0 0 0	1 10 0	0 0 0
16 Salem ..	1 12 0	0 13 0	0 2 0	0 2 0	1 6 0	4 1 0	4 6 0	0 5 0	4 6 0	0 5 0	0 0 0	0 5 0	0 0 0
17 Mukkudal ..	2 6 0	0 12 0	0 4 0	0 4 0	0 13 4	3 1 4	3 12 0	0 11 6	3 12 0	0 11 6	0 0 0	0 11 6	0 0 0
18 Madras-1 ..	2 1 4	1 0 0	0 2 6	0 2 6	1 8 0	4 12 1	5 5 6	0 9 5	5 5 6	0 9 5	0 0 0	0 9 5	0 0 0
19 Madras-2 ..	1 12 6	1 0 0	0 2 0	0 2 0	1 8 0	4 7 0	4 10 0	0 3 0	4 10 0	0 3 0	0 0 0	0 3 0	0 0 0
20 Madras-3 ..	1 12 6	1 0 0	0 2 0	0 2 0	1 8 0	4 6 6	4 10 0	0 3 6	4 10 0	0 3 6	0 0 0	0 3 6	0 0 0
21 Madras-4 ..	1 12 6	1 0 0	0 3 0	0 3 0	1 8 0	3 7 9	4 6 0	0 11 3	4 6 0	0 11 3	0 0 0	0 11 3	0 0 0
22 Madras-5 ..	2 0 0	1 0 0	0 3 0	0 3 0	1 8 0	3 7 9	4 6 0	0 14 6	4 6 0	0 14 6	0 0 0	0 14 6	0 0 0
23 Mangalore ..	1 6 0	0 8 0	0 1 9	0 1 9	1 8 0	3 12 6	5 0 0	1 3 6	5 0 0	1 3 6	0 0 0	1 3 6	0 0 0
24 Erode ..	1 7 0	0 10 0	0 3 6	0 3 6	1 8 0	3 15 6	4 10 0	0 10 0	4 10 0	0 10 0	0 0 0	0 10 0	0 0 0
25 Trichinopoly ..	1 13 0	0 12 0	0 2 6	0 2 6	1 4 0	3 15 6	4 10 0	0 10 0	4 10 0	0 10 0	0 0 0	0 10 0	0 0 0

unpainted windows and doors. Of course a few exceptions to this general rule are found where the manufacturers have constructed new buildings in recent years; but most of the bigger workshops are houses improvised in a rough and ready fashion into factories. Housed in new or old buildings, the workers everywhere squat on the floor on tattered mats surrounded by trays containing tobacco and cut or uncut wrapper leaves; the latter soaked in the previous night in water emits a peculiar odour while the tobacco exhales its characteristic smell. The mixture of these strong odours pervades the whole workshop. Men, children, heaps of waste remnants of wrapper leaves, leaf and tin trays stuffed with tobacco or aluminium, brass and glass tumblers as well as bottles with dregs of tea and several other odds and ends strewn all over, present a queer picture of jumble and disarray. A few instances from the samples investigated of per capita floor space may be helpful in visualising the degree of congestion in them; they are 4, 4.1, 4.3, 4.5, 4.9, 5 and 6 square feet. Very few of them have any latrine or urinal. Workers are expected to go outside the premises to answer calls of nature. Frequently workers pass urine in convenient nooks and corners of the buildings and premises, be they on the ground or the first floor. In the recently constructed buildings, urinal and lavatory arrangements have been made but nowhere they are adequate. In kachcha buildings, conditions are worse due to mud floor and thatched roofs. I also visited a number of houses of workers in several centres where beedis are made by home workers. It is a misnomer to describe these low roofed thatched sheds as houses; not even 9 feet high at the centre, they are only 4 or 5 feet at the sides. In one slum area in north Madras, small hovels, less than 48 square feet in area, are divided into two rooms serving as kitchen, sitting, living and sleeping rooms and also as work places. Their floors are at or below the level of the road outside. Eight hovels of this kind have one common latrine and one common tap. The inmates of these hovels number 42 including 18 children. In this particular case, all the workers are Muslims and the womenfolk observe purdah. If industrial home workers are to work under such conditions, it will be a merciful act to take them out and put them to work in well-kept and sanitary workshops satisfying all the requirements of factory legislation. In Madras City, Trichinopoly and a few other places, small groups of workers numbering 3 to 6 or 7 were seen huddled together in kennel-like rooms with only one door $2\frac{1}{2}$ feet by $3\frac{1}{2}$ feet and a floor space of 20 or 25 square feet. These 'holes' have no windows and workers keep the trays of tobacco leaves on their laps and ply their task. Floors in medium-sized workshops are generally cemented, stone or brick-laid; a good number of them show

structural uniformity, being four verandas enclosing an open square yard. These workshops have sufficient light and ventilation but are kept unkempt and unclean. On the whole, working conditions are extremely unsatisfactory from the standpoints of per capita floor space, sanitation, ventilation and lighting. Spending the better part of their lives in such miserable environments, workers in general and children in particular present a haggard appearance with yellowish eyes and hollow cheeks. Drinking water is kept in buckets or pots in most of the medium and large workshops. In smaller ones, street tube well or water tap is the only source by which workers can quench their thirst and they generally prefer the near-by tea-shop to either. It is needless to add that there is absolutely no provision for dining sheds either in the bigger or smaller workshops. In extenuation of this state of affairs the employers plead that the workers usually go to their house or hotels to take their lunch.

Working hours.

59. It is common for the beedi workshops to be kept open from early morning to late in the night. Nowhere can be seen any fixed hours of work. As the workers are paid on piece-rate basis, the employers do not insist on the workers coming to the factories punctually and working for stipulated hours. Generally workers choose their own time; they come early and work far into the night whenever they are hard up or need more money. It may also be noted that in some centres non-electrified workshops are closed after dusk due to lack of kerosene for lighting. In very petty workshops it is not rare to find workers working up to 11 p.m. or midnight in the dim light of small kerosene lamps. Wherever kerosene is available in sufficient quantities for bigger shops, petromax lanterns are lit but the advantage of the brighter light in these cases is offset by the unbearable warmth of the rooms. Leaving out these special cases, it may be stated that the beedi workshops are generally kept open for not less than 12 hours, from 7 a.m. in the morning. This does not invariably mean that workers are working all the hours when their workshops are kept open. It is more or less a chronic habit among beedi workers to do their work for 2 or $2\frac{1}{2}$ hours only at a stretch and then to go out for half to one hour; again they will come back and work for another couple of hours and so on. This kind of intermittent work, which is the general rule is attributed by the workers' union to the peculiar character of the work, the squatting posture assumed during working time and the foul atmosphere of workshops. Whatever be the reasons adduced to condone or justify this intermittent work, it is necessary in the interests of both workers and employers to regulate the hours of work and induce continuous work during the working hours. Finally it may be mentioned that the

hours of work of home workers are absolutely unregulated and they roll beedis in all the spare hours or minutes they can snatch in the midst of their household duties. This is particularly so among women home workers rolling beedis or cutting leaves.

Closed days.

60. One weekly holiday is observed in all the centres of beedi industry; it may be either Sunday as in Madras and Mangalore or Friday as in certain other districts. Only in Salem, the weekly holiday varies from workshop to workshop. The Salem Beedi Workers' Union strongly pleaded for the observance of the same day as holiday in all the workshops at Salem. In periods of brisk trade, the employers nominally close their shops but give tobacco and other materials to a considerable number of workers to be made into beedis at home. There are also instances of very poor, needy workers asking for home work on the 'official' holidays and their request is generally met by the employers. In these two ways, the declaration of official weekly holidays is nullified to a large extent in most of the beedi centres.

Housing.

61. The employers of beedi labour do not provide them with houses in any of the centres investigated. Most of the workers in Madras City live in rented one room tenements in the worst slum areas; a very large number live in thatched huts of very diminutive size, which may be easily mistaken for chucklers' quarters. In them, the workers experience great difficulty to wash and bathe in hotter months due to their abject dependence on municipal street taps; in rainy days and cold weather, where they find sleeping accommodation remains a riddle to bona fide investigators. The conditions in other bigger towns are not in any way different from those obtaining in Madras city, though they are somewhat better in smaller towns and villages.

Welfare activities.

62. Welfare activities are conspicuous in their absence. Regarding medical aid, the employers disclaim any responsibility and point out that the local bodies and Governments should attend to it. Owing to long hours of work in ill-ventilated and insanitary buildings and to frequent and liberal doses of tea deemed necessary to stimulate them to work, the workers are maintaining sub-normal health. But complete break-down in health is seldom noticed. Beedi rolling does not call for any muscular energy worthy of mention though it takes a heavy toll of nervous energy; therefore workers in feeble health also continue to work. The fingers of workers, adults and children alike, are stained with nicotine. The

congestion of workers in ill-ventilated workshops will certainly work as a favourable factor for the spread of tuberculosis and consumption but it is not possible to definitely state that there is any occupational disease in this industry.

Education.

63. The bulk of the beedi workers are illiterate. The children, working as many hours as the adults, cannot attend any school. One of the beedi manufacturers in whose workshop more than 100 children of tender age are employed (of course not directly by him but by the adult workers), obligingly offered to open night schools for the children. In this connection, it must be noted that even when the adult workers go out to tea shops, or gossiping pials or street corners every 2 or 2½ hours, the children employed to assist them are not permitted to have such recesses but continue to sit in their places closing the beedi ends and doing odd bits of work. It is inhuman to force these children after about twelve hours of this ordeal into schools in the nights. Their physical system would be sorely crying for rest. Universal compulsory elementary education alone can save these little children from the monotonous drudgery of beedi factories and make them come by their own rights as future citizens of the country.

Workers' organizations.

64. Trade union movement is still in its infancy in the beedi industry and it shows most of the qualities thereof. The total membership of the unions forms only a fraction of the total number of workers in the various centres. Subscriptions are not regularly paid and accounts are not subject to effective audit. In the west coast, unions dominated by communists, are extremely militant and rashly resort to strikes without taking adequate precautions for their successful conduct. They do not possess any decent reserve funds: the secretary of one such union stated that the success of the beedi workers' strike could be brought about by sympathetic strike in the transport, tiles-making and other industries in the district. This attitude of too much dependence on sympathetic strikes rather than on their own strength and soundness of their demands must be discouraged. In a number of places including Madras, the workers are afraid of enrolling themselves as members of unions for fear of victimisation by the employers. At one centre in the Ceded Districts and even in Madras City, some workers requested me to intervene if the employers were to dismiss them or tease them for having appeared before me to give evidence. Illiterate, ignorant and extremely indigent, the beedi workers suffer from lack of strong Trade Unions, which are to-day acknowledged everywhere to be the bulwark of the rights of workers. At present the weakness of Beedi Workers'

Unions has resulted in weak bargaining power, low wages and bad working conditions in many centres. The greatest obstacle to the growth of trade union organization is the existence of unregistered unions giving a wide scope for mismanagement and hasty action which in their turn lead to unsuccessful strikes and ultimately destroy the faith of the workers in unions. Again the office bearers of the unions should be as far as possible workers themselves; however at the present moment, it is quite out of the question to ban non-workers, from becoming office bearers of unions because of the workers' low level of literacy, lack of organizing capacity and fear of victimisation. The unions have a great responsibility towards the workers in educating them into better ways of living and in doing constructive work. For example, the unions should fight a crusade against the two major vices of beedi workers, excessive consumption of tea and too frequent visits to cinema houses. When their wages are not sufficient to enable them to satisfy the minimum requirements of healthy life, it would be criminal folly for them to waste a very high percentage of their incomes on tea and talkies. Many more lines of constructive work will easily suggest themselves to any person genuinely anxious to improve the lot of these poor workers. From the foregoing observations, it will be evident that the greatest need of the hour is more and more unionization on sound and scientific lines. Even assuming well-developed and scientifically organized unions are established everywhere, the growth and effectiveness of the trade union movement in the beedi industry is bound to receive a set-back if the tens of thousands of women home workers are also not brought within the fold of these unions.*

ISSUES.

65. The issues to be settled in the beedi industry may be briefly stated as follows:—(1) Working hours, (2) employment of children, (3) employment of women, (4) working conditions, (5) welfare activities and (6) wages. These issues are not exclusive to one another; on the other hand all of them overlap one another. However for the sake of clarity they may be dealt with separately.

(1) Working hours.

66. All the workers' unions in the Province are unanimous in their demand for the restriction of hours of work to eight and the application of Factory Act to beedi industry. However, the employers hold that, in practice, the workers will never sit up and continuously work for eight hours with an interval of one hour for midday meal. They contend that the workers have never learned the habit of working at a

* The position of women workers in the industry is discussed further in a later section.

stretch for more than two or two and a half hours and it will be extremely difficult to make them work in specified hours in a day. They also add that under the present system of unregulated hours of work, the workers enjoy more freedom, that they can choose the most convenient hours of work, sleep in their homes in the hotter hours of the day and work in the cooler hours of the evening and night. Besides, as they work on piece-rate basis, the workers will suffer if the hours are restricted and they will earn less. Their average output per day will become less than what it is at present. It is interesting to notice in these arguments of the employers that they are anxious to see the workers work more and get more. Whether this anxiety on the part of the employers is genuine or otherwise, the investigation of my staff tends to show and my personal knowledge gained through inspection of the factories in various centres confirms that the maximum number of hours of work turned out would not exceed eight. In the present unorganized state, the workers are unsteady and doing intermittent work spread over fourteen or fifteen hours in a day. So long as the beedi workshops are permitted to be kept open for any number of hours, it will not be possible to make the workers apply themselves steadily and continuously to their task. Unregulated hours of work make for intermittent work; absence of continuous work renders non-regulation of working hours necessary. Thus they form a vicious circle which must be broken to set matters right. The workers are willing to have nay clamouring, for eight-hours day.

67. Similarly with regard to one closed day a week, the workers' unions want it while the employers are sad to think that the poor workers will be deprived of work and, therefore, of wages on these weekly holidays. This exceedingly deep sympathy of the employers for the workers may be set aside and the weekly holiday must be enforced which shall be Sunday or Friday.

Working hours must be regulated and a maximum of eight hours a day must be fixed; every Sunday or Friday should be a closed day.

(2) Employment of children.

68. Most of the employers gave evidence to the effect that they are not responsible for the employment of children and are not concerned over any legislation prohibiting child labour in the beedi industry. But some of them pointed out that children are necessary to assist the adult workers in closing the ends, putting the ring-label, etc., and without their assistance the output of the adult worker will be substantially affected and their earnings correspondingly reduced. Another argument put forward by some other employers in favour of

72. In dealing with this problem of women employment in beedi industry, apart from the vast numbers involved, it is necessary to remember that to most of them, beedi making or cutting of leaves is not a subsidiary but primary occupation. There is no other main occupation from which these women derive the bulk of their income; consequently beedi making or any auxiliary work connected with it done by women being their chief occupation, cannot be described in any sense of the term as a cottage industry. Arguments in favour of encouraging or improving the conditions of cottage industry applied to beedi industry carried on in the homes of workers would lead to the gradual closing down of workshops or factories and to a widespread diffusion of the industry in the homes of the workers. If women are permitted to work at home, (1) their hours of work cannot be regulated, (2) children would assist the adults at home and child labour cannot be prohibited and (3) men workers would be tempted to assist their women in their work after their return from regulated workshops and would do extra work in excess of the statutory maximum hours of work. As a corollary of the last two factors, any legislation prohibiting child labour or excessive hours of work for adult male workers, will become a dead letter. If women are legally restricted to do cutting of wrapper leaves only, they will clandestinely roll beedis also, especially when they had been previously accustomed to do it. If the wages are statutorily raised and a minimum fixed by the Government in response to the demand for higher wages, the temptation to do beedi rolling on account of the higher remuneration will become irresistible. The manufacturers would also encourage this tendency because they can, under any circumstances, get the work done by women at lower than the statutory minimum wages. This kind of evasion of the law will be extremely difficult to prevent. Hence regulation of the hours, conditions of work and wages of male labourers working in licensed premises will prove to be a half-measure with many loopholes which will be fully exploited by the manufacturers. In the light of the foregoing arguments, it will be evident that the upshot of partial legislation will be a rapid emergence of new abuses in the industry. The ideal course will be to prohibit women home workers from engaging themselves in any type of work associated with beedi making but there should be no ban on any kind of beedi work by women, provided they also agree to do the work within the premises of a licensed workshop. In Mukkudal area, some years ago, women had been going to factories and doing the work there; that practice may well be revived. In Trichinopoly where Muslim women home workers abound, the workers' union agreed to the suggestion that women workers may be asked to work in factories run in a manner to satisfy all the

requirements of purdah system. One minor objection was raised in this connexion; women workers, doing their work at home, could attend to cooking and other household duties without any inconvenience. If they are forced to attend factories, house-keeping will be neglected. When the workers are questioned regarding the maximum hours of work women could do along with house-keeping the unions admitted that five hours would be the maximum; more than five hours would be overwork for them. During this period, they would generally cut leaves for 2,000 beedis or make 400 or 500 beedis. On the strength of this information, it was suggested that workshops exclusively employing women may be kept open for eight hours a day but women may be permitted to choose their own hours of work. The representatives of workers' union agreed to this arrangement.

73. The ideal solution of this problem of women employment will be on the following lines:—(1) Beedi work of any kind or type should be prohibited from being carried on in houses. (2) Exclusive women beedi workshops run on strictly purdah lines must be established. (3) They may employ 10 or more women according to the supply of labour in the vicinity of the workshops. (4) The hours of work must be the same as those of factories employing men but women workers may choose any hours of work according to their convenience. According to this tentative time-table of working hours, women will be able to work six hours a day in factories that will be under the operation of the Factories Act and, therefore, kept in good sanitary and hygienic conditions. These factories are bound to be far better in ventilation, cleanliness, etc., than the wretched hovels of the beedi workers. The change of atmosphere would certainly do good to the health of the workers. Again the houses will be once for all freed from cuttings of wrapper leaves, tobacco dust and the foul odour emanating from them and poisoning the atmosphere. The house will continue to be thatched huts or tiled one-room tenements but they will cease to be beastly workshops to boot. From the social standpoint, this kind of legislation appears to be very urgent.

74. In the actual process of legislative reform, many obstacles, like religious sentiment, may become well-nigh insuperable. If such obstacles ban the passing of a complete and comprehensive measure as delineated above, reform for the nonce, will have to be diluted and it may contain the following features:—(1) Women, who are prepared to go into factories specially set up for them and run on strictly purdah lines, may be permitted to do all kinds of beedi work; they must be paid the same rates of wages as the men, for it is an indisputable axiom that equal work must carry equal wages; there will be no scope for pilfering, one of the charges levelled

retention of child workers is that a large number of the children are fatherless orphans and their widowed mothers want the earnings of these children to keep the pot boiling. It has already been noted that these children earn between two and four annas a day and it is a cruel joke to say that this pittance is the mainstay of the family income; even supposing it to be true, no civilized nation can tolerate its children to drudge under such exacting conditions. The workers' unions demand the immediate abolition of child labour. The proper place of the children is the school and not beedi workshop. It is a grave injustice to have permitted this kind of exploitation of young and innocent children. It is urgent that child labour should be prohibited in the beedi industry at any stage and in any form by strictly enforcing the Employment of Children Act.

(3) *Women employment.*

69. The problem of women workers in the beedi industry bristles with difficulties. In the whole Province there number exceeds 25,000 and in Madras City alone 4,000, but not even a single woman goes into a factory or workshop for work. They constitute a formidable army of industrial home workers. Generally speaking there is a cardinal difference between women workers in the upcountry and those in the Madras City. The former, either in Mukkudal area or Kalahasti and its surroundings, cut leaves, roll beedis and do everything connected with beedi manufacture while the latter are chiefly engaged in cutting the wrapper leaves only. Of course, there are exceptions to this general rule; women in Salem district cut only leaves whereas a few hundreds of women in Madras City roll beedis also. However, the difference is broadly true. It is a significant factor that almost the entire force of women workers in Madras City and a majority in Salem and Trichinopoly are Muslims observing very rigidly the purdah system. Another characteristic regarding the employment of women is that they are invariably paid lower wages than men; nominally women's wages may be equal in certain centres but the manufacturers adopt very ingenious devices to cut them to some extent and justify their action on the plea that women work is inferior in quality and home work is always attended by wastage and pilfering of tobacco, etc. Thus the peculiar features of women labour in this industry are the vast numbers employed, the differences in the types of work done, the observance of purdah among Muslim women and the lower real wages obtained by them.

70. There are three schools of opinion regarding employment of women in this industry. Firstly, the idealist school wants its complete abolition; this conclusion is based on the argument that the proper work of women is house-keeping and they must be relieved of the necessity to earn their livelihood. The second school of opinion favours the abolition

of all types of beedi work except the cutting of leaves. In support of this view, it is argued that (1) this arrangement will give lighter work to women; (2) it will enable widows and others in need of remunerative employment to get some work; (3) in the event of regulation of beedi manufacture by means of special legislation, leaf-cutting may alone be easily exempted; (4) it is impossible for purdah women to go out of their houses and do work in any factory or workshop even if it is completely managed by women supervisors, maistris, etc.; (5) complete prohibition of women from doing any kind of beedi work will produce acute distress and unemployment among certain sections of the population; hence it will be an extremely radical and dangerous measure; allowing women to cut leaves at home will smoothen the course of legislation; and (6) when male workers are paid better living wages, the need for women to work and supplement the family income will cease and they will automatically give up this subsidiary occupation; the time will then be ripe for prohibiting completely all kinds of beedi work by women. This school of opinion favours a policy of regulation by stages and is opposed to any radical legislative action.

71. The third school of thought believes in complete and immediate regulation of women employment. Home work of any sort is opposed by this school on the ground that it will lead to exploitation of women by the employers. Organization of women home workers in trade unions will never be successful. In the absence of unionization, they will have only feeble bargaining strength and will be prepared to accept much lower wages than men. This state of affairs will affect detrimentally the position of men workers; it will create the greatest breach in the organization of men workers' unions. If it is possible for the employers to get the same work done by women at home for lower wages than by men working in workshops, a tendency will set in towards the gradual elimination of workshops and the entire industry will sooner rather than later take refuge in the homes of women workers. With regard to the suggestion that women workers may be permitted to cut wrapper leaves only, this school contends that it will be difficult even for the most efficient inspectorate to check whether women are cutting leaves only or rolling beedis too. The concession offered to women workers regarding cutting of leaves is likely to be abused and the whole system of regulation contemplated will be grievously undermined. Proceeding on this line of argument, this school emphasises the need for complete prohibition of home work and the setting up of factories separately for women managed entirely by women where female labour may be employed to do any type of beedi work under conditions identical with those prescribed for male workers.

against women home labour by the employers; the quality of work may be improved by the guidance and vigilance of the women maistris or supervisors. (2) Women, who do not choose to go out of their houses into factories, must be permitted to engage themselves in cutting wrapper leaves only; beedi tobacco must never be allowed to leave licensed workshops or factories and smuggling of tobacco into houses for beedi rolling must be prevented by an efficient corps of inspectors with the assistance of the members of the Central Excise department.

75. A third and feasible alternative method of regulating women employment with a view to preventing exploitation and under-payment is to introduce the system of wage slips. Every one of the women home workers should be given a wage slip giving in detail the amount of raw materials supplied, the quantity of work of each category turned out and the wages earned per day. In order to avoid overwork, maximum may be fixed with regard to the number of wrapper leaves that may be cut and or to the number of beedis that may be rolled per day. By instituting efficient periodical and surprise checks of the wage slips, conditions of work and payment of wages may be improved.

76. Some regulation on the lines of any one of the above proposals is essential to prevent the exploitation of women workers by the manufacturers, to prevent the two laws, prohibiting child labour and enforcing maximum hours of work, respectively, from becoming a dead letter. Finally, it may be added that the dreams of the idealist school, that women should never drudge themselves for earning the daily bread, will not be realized within any conceivable distance of time. Nor will the hope of the second school, that women workers will cease to work if wages of male workers are raised sufficiently to meet the cost of a reasonable standard of life, be ever realized. Because, with the rise in wages, the temptation of women workers to engage themselves in beedi work will increase rather than diminish. Further, the desire of the modern woman, educated and advanced or otherwise, to be economically independent, will be strengthened with the march of time. Remunerative employment will be coveted by women no less than men. In these circumstances, it is too much to hope that women will drop out of the beedi industry of their own accord. Then, if they would adhere to this employment, regulation of their work from humanitarian and social considerations becomes all the more imperative.

(4) Working conditions.

77. The main issue of working conditions relates to the following factors:—(1) Cleanliness, (2) ventilation, (3) prevention of excessive warmth, generation or inhalation of gas,

dust or other impurities, which may be injurious to workers, (4) avoidance of overcrowding, (5) proper lighting, (6) sufficient supply of water fit for drinking, (7) provision of latrines and urinals, for male and female workers separately, of suitable patterns and at convenient places and kept in a clean and sanitary condition during all working hours, (8) Precautions against fire, (9) safety of buildings, (10) shelters for workers during rest and (11) whenever women above a stipulated number are employed, provision of "creches." The appalling working conditions at present in beedi factories, described in an earlier section would have indicated the urgency for reform and nothing short of enforcement of all the provisions of the Non-Power Factories Bill to beedi industry would solve this grave problem of bad working conditions.

(5) Welfare activities.

78. In the beedi industry, welfare activities of any kind are utterly unknown at the present time. In factories where, more than 50 or 100 workers are employed directly by the manufacturers, it will be easy to insist upon the provision of certain amenities to the workers. But such factories constitute a very small percentage of the total number of beedi workshops, a large proportion of which are small in size having 5 to 25 workers employed by contractors. Hence the condition precedent to legal compulsion of employers to provide certain minimum amenities will be the prohibition of petty workshops. The workers' unions want the abolition of all workshops employing less than 50 workers; some minimum will have to be fixed and after a consideration of the various relevant aspects of the problem, I am fully convinced that no useful reform will be possible if pigmy firms employing less than 25 workers are allowed to operate. The whole industry has got to be rationalized and only those industrial units which employ at least 25 workers should be given licence to work. It is needless here to dwell upon the instability of very small firms with the consequent insecurity of tenure to the workers thereof. Nor will they be such economic units or optimum firms as to undertake all the welfare activities, considered to be indispensable by the workers' union and by civilized countries. Thus the problem of welfare activities puts a lower limit to the size of firms; however in the interests of the highest social welfare, firms of larger sizes employing 100 to 300 workers should be encouraged.

79. Under welfare activities, medical and educational facilities are greatly emphasized by the workers. It is essential that the employers should be responsible for the treatment of all occupational diseases. In the absence of any specific

occupational disease, the employers should supply free medicines for all smaller ailments and grant sick-leave, not exceeding fifteen days in a year, with average pay. It will be possible to insist upon the larger employers to open small dispensaries within their premises, managed by competent persons, for providing medical facilities to their workers. Similarly, the larger firms may well run elementary schools for the children of their workers. If the larger firms are compelled by legislation to run dispensaries and schools, it will be signal for their disappearance and the emergence of smaller firms. It is very likely that the medium-sized units employing 25 to 75 persons will dominate the beedi industry, assuming that very small units are prohibited by law. The welfare activities that can legitimately be expected to be carried on by the medium-size factories are not opening dispensaries and schools, but opening of small canteens supplying at controlled rates wholesome light refreshments, starting of co-operative provision stores and co-operative credit societies. All the beedi workshops must be compelled to provide the latter set of amenities. The provision of rest-houses, **creches, wherever necessary, and washing facilities would** involve some degree of expenditure and those firms which fight shy of meeting such expenditure should be denied licences to follow the trade.

80. Apart from these amenities, the workers would feel a considerable degree of psychological satisfaction if their registered unions are immediately recognized by the employers, treated with respect and in all times of crisis made use of fully for the purposes of negotiation and amicable settlement of disputes. The beedi industry, it is admitted by manufacturers themselves, is one in which cordial co-operation of the workers is a *sine qua non* for success; discontented and disgruntled labourers can easily mar the reputation of a particular brand of beedi by putting unequal quantities of tobacco in them, by bad rolling, by weak tying of the thread and by improper closing of ends. In this context when the entire reputation of firm is in the hands of beedi workers, it would be wise for manufacturers to maintain healthy, if possible, cordial relations with the workers. Such relations are best promoted by increasing the range and number of welfare activities, sponsored financially by the employers.

(6) Wages.

81. The question of wages is of pivotal importance in securing industrial peace. With regard to the beedi industry until recently it has remained the sole factor contributing to the declaration of strikes. Before a serious consideration of this vital issue, it will be useful to briefly review the present position of wages in the whole province. There is neither

a uniform level of wages nor the observance of the same wage-period. Differences exist in the wages paid for men and women for the same kind of work as also between the wages paid for sada and jadi beedis. In certain centres where adults employ children capable of rolling beedis, wages of master workers are different from those of apprentices. The causes for the differential rates may be summed up as the variety of beedi made, the sex and age of the worker and geographical location of the workshops.

82. The wages in beedi industry recorded an upward trend only since 1943. Rate of wages per 1,000 beedis was increased everywhere, but no dearness allowance or bonus was paid. Increases in wages were the result of strikes in most of the places and voluntary action on the part of employers in a few centres.

83. The demands of the workers at present may now be stated. Workers' Unions have everywhere set up very high objectives and in most of the cases would like to see beedi industry as well-organized as iron and steel or textile industry and the beedi workers as well-paid as their confreres in the other industries. An analysis of about 30 separate memoranda submitted by the Workers' Unions and the evidence tendered before the Court by about 60 representatives and leaders of beedi workers has been made with a view to finding out their highest and lowest demands. The most ambitious of the Unions demand a minimum of Rs. 3 per 1,000 beedis, weekly holiday with pay, provident fund benefits, fifteen days' casual leave in a year with pay and bonus of three months' wages every year. The most modest demand consists of Rs. 1-12-0 per 1,000 beedis with provident fund and without any bonus. Apart from this direct rise in wages, all the unions are unanimous in their demand that all beedi workshops should be brought within the scope of the Factories Act immediately; a large number of the representatives of labour asked for the enforcement of Employment of Children Act, 1938, the Payment of Wages Act, 1936, and the Madras Maternity Benefit Act, 1934. In demanding these regulations of the industry, they are quite aware of the fact that the employers will be indirectly forced to spend more for the benefit of the workers.

84. Simultaneously with higher wages, the workers also demand for regularity of employment, 26 days' work in a month, lest the benefits of the former should be neutralised by the absence of the latter. In this connection, they hold that very small beedi workshops cannot assure regular employment. Even the larger concerns close their shops or curtail the work due to various reasons like rains, overstock or shortage of raw materials. The workers are opposed to

the whole province. The cost of production of the various types of beedis differs from establishment to establishment. The quantity and quality of tobacco used no less than the size and length of beedis differ very widely. The levels of wages prevailing in various centres have been the outcome of the interaction of economic forces. It is, therefore, undesirable to ignore the differential wage levels and to scrap them out completely for the introduction of a uniform wage rate. Any attempt to do so will damage irretrievably some concerns at present working well and on sound lines. However standardisation of wages and working conditions accompanied by a standardisation to some extent of the product with sufficient but a low number of brands to cater to the different tastes of the consumers, should be the ultimate objective. But that goal will have to be reached by stages, lest the industry should get a rude shock.

88. Bearing all the above points in mind, I suggest, the following scheme for revision of wages:—Instead of a single minimum rate of wages, local minima are better under the prevailing conditions. The enforcement of these local minima will induce reorganisation and readjustment in the industry which will pave the way for final standardization of wages in about 3 to 5 years.

The present system of wages shall be modified on the following lines:—

(1) The wages for rolling 1,000 beedis in any centre in the province shall not be less than Re. 1-2-0.

(2) The existing wage-rates ranging from Re. 0-15-0 to under Rs. 1-12-0 in the various centres shall be increased by 25 per cent.

(3) The existing wage-rates of Rs. 1-12-0 and those above shall be increased by 12½ per cent.

The wages revised on the above lines shall be in force so long as the cost of living index does not rise above 300. If the latter rises above 300, allowance must be payable at the rates shown below:—

Index number.	Up to 300.	300 to 325.	325 to 350.	350 to 375.	375 to 400.
Allowance per rupee of earnings.	Nil.	1 anna.	2 annas.	3 annas.	4 annas.

PART II.

CIGAR INDUSTRY.

89. Cigars are the aristocrats among cheroots; the former are made of superior tobacco invariably with two wrappers over the inner fillers whereas the latter, of inferior tobacco covered generally by only one wrapper. Either or both the ends of cigars are closed and the smokers have to bite the ends before lighting them. The cheroots are open at both ends. The Indian cigars have established a very high reputation in the foreign, especially European markets and within this country are used by the wealthy. The ordinary cheroot is the poor man's solace and comfort. The great demand for the high class cigars in the foreign markets has primarily helped the high level of development of the industry in this Province which holds a dominant position in this trade in the whole of India. The World War II with its enormous demand for the high class cigars for the superior ranks in the defence forces gave a strong fillip to the industry which is, however, at the present moment feeling the tapering of demand due to the cessation of war as much as to the stoppage of currency inflation. It is admitted by all manufacturers that the demand for cheroots has not experienced much change during or since the war.

THE PROCESS OF MANUFACTURE.

90. Cigars are rolled by hand and scarcely any machinery is used from the beginning to the end of its manufacture. Rolling of cigars is a highly skilled work and there are dozens of brands of cigars manifesting as many different shapes. As against the two varieties of sada and jadi in the beedi trade, cigar industry produces a variety of brands like Corona, Planters and Torpedo. More than 24 brands of cigar are manufactured in Trichinopoly alone. Each brand shows a different finish. The influence of the foreign market is seen in the great deal of care and meticulous attention devoted to its finish and only very skilled hands are engaged to roll the costly brands. Cigar rolling comprises the following six main stages: (1) stripping the tobacco, (2) cutting of the binder, (3) making of the filler, (4) rolling of cigars, (5) finishing and (6) packing. The tobacco which is to be rolled is moistened with water in the evenings and kept through the nights and taken up for manufacture in the next mornings. The first, third and the final stages of production are the less skilled of which the first and third processes are generally done by children. The wet tobacco is stripped of its stem: the adult worker scissors out the leaves into narrow strips to make the binders and then rolls it into convenient bundles. The inner filler is made out of inferior tobacco by assembling certain amount of tobacco, of a definite length and thickness.

the closing of beedi factories or reduction of work which cause involuntary unemployment and they point out that in Mangalore work is very regular in spite of longer rainy season. What is practicable in Mangalore will be possible in other districts also, provided the employers take some pains to regulate the output and make sure of their markets. In order to attain this objective of regular employment as well as to enforce the Factories Act, prohibition of petty concerns and a policy of concentrating beedi industry in medium or large scale factories capable of being inspected effectively and frequently are desirable; and the workers are in full agreement with this suggestion.

85. So before dealing with the crux of the wages question, it may be laid down that the Non-Power Factories Act must be enforced on the beedi industry, and very small concerns for example those employing less than 25 workers must be prohibited from working. The Employment of Children Act must be strictly applied to this industry. The occupiers of the factory must be held responsible for the observance of all the regulations that might be imposed on the industry. This will help to eradicate the present day evil of men of very low means running mean, squalid, dirty and petty workshops with borrowed capital and serving as middlemen between the big manufacturers and labourers. A great deal of disgust is felt towards these contractors by labour. Viewed without any bias, it must be admitted that the system of contractors leads to the multiplication of too many minor workshops, to the disappearance or migration from place to place of workshops and the consequent insecurity of employment. It also breeds a sense of irresponsibility in the minds of the bigger manufacturers, making them forget the significant part labour plays in their industry. A few manufacturers, who entirely depend upon contractors, affect ignorance of existence of labour problems; this kind of attitude is least conducive to industrial harmony or progress. The middlemen-contractors now serve as shock-absorbers and having no such great stake in the industry as the big manufacturers, they are likely to deal harshly with labour and to aggravate the bitterness of the workers. Finally there is the anamoly of the real employers of labour out of the melee while farcical struggle is going on between aggrieved labour and middlemen-contractors most of whom are ex-workers turned recently into employers. The whole set-up of the industry, tilted to-day by the system of middlemen-contractors, must be reorganized by the application of Factories Act and other Acts to beedi industry and the occupiers of premises must be held to satisfy all the rules under these Acts, to pay provident fund, etc., and to provide all other amenities that may be specified. The

enforcement of these Acts on them will help to weed out the unworthy and this process of pruning and elimination will give in the long run a healthier tone to the industry.

86. The demand for a reasonable degree of regularity of employment on the part of labour is quite legitimate. For, in a number of centres, when heavy orders are placed with them, the manufacturers or their minions (described usually as branch managers) offer plenty of work to their labourers and sometimes recruit fresh labour, but when they suffer from overstock refuse to give the usual quantity or even less of work. They are in the habit of taking up labourers when they want them and of throwing them out when they do not want them which results in unilateral advantage to the employers. The logical outcome of this practice is the existence of surplus army of labour in all seasons except the busiest. It is an ugly sore on the side of labour and it can be healed only by earnest attempts to regulate the employment of labour. The employers plead that circumstances beyond their control, like heavy and sustained rains, overstock of beedis or shortage of tobacco or wrapper leaves caused by difficulties of transport, render it impossible for them to guarantee employment. The first reason is technical; in wet weather, tobacco will not be crisp and suitable for the rolling of beedis; it is, however, noteworthy, that this technical difficulty has been overcome in South Kanara. The other reasons are not extraordinary or peculiar to beedi industry alone; all the industries and entrepreneurs have to face these difficulties and their profits are a function of the ease with which they overcome them. In these circumstances, unless some responsibility is placed on the beedi manufacturers for guaranteeing reasonable degree of employment, no incentive will be given to them to regulate and rationalise their industry and output. In the absence of regulation, the present state of uncertainty and insecurity of employment will be perpetuated and the reserve army of unemployed will be always tending to disturb the industrial equilibrium. In view of these reasons, regulations to the following effect seem to be necessary; employers must guarantee employment for at least 23 days in a month, giving each day a minimum work for rolling 750 beedis; if they fail to do so, the permanent workers must be given for each day of involuntary unemployment, a sum equal to the wages for making 500 sada beedis. This kind of provision will put the employers on the alert and work towards regularity of output and unemployment and I commend it to the earnest attention of the Government.

RATES OF WAGES.

87. After a careful consideration of the minimum requirements for subsistence and the capacity of the industry to pay, I feel that it is not possible to fix a uniform rate of wage for

developing rather tardily. The trade union movement is also in its infancy. Excepting the workers' unions at Trichinopoly, Dindigul, Badagara, Cannanore and Vellore, the other unions are yet in the chrysalis stage. Two establishments merit special mention—the well-organized Spencers' Cigar Factory at Dindigul and the promising Co-operative Cigar Factory at Madura. The data supplied by the Inspector of Local Boards and the Collector of Central Excises reveal that there are about 917 cigar manufacturing shops, both big and small, in the Province, out of which 75 shops alone are fairly big sized, producing more than 3 million cigars and cheroots. In the City of Madras there are about 19 important cigar factories of which six are bigger ones. The manufacture of cigars is also carried on in very small concerns where the number of workers does not exceed three or four. This factor aggravates the already tough problem of amelioration of working conditions. The Factories Act is not applicable to this industry, as all of them do not use power, and most of them employ less than 20 workers. The need for capital being very small, it is common to find the worker of one day blossoming out into an employer next day, employing two or three workers. This has led to the emergence of innumerable pigmy concerns in the industry. But most of these small concerns vanish as fast as they appear. The high infant mortality of these concerns undermines security of employment in the cigar industry.

METHOD OF INVESTIGATION.

97. The lists supplied by the local boards and municipalities, supplementing the list obtained from the Collector of Central Excises, show that there are about 917 cigar manufacturing concerns in the Province, scattered mainly over 60 important places. Of these 75 concerns can be described as fairly big ones, producing more than 3 million cigars or cheroots. Having secured this preliminary knowledge about the size, scatter, and concentration of the concerns, the investigators were sent to 27 selected cigar-making centres with instructions to choose relatively bigger concerns. The idea in selecting bigger ones was that conditions of employment in both big and small units being identical, investigation of bigger concerns will bring a large number of workers within the scope of direct investigation. On the whole, 58 units were investigated and 1,261 adult workers were brought under the scope of my investigation. Apart from this, 80 family budgets were collected by the investigators, of which 71 were tabulated. In my tours, I had the opportunity of personally looking into the working conditions in cigar factories in nine places. Having obtained from the questionnaires, details regarding wages, working

Then the binder leaf is wound round the filler, pasted and rolled over a wooden plank. Lastly the cigar is given a final shape by using further wrapper leaves, in order to make it thicker at certain points and thinner at certain others. The ends are also closed or left open as required for the brand. Then, the cigars are ring-labelled and assembled in 20s, 50s or 100s to be packed into neat and nicely-made plywood boxes. In some cases, each cigar is packed in a cellophane case. Very costly papers with embossed printing in attractive, rich colours, made in Germany, are used regardless of cost. The cost of packing alone may equal, if not exceed the entire labour charges.

91. The manufacture of country cheroots, however, involves only the first four stages. It may here be noted that in the manufacture of high-class cigars, certain implements like levered knives, wooden cases to ensure uniform thickness and length and a press to compress the tobacco contents in the cigar are used. Every big cigar concern manufacturing high-class cigars, employs a carpenter or two to provide it with the plywood packing boxes. Rolling over, the cigars are taken to the maistri who inspects and rejects such cigars which are not up to the mark; the defects pointed out in them are rectified and they are resubmitted. Cigars lend themselves to be rectified, whereas the rejected beedis are broken and disgorged of their tobacco and the wrappers are thrown out. At the end of the day's work, the brand and the number of cigars rolled is entered in a register for payment of wages. The maistri is generally picked among the experienced and docile workers who possess an expert knowledge of the various brands manufactured in the concern. Packing is done by monthly-paid workers in the workshop.

ORGANIZATION OF THE INDUSTRY.

92. Human labour plays a predominant part in the manufacture of cigars and cigar rollers are directly employed by the management. The labourers are recruited directly, generally by payment of advances, and wages are paid on piece basis which vary according to different brands. Direct recruitment and employment, and personal contact and supervision are the special characteristics in cigar workshops. Middlemen contractors, so evident in beedi industry, are seldom found in the cigar trade. Due to the above factors there is a greater scope for harmony between the employers and workers in cigar than in the beedi industry.

93. Another special trait in the organization is that the manufacturers who manufacture high-class cigars, employ lesser number of men than those who manufacture cheroots.

SIGNIFICANCE OF THE INDUSTRY.

94. Madras is the largest, if not the only, cigar manufacturing Province in our country. According to the Department of Central Excise, the total clearance of tobacco for the manufacture of cigar for the years 1944-45 and 1945-46 were 35,674,003 and 43,414,113½ lb., respectively, and the nine months from the 1st April 1946 to 31st December 1946 was 36,433,600½ lb. During the last three years the monthly consumption has steadily gone up from 29.72 lakhs of lb. in 1944-45 to 37.01 lakhs in the succeeding year and finally to 40.48 lakhs in the financial year 1946-47. This amply proves that the industry is rapidly growing and that it occupies no mean place in the economy of our Province. This industry provides employment to over 12,000 workers in our Province which makes it important in any labour survey undertaken by the Government. The total number of workers in the Province is arrived at on the basis of the detailed survey made by the Investigators of this Court. The significance of the industry may further be understood from the following:— The quantity of tobacco consumed in our Province during the year 1938-39 is 93.36 millions of lb. and the approximate wholesale manufactured value is about 311.2 lakhs of rupees,* 90 million lb. of tobacco valued at 3 crores of rupees is consumed as cheroots in our Province.

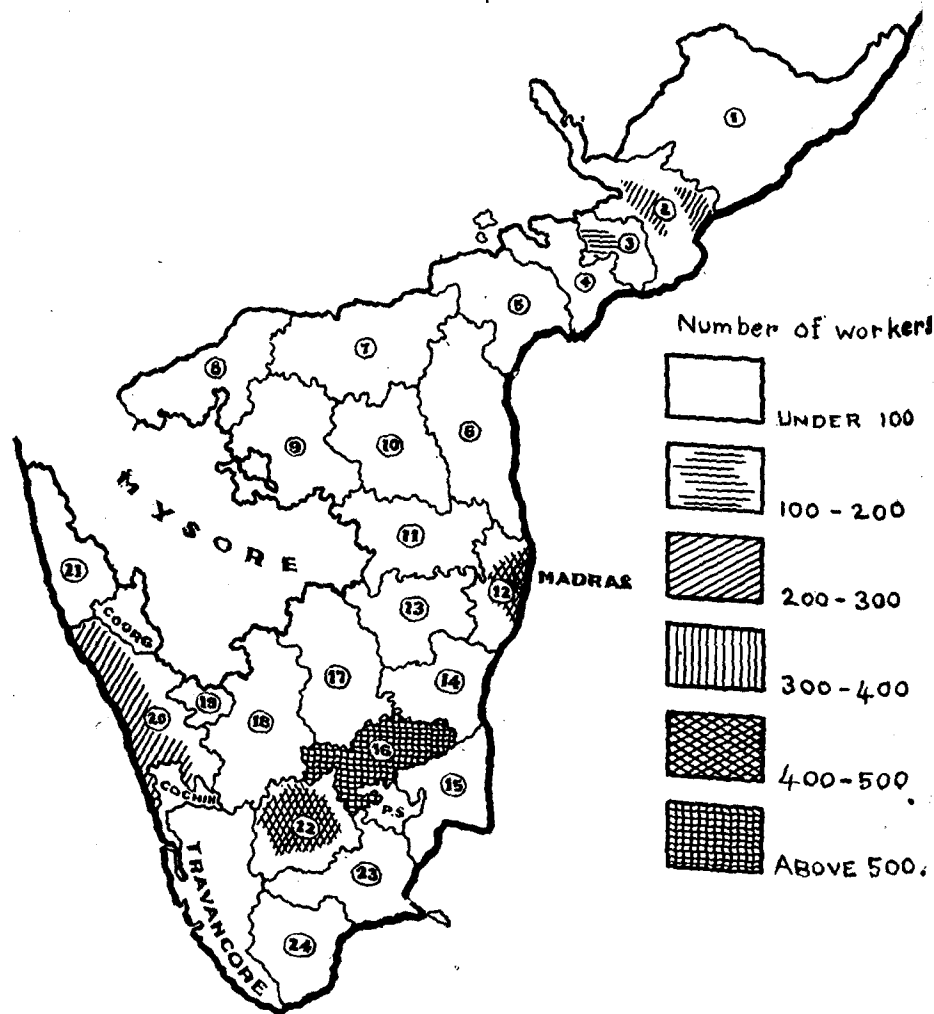
95. Though the habit of cigar smoking is more than five centuries old, it is not possible to fix a date when the industry was started on a commercial scale in our Province. But the data gathered by my investigators indicate that the oldest cigar concern investigated is more than 75 years old (being started in 1870). The industry has got at least 75 years of experience. The industry provides employment to more than 12,000 workers and 50,000 souls are depending on this industry to be fed. Though the industry is carried on on a very small scale and at times by very "small men" in numerous places, its importance deserves to be noticed on account of the dependence of a large number of workers on it in many places of our Province.

STRUCTURE OF THE INDUSTRY.

96. This industry is very unorganized and much dispersed in character. The size of the units varies widely differing from concerns employing two or three workers to those employing above 100. There is no provincial organization of the cigar manufacturers of the Province; a few local manufacturers' associations exist in certain places like Trichinopoly, Dindigul and Madras. Loyalty of the members to the association is

* (1) Report on the Marketing of Tobacco in the Madras Presidency—1941, p. 59.

CIGAR INDUSTRY



DISTRICTS.

- | | | |
|--------------------|--------------------|--------------------|
| (1) Vizagapatam. | (9) Anantapur. | (17) Salem. |
| (2) East Godavari. | (10) Cuddapah. | (18) Coimbatore. |
| (3) West Godavari. | (11) Chittoor. | (19) Nilgiris. |
| (4) Kistna. | (12) Chingleput. | (20) Malabar. |
| (5) Guntur. | (13) North Arcot. | (21) South Kanara. |
| (6) Nellore. | (14) South Arcot. | (22) Madura. |
| (7) Kurnool. | (15) Tanjore. | (23) Ramanad. |
| (8) Bellary. | (16) Trichinopoly. | (24) Tinnevely. |

conditions, cost of production, welfare activities, etc., I summoned representatives of both the employers and workers and took evidence from them before framing the issues.

CONCENTRATION OF THE INDUSTRY.

98. Though the industry is widely diffused all over the Province, it is of interest to note that there is a considerable degree of concentration in about half a dozen centres as will be evident from the following data:—

Place.	Number of concerns.	Number of workers (adults).
Trichinopoly	187	1,800
Dindigul	8	450
Badagara	29	275
Rajahmundry	75	200
Ellore	49	100
Madras	19	400
Whole Province	917	7,668

According to the investigation, the total number of adult workers in the Province is 7,668, of whom 3,225 or nearly 42 per cent are employed in the six places given above. As will be shown in the next section the number of children working in cigar establishments will be more than 4,500; including this number the total number of workers may be approximately 12,000.

CHILD LABOUR.

99. Child labour is a predominant evil in this industry. There is hardly any shop without young, toiling children. The table below will illustrate the number of workshops employing children and the total number of children employed in the investigated centres:—

Number of workshops investigated.	Total number of workers (adults).	Total number of children.	Total number of workshops employing children.	Percentage of workshops employing children.	Percentage of children to adult workers.
58	1,261	726	58	100	57.5

Not only boys but girls of tender age are working as assistants to adult workers. Young boys are employed to make inner fillers and split tobacco, while girls are mostly employed to label and paste rings round the cigars. Further they tidy up the working place in the early morning before the commencement and in the evening after the end of the day's work, and do several other odd jobs. The adult workers admit that their daily outturn will substantially fall without the assistance of these young boys. The same sort of specious arguments as in beedi industry in favour of child employment, are advanced here also, viz., the children are

orphans; they have widowed mothers to support, etc. It is the lump-sum advances rather than the pittance of the daily wage that tempt the guardians or parents to send their children to do this kind of hard work. As against 77.5 per cent of the workshops employing children in beedi industry, cent per cent of the cigar factories employ children. They start their work earlier, and end later than the adult workers. Children of 7 and 8 are frequently employed. In 22 out of 58 units investigated, the age of the youngest worker is less than 10 years.

EMPLOYMENT.

100. Cigar rolling as indicated in an earlier section, is more skilled than that of beedi, and there is scarcity of labour in this industry, during times of peak production. But employment is conditioned by (1) demand for the product, (2) weather conditions and (3) supply of raw materials. During times of increased demand higher advances are offered to attract the workers from other concerns; but employment is curtailed when the demand falls. Secondly during periods of inclement weather production is stopped and lastly work is suspended due to lack of raw materials, or lack of proper facilities for the transport of the finished product to the market and the consequent accumulation of stock. These affect the security of employment of the worker. The employer can stop work according to his pleasure for any one of these three reasons. Further the rise and fall of small concerns profoundly affects the security of tenure of the workers. Taking all these points into consideration, it has been computed that normally a cigar worker gets employment for about 20 days in a month. The employers argue that the reduction or stoppage of work is caused by factors beyond their control.

AGE GROUPS OF THE WORKERS.

101. Workers above 40 years constitute a very small percentage of the labour employed. Out of the 1,987 workers employed in 58 factories, only 188 or 9.4 per cent of the workers were found to be over forty. The presence of workers over 50 years was noticed only in 29 out of the 58 concerns investigated. Though much of manual labour is not required, working for long hours in stuffy rooms and uncomfortable posture, tells much on the nerves of the workers.

LABOUR TURNOVER.

102. With a few exceptions of the big manufacturers, the smaller concerns are not in the habit of maintaining any wage rolls, the absence of which has made difficult computation of the labour turnover in the industry. But it is an universal complaint of the employers that the workers

receive heavy advances and most often disappear. Apart from the common worker's desire to move from factory to factory, the tendency for migration is accentuated by the offer of temptingly high advances by certain employers in acute need of labourers. The movement is not only from factory to factory in the same place, but also from one place to another. It is common to find workers of Trichinopoly and Dindigul going to Tanjore and Madras only to disappear one fine morning after a few days. Thus the relative scarcity of skilled labour, the system of high advances, and the excessive number of mushroom concerns aggravate the migratory character of labour in this industry. The following table indicates the extent of labour turnover:—

Service.	Number of workers.	Percentage to total.
Workers with less than one year of service ..	437	21.99
Workers with one year and below three years of service.	1,212	60.99
Workers with three years and over three years of service.	338	17.02
Total	1,987	100.00

The figures above reveal that about 22 per cent of workers have less than one year of service and about 82 per cent of the workers have less than three years of service.

ABSENTEEISM.

103. In the absence of proper registers, no accurate calculation of absenteeism of the cigar workers has been possible. Apart from the weekly holiday which is observed in almost all the places, as stated in an earlier section, there is employment for only 20 days a month. The number of days of work is further reduced during winter season. These unwanted closed days discourage the worker from absenting himself frequently because absence will affect his earnings, which he can ill-afford. An occasional absence due to ill-health, social or religious ceremonies may be common but frequent absence due to breakdown in health is not observed. The underemployment, as much as low earnings has reduced absenteeism.

ADVANCES.

104. The low income of the worker coupled with high and inelastic expenditure, drives the worker to take advances from the employer. Advances range from Rs. 10 to Rs. 300 per worker. The payment of advances is not in vogue, in

five out of the 27 places investigated; in four places the percentage of workers receiving the advance is centum. As against Rs. 8 at Arcot, the average per capita advance at Ellore is Rs. 271. The per capita advance is high at Ellore and Conjeeveram being Rs. 271 and Rs. 100 respectively. The table given below is an abstract of the statement on advances included in the appendices :—

Number of places.	Total number of units investigated.	Total number of workers (Adults.)	Total amount of advances.	Number of workers who received advances.	Average advance per head.	Average advances per head receiving the advances.	Percentage of workers receiving the advances.
			RS.		RS.	RS.	
27	58	1,261	25,822	797	20.4	32.4	63.2

The advances are recovered by monthly instalments of Rs. 2 and Rs. 3 unless the workers migrate from one place to another, in which case, the advances will have to be written off. The workers are never free from the burden of advances, as they get further sums as soon as old advances are cleared. For larger sums, promissory notes are executed, but for smaller sums, only entries in the employer's ledger are made. Almost all the workers' unions unanimously demand for the cancellation of the advances paid to the workers. Though the employers complain that a large proportion of their advances are not recovered, they do not refrain from paying them.

WAGES.

105. Wages in this industry are paid on piece basis, a stipulated rate being paid for rolling 1,000 cigars. However, in the West Coast, the system of paying a rate per 100 bundles of 25 each obtains. This rate is paid for all the processes of cigar manufacture excepting that of labelling and packing. A separate piece wage is paid for ring-labelling, whereas packing is done by monthly-paid workers. The rate of wages further varies with the different brands manufactured. The wage structure, in this industry, is very complex. For the same brand, the wages are uniform in the same place but vary with places. At Trichinopoly the rate of wages varies from Re. 1-4-0 to Rs. 11, and in Madras from Re. 1-6-0 to Rs. 12. A very low wage of 14 annas per 1,000 is paid at Ambur whereas the highest rate of Rs. 2-1-7 is being paid at Badagara for rolling 1,000 cheroots. There has been an increase in wages since 1943, induced by the higher cost of living and the insistent union demands. The high wage in Badagara

may be attributed to the existence of strong and militant trade union in that place. The following table illustrates the trend of wages for the past five years in the City of Madras :—

Brand.	1942	1943	1944	1945	1946	Percentage of increase.
	RS. A. P.	RS. A. P.	RS. A. P.	RS. A. P.	RS. A. P.	
Thread.	0 9 0	0 10 0	1 4 0	1 7 0	1 9 0	175
Subedar.	0 15 0	1 2 0	1 4 0	1 9 0	1 12 0	86
Manila.	1 5 0	1 10 0	1 12 0	2 0 0	2 4 0	71
Long.	1 2 0	1 4 0	1 8 0	1 12 0	2 0 0	77
Special.	..	..	..	2 8 0	3 0 0	..

An examination of the above table shows that there has been a rise in the wages varying from 71 to 175 per cent. The rise in wages in all the cases except the lowest brand has not been commensurate with the cost of living which has soared up to 275. The rise of wages for superior brand has been extremely inadequate. The existing rate of wages for 1,000 cigars in some of the important cigar manufacturing places is given below :—

Places.	Rate of wages per 1,000.					
	Minimum.			Maximum.		
	RS.	A.	P.	RS.	A.	P.
Badagara	..	..	..	2	1	7
Cannanore	..	..	..	1	15	8
Madras	..	..	..	1	6	0
Trichinopoly	..	..	..	1	4	0
Dindigul	..	..	..	1	9	0
Ellore	..	..	..	1	4	0
				3	12	0

Apart from the piece wages, Spencer's Cigar Factory at Dindigul and McDowell Cigar Factory in Madras pay a dearness allowance of Rs. 16 and Rs. 25, respectively.

WAGES OF CHILDREN.

106. Boys and girls, directly employed by the manufacturers for ring-labelling, are paid a piece rate of one to two annas per 1,000. But children employed by the adult workers to assist them are paid daily wages varying from two annas to six annas. If they are adolescents, the wages are higher reaching as much as twelve annas a day. In certain places like Ellore and Rajahmundry and in some factories in Trichinopoly, boys are paid monthly wages varying from Rs. 3 to Rs. 10. Children are employed and paid by the adult workers and not by the manufacturers.

Cigar.	Income group.	Number of families.	Family Composition.					Average number of persons per family.					Total number gainfully employed.	Average number gainfully employed.
			Total number of persons.				Total.	Men.				Total.		
			Men.	Women.	Boys.	Girls.			Men.	Women.	Boys.		Girls.	
	Below Rs. 35	9	12	15	..	7	34	1.3	1.6	..	..	..	11	1.2
	Rupees 35 and below Rs. 50 ..	32	41	47	23	22	133	1.28	1.46	..	..	..	44	1.37
	Rupees 50 and below Rs. 75 ..	21	38	35	23	12	108	1.8	1.66	1.09	..	..	37	1.76
	Rupees 75 and below Rs. 100 ..	7	21	16	6	2	45	3.0	2.28	..	..	..	19	2.71
	Rupees 100 and above ..	2	7	5	..	..	12	3.5	2.5	..	..	..	7	3.5
	All income groups ..	71	119	118	52	43	332	1.67	1.66	..	..	..	118	1.66

Per capita income.

Income groups.	Average number gainfully employed.	Average income per family.			Per capita income.		
		RS.	A.	P.	RS.	A.	P.
Below Rs. 35	1.2	25	13	4	21	10	8
Rs. 35 and below Rs. 50 ..	1.37	41	2	6	29	4	7
Rs. 50 and below Rs. 75 ..	1.76	58	8	2	32	12	5
Rs. 75 and below Rs. 100 ..	2.7	78	4	7	29	0	0
Rs. 100 and above ..	3.5	108	12	0	31	2	3
All income groups ..	1.66	49	14	7	29	6	7

111. It will be evident from the above table that the per capita income varies from about Rs. 22 to Rs. 32, the average per capita income being Rs. 29. The above analysis of the family budgets indicates that the earnings of cigar workers do not ordinarily exceed Rs. 35 per month and his income will be lower still, without the assistance of a boy. It is not here implied that the workers should get higher income even at the risk of hard exploitation of children. It is significant that the per capita income is around Rs. 30 from the second to the fifth income group. The lower per capita income of the first income group is due to absence of child assistants to the workers of this group. To summarize the results: (1) The average size of a family is 4.66 with an income of about Rs. 50; (2) the normal average income of a cigar worker ranges from Rs. 21 to 32; and (3) the number of gainfully employed persons in a family is 1.66.

EXPENDITURE.

112. The standard of living schedule of 71 investigated families records a total expenditure of Rs. 3,997-0-6 as against its income of Rs. 3,543-12-0; 12 out of 71 or about 17 per cent of the schedules have surplus budgets. The high percentage of deficit budgets appears to be a normal feature among cigar workers and deficit is bridged by advances or borrowing. The scope for borrowing is also limited; a ceiling is always there to the advances or wages he can take. It is, therefore, not unusual to find expenditure being reduced by severe stinting which brings the standards of living much below the poverty line or minimum for subsistence. In spite of this kind of parsimonious life, the expenditure seems always to outrun income; in the samples taken, the former is 112 per cent of the income. The table below gives expenditure under various important heads.

WAGE PAYMENT.

107. Normally, wages are paid either weekly or fortnightly, though in some petty concerns wages are disbursed daily. At the time of wage disbursement a sum of Rs. 2 to Rs. 4 is deducted from the wages of labourers who have taken advances and used for their liquidation. Under the system of fortnightly wage payments, the workers borrow before the pay day and these little loans are recovered fully from the earnings of the fortnight. The workers are not given any pay slips and they do not sign in any register after receiving their wages.

EARNINGS.

108. Wages being paid on piece basis, earnings of a cigar worker depends upon the output. But the output of a cigar worker itself is dependent upon (1) his efficiency, (2) number of days of work, (3) the brands of cigar manufactured and (4) number of assistants employed. The efficiency of the skilled workers varies from person to person. A person of average ability can normally roll 750 country cheroots without any assistance from other adults or boys. As employment is conditioned by weather and the demand for the product the number of working days varies from factory to factory. It may therefore be taken that approximately for 240 days a year or 20 days a month on an average, the cigar workers get employment. The brands manufactured are of cardinal importance in the amount of wages secured because by rolling 200 of the highest quality, the worker can earn Rs. 2 whereas he has to roll 1,000 country cheroots to earn Rupees 1-9-0. Lastly the smartness and experience of the children employed directly affect the earnings of the adult workers employing them. Assuming that 750 cheroots are manufactured by the adult worker, his wages will not be above Re. 1-2-0, since the wages are not above Rs. 1-8-0 per 1,000 in most of the places. Generally the ordinary worker gets employment for only 20 days and his monthly earnings will be approximately Rs. 22-8-0. The highly efficient workers may earn more in some months when they roll high-class cigars. But it may safely be stated that the cigar worker's earnings will rarely be more than Rs. 35 a month. The average daily earnings of a cigar worker in different places is given in the appendices.

STANDARD OF LIVING.

109. Eighty family budgets were gathered by my investigators; only 71 of them were accepted and tabulated. The total population covered by this Enquiry was 332 consisting

of 119 men, 118 women, 52 boys and 43 girls. Then the schedules were classified into five income groups and the total and average income for each of the income groups are given below:—

Income groups and their average income.

Income groups.	Total number of families.	Total income.			Average income per family.		
		RS.	A.	P.	RS.	A.	P.
Below 35	9	232	8	0	25	13	4
35 and below 50	32	1,317	0	0	41	2	6
50 and below 75	21	1,228	12	0	58	8	2
75 and below 100	7	548	0	0	78	4	7
100 and above	2	217	8	0	108	12	0
All income groups	71	3,543	12	0	49	14	7

The first income group in the table has nine families or 12·67 per cent of the total number of workers. The income of 41 families or 57·76 per cent of the workers fall below Rs. 50 per mensem. The third, fourth and fifth income groups contain 21, 7 and 2 families, their percentages to the total number of families being 29·5, 9·8 and 2·8, respectively. The families taken up for survey were selected strictly on the basis of random sampling, and no distinction has been made between the urban and mufussil workers. The existence of 41 families, whose total family earnings fall below Rs. 50, indicates the financial condition among the cigar workers. The average income of the family ranges from Rs. 25-13-4 in the first group to Rs. 108-12-0 in the last group.

110. The figures in the table represent the aggregate incomes of all the gainfully employed members of the families. It must be noted that the number of earning members is not the same in all of them. Hence the average income of a cigar worker may fall much below this. The following table gives clearly the size and composition of the family together with the number gainfully employed. The average size of the family is 1·66 consisting of 1·67 men, 1·66 women, ·73 boy and ·60 girl. It is of interest to note that the higher the income group the larger the size of the family which varies from 3·67 to 6·0 between the lowest and the highest income groups; similar is the case with regard to the number of earning members. It is obvious that the increase of income is mainly due to the existence of a large number of wage earners in the family.

Family Budgets—Expenditure on important items.

Particulars.	Total expenditure.			Percentage to total expenditure.
	RS.	A.	P.	
Food	2,292	13	6	57.4
Housing	188	12	0	4.7
Clothing	273	8	0	6.9
Fuel and lighting	199	12	6	5.0
Tea and coffee	353	2	0	8.8
Miscellaneous	689	0	6	17.2
Total	3,997	0	6	100.0

Total income—Rs. 3,543-12-0.

Number of families—71.

113. From the above table, it is found that 57.4 per cent of the total expenditure is spent on food, 4.7 on housing, 6.9 per cent on clothing, 5.0 per cent on fuel and lighting, 8.8 per cent on tea and coffee and 17.2 per cent on others. The per capita expenditure on food works out at Rs. 6-14-6 which is ridiculously low at the existing price level. This falls far below the reasonable minimum requirements of an individual. The low level of incomes, and the absence of other sources of income argue the need for a higher wage, but rate of increase in wages cannot be fixed without a knowledge of the capacity of the industry to bear higher wages.

COST OF PRODUCTION AND MARGIN OF PROFITS.

114. The numerous brands of cigars produced, the different qualities of tobacco used, the purposeful window-dressing of accounts by the cigar manufacturers, despite the regulations of the Central Excise, the fluctuation in the price of tobacco, the variation in size and length of the brands made to suit the changing climate of prices, the remarkable differences in overhead charges owing to the absence or presence of costly packing materials and a host of other minor factors render calculation of profits either for the various brands or for the whole establishment extremely difficult. The ease with which the industry has not only survived the abnormal years of the great depression and the World War II, but also prospered, is an indisputable proof that the industry does not lack the capacity to pay higher wages.

WORKING CONDITIONS AND HOURS OF WORK.

115. The working conditions in cigar industry are scarcely different from those of beedi industry. In the latter, at least a few concerns were free from child labour, but in the former child labour seems to be indispensable from its ubiquitous appearance in every factory. It is needless to describe again the extremely insanitary conditions of the kacheha or the

pucca buildings in which cigar workers are plying their trade. It would suffice to say that the conditions are almost an exact replica of those of the beedi factory. The defects being similar remedial measures should be no less similar.*

116. In most of the workshops, work is carried on from 7 a.m. to 8 p.m. in the evening, but in Spencer's Cigar Factory at Dindigul and the McDowell Cigar Factory at Madras, there are fixed working hours. But the intermittent stoppages of work for half an hour to one hour for going out and coming in whenever they like are common in almost all the workshops excepting the two European concerns mentioned above; this is attributed to the system of piece-wages.

CLOSED DAYS.

117. Sunday is the weekly holiday for the workers in almost all the places.

HOUSING.

118. Workers are not provided with any quarters and they live in rented houses, which are often one-room tenements. Most of the mufussil workers have their own houses, which are mainly huts or small hovels. Some of the houses in which they live are unfit for human habitation and most of them for decent living. They cook, bathe and sleep in the same place. They are low-roofed, mud-walled and mud-floored with no windows or chimneys.

WELFARE ACTIVITIES.

119. No medical aid is given, and canteens are completely absent. The employees disclaim any responsibility regarding the provision of medical aid.

EDUCATION.

120. Children of very tender age are employed and these later grow up to be the full-fledged cigar workers. Hence, all of them are illiterate. Universal compulsory education, may mean not only literacy but also act as a check on the growth of child labour.

WORKERS ORGANIZATION.

121. Registered workers' unions exist in important centres like Trichinopoly and Madras and two rival unions at Dindigul. Trade union movement is very strong at Badagara and Cannanore. The workers' organization in other places is yet in their infancy. The growth of strong and stable registered unions should be helped in the interest of both labour and industry.

ISSUES.

122. The issues for consideration are the following:—(1) Working hours, (2) employment of children, (3) working conditions, (4) welfare activities and (5) wages. As this industry

* Vide paragraph 58 of Part I.

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PART III.**SNUFF INDUSTRY.**

125. Snuff is "the name of a powdered preparation of tobacco for inhalation." The practice of inhaling has continued to be popular among certain classes of people in India. It is not merely a fashion but a necessity to the habituated. Among the various forms in which tobacco is used, snuff is the cheapest and therefore within the reach of even the poorest in a poor country like India. However this may be said only with regard to the ordinary non-flavoured snuff known as "nattupodi." There are also superior qualities of snuff which are sold by manufacturers at Rs. 11-8-0 or Rs. 12 as compared with ordinary snuff selling at Rs. 3 per viss.

126. "The manufacture of snuff" says the Encyclopædia Britannica "is the most complex, tedious and difficult process", but goes on to add that "it is of little importance"; it may be applicable to the conditions in Europe and America, but not to the Madras Province. The figures supplied by the Department of Central Excise disclose that the total clearance of tobacco for snuff manufacture for the years 1944-45 and 1945-46 amounted to 2,621,814 lbs. and 3,170,470 $\frac{3}{4}$ lbs., respectively, while for the nine months from 1st April 1946 to the 31st December 1946, it was 2,600,023 $\frac{1}{2}$ lbs. In the last three years, the average monthly consumption of tobacco for the manufacture of snuff has been 2.18, 2.64 and 2.89 lakhs of lbs., respectively. These data indicate that the industry is not declining, but growing from year to year. The total quantity of snuff consumed within the province in 1938-39 was 23 lakhs of lbs.* Madras snuff is exported in considerable quantities to foreign countries and other provinces by sea like Ceylon, Federated Malaya States, Zanzibar, South Africa, Straits Settlements, Burma, Bengal, Bombay and Sind; the quantity and the value of snuff exports from this province in 1938-39 were 2,22,300 lbs., and Rs. 2,29,600, respectively. Exports of snuff by rail to other provinces from Madras City in 1938-39 amounted to 1,894 railway maunds or 311,000 lbs., valued at Rs. 3,11,000.† These facts will clearly show that the industry has not lost its importance so far as this province is concerned.

MANUFACTURE OF SNUFF.

127. No one can dispute the statement that the manufacture is complex, tedious and difficult; it is so especially in comparison with that of either cigar or beedi, where the only

* Report on the Marketing of Tobacco in the Madras Presidency, 1941, page 59.

† *Ibid*, page 51. More recent figures are not available.

is very similar to that of beedi, there is no need to repeat the elaborate arguments which have prevailed upon me to arrive at the following conclusions :—

(1) *Working hours*.—Working hours must be regulated and a maximum of eight hours a day must be fixed; every Sunday should be a closed day.

(2) *Employment of children*.—Children under fifteen must be strictly prohibited from working in the cigar industry at any stage and in any form.

(3) *Working conditions*.—The provisions of the Non-Power Factories Bill should be made applicable to the cigar workshops. That is the only sure remedy for unsatisfactory conditions.

(4) *Welfare activities*.—Immediate prohibition of giving or receiving advances is a necessity. Advances usually take the shape of loans buttressed by promissory notes or otherwise. Such loans reduce the recipient employees to a state of serfdom which must at all cost be stopped. The majority of the employees complain that the advances given have to be mostly written-off. Hence, prohibition of advances in any form or shape should be welcomed by both employers and workers. This may be done by bringing cigar workshops under the operation of the Payment of Wages Act.

123. (5) *Wages*.—The much needed improvement in the standard of living of the workers has to be brought about by two measures : (1) to enhance the wages and (2) to ensure security of tenure respectively. That the present level of wages is too low even for subsistence requires no argument. The workers in their present mood will not be satisfied with anything less than Rs. 60 per mensem for one gainfully employed person. But the question to be considered is how far the industry with its present system of organization can afford to pay such wages. A detailed investigation into the costs of production not being possible, a rough estimate was made for this special purpose, on the basis of data obtained from the Central Excise Department, collected directly from the important cigar manufacturers. On this estimate, I have based a revised schedule of wages for the various brand of cigars. Apart from the calculation of profits, three important points, should be considered before arriving at the new scale of wages : (1) the inferior cigars known as cheroots require only a lower order of skill for making; (2) the costly cigars mainly exported abroad call for a high degree of skill; (3) the Department of Central Excise levies duties on all cigars selling at or above Rs. 7-8-0 per 1,000. In consequence of these factors, increasing beyond a degree, the wages of inferior cigar will result in shifting them up into a category of duty-paid cigars. In that case, their selling prices will sustain a double increase. The logical outcome of this will be a fall in demand, causing

reduction in output and employment. In the case of the superior brands the highly skilled labourers can well be paid much higher wages than they get at present. The cigars are selling at very high prices and the workers are not getting at present their legitimate share in the yield. A rise in the wages here will not have any ugly repercussion on the prices and the markets.

In the light of the above considerations a uniform rate of increase in the wages for the different brands is not a feasible proposition. Increase in the wages there must be, in order to satisfy the subsistence requirements of the workers; but the rate of increase in the case of non-duty paid inferior cheroots will have to be relatively less than that in the case of duty-paid cheroots or superior cigars. If this argument is accepted, uniform increase in the wages or standardization of wages will not be possible. Therefore fixation of minimum wage in consonance with the cost of living accompanied by higher rates of wages for superior brands should be the basic principle on which the structure of wages must be built. An outline of the scheme satisfying all the points raised in the foregoing paragraphs may now be laid down : (i) in respect of non-duty-paid country cheroots, wages in any place in the Province, shall not fall below Rs. 1-4-0 per 1,000. There shall be an increase of 25 per cent over the wages prevailing in various centres in January 1947; (ii) with regard to duty-paid cheroots or cigars a progressive rate of increase in the wages, as indicated below, shall be enforced :—

Wage rates in January 1947.			Percentage of increase recommended.
			PER CENT.
From Rs. 1-8-0 up to Rs. 3	..	..	20
Above Rs. 3 up to Rs. 5..	..	..	25
Above Rs. 5 up to Rs. 10..	..	..	30
Above Rs. 10	..	..	33½

124. Besides the enforcement of the above rates of wages, it is essential that the workers should be assured of regular employment for 26 days in a month. The manufacturers must regulate their production in such a manner as to guarantee a minimum of 26 days' work in a month; to this end, voluntary agreement must be made to the effect that the employers should pay a sum of Re. 1 per day for the period during which they are not able to provide work to their permanent workers.

Dearness allowance shall be paid as per the following schedule if the cost of living index goes above 300 :—

Index number.	Up to 300.	300— 325.	325— 350.	350— 375.	375— 400.
Allowance per rupee of earnings.	Nil.	1 anna.	2 annas.	3 annas.	4 annas.

than 4,000 lbs. All the workshops together will be employing about 1,100 workers. The women and boys employed may be approximately 25 per cent of the number of male adults. Thus the snuff industry gives employment to about 1,375 workers of both sexes. Apart from these bigger and smaller establishments, there are countless snuff workshops, run as a subsidiary occupation by the betel or other shopkeepers. All these people are self-employed and produce small quantities of snuff to meet the local demand in the villages and hamlets where they happen to own the shops. With regard to these innumerable snuff makers, no problem of labour exists due to the absence of hired labour. Hence no serious attempt has been made to investigate into the conditions of these concerns in my enquiry.

129. Recruitment of labour in this industry is directly made by the employers. There is no need for maistris or middlemen either, as the number required by each employer is comparatively small. The manufacturers are representatives of all communities, Hindus and Muslims. The workers are drawn from all communities except the Scheduled Castes. The nature of work in snuff industry calls for sturdy labourers capable of doing exacting work. There is no place for weaklings. The manufacturers of country snuff buy generally cheap tobacco, and stems sold by cigar workshops as a waste product. But the manufacturers of high class snuff buy tobacco of very good quality. The instruments used in a snuff factory are stone-mortars, iron and wooden pestles, sieves, ovens, and packing tins. The investment in an ordinary medium-sized snuff factory will be about Rs. 1,000; this of course excludes the cost of tobacco and the ingredients mixed with it. There is hardly any competition between the manufacturers of country snuff and those of superior country snuff as each of these two groups have exclusive non-competitive markets. So it will be the least surprising to note that the village snuff manufacturer producing only country snuff sells also scented snuff imported from Madras or other towns for profit and thereby increases his income.

LOCALIZATION OF THE INDUSTRY.

130. According to the statistics supplied by the Department of Central Excise, out of the total estimated annual production of 1,332,344 lbs. in 1945-46, more than 10·24 lakhs of lbs. of snuff is produced in Madras City, showing the concentration of over 75 per cent of the production in the province in the metropolis itself. The other important regions where snuff industry is to some measure localised are North Arcot district, Sivaganga-Ramnad area and Mangalore. This kind of concentration of the industry is of course accompanied by the manufacture of country snuff for inhaling through the nose, or applying to the gums as it is done on a very petty scale in certain parts of the province.



skilled job of rolling is not difficult though tedious. The process of snuff manufacture consists of five stages—First stripping of the mid-ribs from the leaves which is usually done by women and only for the manufacture of high-class snuff. After the stripping, the leaves alone are cut into small bits for superior snuff, while both leaves and ribs for making inferior varieties of snuff. In the making of the cheapest brand of "nattupodi," only ribs bought at low prices from cigar workshops are cut into bits and used. The second stage consists of roasting the bits of tobacco in mud pots; the duration of roasting, the degree of roasting and the amount of fire that must be allowed to burn are important details which must be carefully watched. In short roasting up to the required degree is a highly skilled job and the ordinary workers are generally unfit to be trusted to do the job themselves. Hence in all the bigger establishments, roasting is supervised by an expert maistri who gives the necessary instructions to the labourers, attending to roasting. Roasting is stopped when the required colour and aroma appear. Thirdly, the roasted tobacco is pulverized, sieved and the fine tobacco powder is separated from the coarse. For pulverizing, stone mortars and iron pestles weighing $1\frac{1}{2}$ to 2 maunds are used. This is hard manual work which is entrusted to machinery worked by man-power or electricity in some workshops. The use of machinery relieves labourers of very hard work and also speeds up production. More visces of tobacco are pulverized per day with the use of machinery than otherwise. The fourth stage of admixture of ingredients and the grinding of tobacco again is done in shallow wide-mouthed earthenwares with wooden pestles about 7 feet high and 6 inches in diameter at the grinding end. The ingredients used vary with brands of snuff; for the superior snuff, in addition to the usual lime and ghee, scents are used. The ratio in which the various ingredients are mixed and their qualities too are matters of trade secret. In the case of certain brands of "nattupodi," gingelly oil instead of ghee is used. The last stage of manufacture is packing. Snuff is generally packed in tins by boys or aged menfolk who cannot do the difficult pulverizing and grinding.

ORGANIZATION OF THE INDUSTRY.

128. There is only one snuff factory which uses machinery and power and therefore comes under the operation of the Factories Act. A few other establishments are run on a large scale but no power is used; machinery for grinding is worked by men rotating some wheels. The average number employed in each of them will be about ten workers. A very large proportion of snuff workshops in this province are conducted on a small scale employing 1 to 5 labourers. In this province there are about 47 snuff factories producing more than 4,000 lbs. of snuff and about 312 producing less



STRIPPING AND CUTTING

131. Notwithstanding the degree of concentration in this industry as evidenced from the data furnished by the Department of Central Excise, for the purposes of investigation, I aimed at spreading the net as widely as possible to gain an intimate and thorough knowledge of the industry which is being subject for the first time to an enquiry of this kind. Direct investigation was made into 22 out of the 47 larger establishments; 13 out of 39 important centres were visited, and about 100 family budgets were collected. I also took evidence from the employers and workers during my visits to four important centres.

The estimated annual production of snuff in important areas is given below:—

Area.	Production in lb.
Madras City	1,024,592
North Arcot Circle	87,857
Ramnad-Sivaganga	55,000
Mangalore	73,987
Total	1,241,436

132. It will be seen from the above table that out of the total production of 1,332,344 lbs. of snuff 1,241,436 lbs. or 93.1 per cent is produced in four important areas.

WOMEN AND CHILDREN WORKERS.

133. Most of the establishments employ women and they are usually found in the stripping and cutting sections although in smaller workshops they also work in the pulverising and sieving section. However, the employment of women is not a universal feature. The proportion of women workers to the total number of workers will be seen in the following table:—

Number of work-shops investi-gated.	Total number of workers.	Total number of workshops employing women.	Percentage of workshops employing women to the total.	Total number of women workers.	Percentage of women workers to the total.
22	317	16	72.7	64	20.2

Direct investigation covered 22 snuff workshops and 317 workers, of which 16 employed women labourers, their total number being 64. The percentage of women workers to the total number of workers is 20.2. The women workers are employed by the male adult workers who pay them wages out of their earnings. Wages for women workers are paid on piece-basis at the rate of 9 pies for stripping one viss of tobacco in Madras City. They generally work for about two or three hours in the early mornings and earn about six annas per day. In certain centres in the upcountry, women are paid between 8 and 10 annas per day and they are engaged to strip the mid-ribs, pulverise tobacco and sieve the powder. They will have to work from about 8 a.m. to 5 p.m. doing all kinds of work given to them.

134. Children are employed in the packing section. They are employed and paid directly by the snuff manufacturers on a monthly pay varying from Rs. 6 to Rs. 8.

DEMAND FOR AND SUPPLY OF LABOUR.

135. There is an inelastic demand for labour and the supply is not adequate. Almost every well-established firm has a clear knowledge of the magnitude and peculiarities of its own market; its aim is always to cater to its market by producing the exact brands which fully satisfy the tastes of the consumers. The quantity required to meet the demand is known beforehand; in these circumstances, the number of workers needed is also known. Manufacturers of superior brands of snuff are anxious to employ experienced workers. Not infrequently a keen demand is felt for such workers; the absence or migration of this class of workers creates at least a temporary void which the manufacturer finds difficult to fill. Recurrence of such a situation has led to the introduction of machinery in certain factories. As has been already indicated, there is a great scope for the use of machinery for doing the toughest process in the manufacture of snuff. Demand for unjustifiably high wages or constant absence from factory in the busy season will sooner rather than later force the manufacturers of snuff to adopt labour-saving devices. This tendency on the part of the manufacturers will place a definite ceiling to the level of wages. In this respect, snuff industry stands in striking contrast to the beedi and cigar industries in which the chances of machinery partially or completely displacing labour are extremely remote. Hence labour in its fight for higher wages will have to bear this point clearly in mind. Ambition to secure high wages should not in any manner accelerate the trend towards the mechanization of the process. At present, labour is cheap and employers are making full use of this cheap labour; at the same time the supply of expert labour falls far short of the demand and in busy seasons, the workers are subject to long hours of work. Though they are paid piece-wages and therefore they do not complain but only covet more work, working beyond a limit will be injurious to their health. Over-work is not remunerated at higher rates of pay. In short the snuff industry at the present moment presents a paradox of relative scarcity of labour and relatively low wages paid at a flat piece rate. This situation is to be explained by two facts, viz., (1) the trade union movement is nowhere strong except in Madras city and (2) the number of labourers employed by the manufacturers being small, they have been establishing personal contacts with them which diminish the force of monetary nexus.

AGE DISTRIBUTION OF THE WORKERS.

136. In the snuff industry, a larger proportion of workers above 40 years are employed than either in beedi or cigar industry. Admixture of ingredients and grinding with the wooden pestle, packing of snuff in the final stage offer lighter types of work which can be done by older men. In 16 out of the 22 workshops investigated, workers between 45 and 60 years were found employed in one section or the other. However one important characteristic of the strenuous nature of work in snuff establishments is that it makes the workers appear prematurely old. The proportion of boys to the total number of workers is very low and the boys are usually between 13 and 15 years old.

LABOUR TURNOVER.

137. The table given below indicates the degree of labour turnover in the beedi industry:—

Length of service of worker.	Number of workers.	Percentage to total.
Under one year	91	28.7
One year and below three years	159	50.1
Three years and above	67	21.2
Total	317	100.0

Only 67 out of 317 workers, that is 21.2 per cent of the workers, have not less than three years' service in the same establishment, whereas 91 workers or 28.7 per cent have less than a year's service. The largest number representing 50.1 per cent of the workers are in the second group having one to under three years of service.

ABSENTEEISM.

138. Data for an accurate calculation of absenteeism are lacking due to the unorganized and unregulated character of the industry in general. However, it may be stated that absenteeism is not very great; the employers have no complaint, in this respect, to make against labour.

ADVANCES.

139. The system of paying advances to workers is not so rampant in snuff as in the beedi industry. In only 7 out of the 22 establishments investigated this system was in vogue. The amounts so advanced are also small ranging from Rs. 2 to Rs. 50—

Total number of places.	Total number of units investigated.	Total number of workers (adults).	Total amount of advances.	Number of workers who got advances (adults).	Average advance per worker, Rs.	Average advance per worker receiving advances, Rs.	Percentage of the workers receiving advances.
13	22	263	1,600	112	6	14	42.6

Out of 263 workers covered by the investigation, 112 or 42.6 per cent of the workers have taken advances, the average advance per head receiving the advances being only Rs. 14 (cf. Rs. 45 in beedi industry). If the total of advances is spread over the total number of workers, the average advance per head is only Rs. 6 (cf. Rs. 25 in the beedi industry).

WAGES AND THEIR PAYMENT.

140. The system of piece wages is predominant although time wages are also paid in certain places. It is broadly true that the larger establishments pay piece rate while the smaller ones, time wages. The latter, especially in smaller upcountry towns, employ both men and women workers on daily-wage basis to do any kind of work that may be given to them. The relationship between the employers and workers is in these cases least strained and an agreement is easily reached regarding the outturn and hours of work. Again these workers are found to be working under their respective masters for a number of years. Disputes between the workers and employers arise only occasionally and militant methods are seldom adopted by the labourers. It may be due to the age-long regard for the employers or the extreme dependence of the workers on their masters.

There is no uniform system regarding the wage periods. In 11 of the 22 units investigated, wages are paid daily, in 9, both daily and monthly and in 2 units, weekly.

RECENT TREND OF WAGES.

141. Wages have recorded a rise only since 1943 in the snuff industry. Under piece-rate system, one unit of work consists of converting one viss of tobacco into snuff.

Place.	Time wages.		Piece wages.	
	1943.	1946.	1943.	1946.
Madras .. ..	....	....	AS.	AS.
Bezwada .. ..	....	....	4	6
Ramnad .. ..	....	....	3	8 (a)
Palghat .. ..	....	....	4	5
Mangalore .. ..	....	....	5 (b)	6
	As. 10 to 12	Rs. 1-8-0 to	..	..
	per day (c).	1-10-0.		
Vaniyambadi ..	As. 5 per day	As. 10 ..	..	..
	(c).			
Erode	Rs. 12 to 15	Rs. 20 to 30	..	..
	per month	per month.		
	(c).			
Vellore	Rs. 10 to 12	Rs. 30 to 35	..	..
	per month	per month.		
	(c).			

(a) = in 1947.

(b) = in 1944.

(c) = in 1939.



STRIPPING VIRGINIA TOBACCO



GRADING VIRGINIA TOBACCO

142. It is remarkable that the piece-wages in Madras, Bezwada, Ramnad and Palghat have registered only a small rise since 1943. In the course of 4 years, in Madras, wages have registered a cent per cent rise, at Bezwada only $66\frac{2}{3}$ per cent, at Ramnad 25 per cent, and at Palghat only 20 per cent. The time wages have, on the other hand, shown a steep rise. At Mangalore, they have risen from 116 per cent to 140 per cent, at Vaniyambadi by 100 per cent, at Erode from $66\frac{2}{3}$ per cent to 100 per cent and at Vellore by about 200 per cent.

WOMEN'S WAGES.

143. Women do generally stripping and cutting of tobacco and are paid at the rates of 9 pies and 3 pies per viss of tobacco. In certain centres, roasting is done by women when they are paid at the rate of 2 annas per viss. However it is common for men workers to do the roasting themselves unless they are assisted by their wives or dependents. In that case, they can save more of their wages. In certain centres in the upcountry, women are employed directly by the manufacturers and paid between 8 and 10 annas per day and they are required to do any one, or all the processes of stripping, cutting, roasting, sieving, pulverising and grinding. In these cases of direct employment they work from 8 a.m. to 6 p.m. while they work only for about 2 to 3 hours when they are engaged by adult male workers.

EARNINGS.

144. It has been already noted that wages in snuff industry are paid on piece-basis as well as time-basis. It should be further noted here that even when wages are paid per day or per month, the workers are expected to show a specified outturn. Strictly speaking the so-called time-wages are really time-cum-piece wages. The employers are always careful that output per man-hour does not fall below a standard when the workers are paid time-rate. Their ever vigilant supervision helps to extract the maximum work from their employees. So whatever be the character of the system of wage-payment, the earnings of the workers are always governed by their productivity; it will be obvious that their productivity depends upon their individual capacities as well as the number of women engaged to assist them. Their net earnings per day will be equal to their gross earnings minus the wages paid to women assistants. Instead of engaging paid women workers, it would be profitable for the male adult workers to get the necessary assistance from the female members of their families. The workers have recognized this advantage and in not a few cases they are helped by their wives and other womenfolk of their respective families. In one instance a family of four members was found to take 10 visses of

tobacco per day for conversion into snuff; the family earnings amounted to Rs. 5 at 8 annas per viss but the average per capita income was only Re. 1-4-0. In this case, all the four members of the family have to be reckoned as gainfully employed persons.

145. It is not easy to get an exact idea of the average earnings of male workers per day or month from the wages-roll even if they are kept regularly by the snuff manufacturers because the number of women engaged and the nature of work turned out by them may vary. If roasting of tobacco is done by paid women assistants, their wages will eat into the earnings of the male workers; for, roasting is paid at the rate of 2 annas per viss. Thus the earnings are conditioned by the level of wages prevailing at the centre, the capacity of the worker and the amount of work done by paid women labour. The following table gives the results of direct investigation into the daily earnings of workers at some selected centres.

Daily earnings at selected centres.

Places.	Outturn of a worker per day in viss.			Earnings of a representative worker.
	Maximum.	Minimum.	Representative.	
				RS. A. P.
Bezawada	5	3	4	1 8 0
Dindigul	7	5	4	1 8 0
Erode	8	5	6	1 4 0
Kumbakonam	6	4	5	1 2 0
Madras	8	4	6	2 0 0
Mangalore	5	4	4½	1 8 0
Palamcottah	8	4	5	1 2 0
Paghat	6	4	5	1 14 0
Pettai	8	4	6	1 2 0
Ramnad	8	5	6	1 3 0
Tanjore	8	5	6	1 4 0
Vellore	6	4	5	1 2 0

N.B.—The representative out-put is calculated from a frequency table showing out-put of workers in each centre.

Ordinarily the average worker in Madras earns a net income of Rs. 2 per day. At other centres the earnings vary from Re. 1-2-0 to Rs. 1-14-0. Due to the more regular work available in snuff factories, the average monthly earnings of the workers may be computed on the basis of 24 days' employment. In Madras the monthly income will be about Rs. 48 and at other centres it may be between Rs. 27 to Rs. 36.

146. The earnings of women workers per day will vary from 4 annas to 6 annas. They may strip and cut 4 to 6 visses a day on an average. Their monthly earnings will be from Rs. 6 to Rs. 9. It must be noted that women work only for about 2 or 3 hours a day in the mornings.

STANDARD OF LIVING.

147. There is a high degree of concentration of the industry in Madras; and owing to the establishment of rationing and price control of cereals, cost of living in Madras will not be higher than in any mufassal place; so it was proposed to examine 100 family budgets of snuff workers in the Madras City only. In the tabulation of the data only 84 standard of living schedules were made use of. The family budget survey has covered 380 persons comprising 144 men, 114 women, 66 boys and 56 girls. The families divided into 5 well-defined income groups with their total and average incomes are given below :—

Income groups and their average incomes.

Income groups.	Number of families.	Percentage to total.	Total income.			Average income per family.		
			RS.	A.	P.	RS.	A.	P.
Below Rs. 35	12	14.3	340	0	0	28	5	4
Rs. 35 and below Rs. 50.	18	21.4	736	0	0	40	14	3
Rs. 50 and below Rs. 75.	30	35.7	1,750	0	0	58	5	4
Rs. 75 and below Rs. 100.	18	21.4	1,570	0	0	87	3	6
Rs. 100 and above ..	6	7.2	694	0	0	115	10	8
All income groups ..	84	100.0	5,090	0	0	60	9	6

The average income of a snuff worker's family ranges from Rs. 28-5-4 to Rs. 115-10-8, in the five groups into which the total number of families are divided. This information is not quite useful in determining the standard of living of the workers without data relating to the size of the families and the gainfully employed persons.

148. It will be seen from the table next page that the average size of the family is 4.53 composed of 1.71 men, 1.36 women, .78 boy and .67 girl. The ratio between men and women merits attention; as against 144 men, there are only 114 women lending support to the assertion made by the employers that most of the snuff workers prefer to remain single. The income of the various groups closely corresponds with the number of gainfully employed persons; the highest income group has 3, while the lowest has only 1.33 earning members. It is therefore clear that the variation in the incomes of the 5 groups is not due as much to the higher efficiency of the workers as to the larger number in the higher income groups. It is not implied that all workers are of uniform efficiency; individual productivity varies. The employers say that men in their prime of life and living single or away from their wives are able to show larger outturn than others. The following table shows the average productivity of individuals in the various income groups.

Distribution of expenditure.

Groups or items.	Total expenditure.			Percentage of expenditure to total income.	Percentage on expenditure.
	RS.	A.	P.		
Food	2,847	6	0	55.9	46.2
Liquor	851	0	0	16.7	13.8
Miscellaneous	614	10	0	12.1	10.0
Clothing	498	0	0	9.7	8.0
Tea and Coffee	471	8	0	9.2	7.8
Fuel and lighting	451	8	0	8.8	7.3
Housing	427	8	0	8.4	6.9
Total	6,161	8	0	126.8	100.0

Total income—Rs. 5,090.

Number of families—84.

The most striking feature of the expenditure side of the family budgets of snuff workers is the high proportion of income spent on liquor, being 16.7 per cent. If the money spent on coffee and tea is also added, the expenses reach the formidable percentage of 16.7 + 9.2 or 24.9 per cent. In short drinks, inebriating and otherwise, account for nearly a quarter of the earnings. Secondly snuff workers are spending about 55.9 per cent of their earnings on food. Although housing consumes about 8.4 per cent of their earnings, the tenements they occupy are miserable hovels, very much like those of the beedi workers. In addition to the above, the fact that 52 out of 84 families or 62 per cent are facing deficits, shows clearly that the workers in the snuff industry are either on or below the poverty line for many months in a year.

COST OF PRODUCTION OF SNUFF AND THE MARGIN OF PROFIT.

151. The foregoing paragraphs will indicate the need for revising the wages to meet fully the cost of a reasonable standard of living. This section will deal with the cost of production of some selected but largely produced brands of snuff in some typical centres. The following table gives the necessary data collected by the investigators.

Cost of production and the margin of profits.

Name of the place.	Cost of tobacco per viss.			Cost of ghee, lime, etc.			Wages.			Total cost.			Selling price.*			Profit.		
	RS.	A.	P.	RS.	A.	P.	RS.	A.	P.	RS.	A.	P.	RS.	A.	P.	RS.	A.	P.
Madras inferior quality.	3	8	0	0	14	0	0	6	0	4	12	6	5	4	0	0	7	1
Superior ..	6	4	0	1	12	0	0	7	0	8	7	0	9	0	0	0	9	
Erode ..	5	0	0	1	0	0	0	6	0	6	12	0	7	4	0	0	8	
Kumbakonam.	5	12	0	1	8	0	0	5	0	7	9	0	8	4	0	0	11	
Arcot ..	3	4	0	1	4	0	0	4	0	4	8	0	5	0	0	0	8	
Ramnad ..	1	8	0	1	0	0	0	5	0	2	13	0	3	6	0	0	9	

* One viss of tobacco is taken to yield $\frac{1}{4}$ viss of snuff.

Income groups.	Family Composition.					Total number of families.	Average number of persons per family.					Total number of gainfully employed.	Average number of gainfully employed.
	Men.	Women.	Boys.	Girls.	Total.		Men.	Women.	Boys.	Girls.	Total.		
Below Rs. 35 ..	12	14	2	4	32	12	12	14	2	4	32	16	1.33
Rupees 35 and below Rs. 50 ..	18	26	16	14	84	18	28	26	16	14	84	22	1.22
Rupees 50 and below Rs. 75 ..	30	44	28	16	128	30	44	40	28	16	128	42	1.40
Rupees 75 and below Rs. 100 ..	18	42	18	14	102	18	42	28	18	14	102	42	2.33
Rupees 100 and above ..	6	18	2	8	34	6	18	6	2	8	34	18	3.00
All income groups ..	84	144	66	56	380	84	144	114	66	56	380	140	1.67

Income groups.	Total number of families.	Average of income per family.			Average number of gainfully employed.	Average per capita income.			Percentage.
		RS.	A.	P.		RS.	A.	P.	
Below Rs. 35 ..	12	28	5	4	1.33	21	4	8	100.0
Rs. 35 and below Rs. 50.	18	40	14	3	1.22	34	10	1	162.5
Rs. 50 and below Rs. 75.	30	58	5	4	1.40	41	10	5	195.5
Rs. 75 and below Rs. 100.	18	87	3	6	2.33	37	7	2	175.66
Rs. 100 and above.	6	115	10	8	3.00	38	8	11	180.9
All income groups.	84	60	9	6	1.67	50	5	2	239.0

149. From the above table it will be seen that the highest income per month for a snuff worker is about Rs. 38-8-11 while the lowest is about Rs. 21-4-8. For an average-sized family of 4.33 members, there is a monthly income of about Rs. 60-9-6. It is significant that the highest income of a worker per month arrived at from an analysis of the family budget schedules almost coincides with the monthly income already arrived at by direct investigation into the wage payments of workers; the former is Rs. 38-8-11, while the latter is about Rs. 36. The per capita income of the snuff workers is Rs. 13-8-0.

EXPENDITURE.

150. Taking all the 84 families into consideration, the snuff workers spend much more than their income. The total income is Rs. 5,090, while the total expenditure is Rs. 6,161-8-0; the total deficit in the month of investigation is Rs. 1,071-8-0 or about 20.8 per cent. This gap has been filled up by borrowing, taking advances or selling or pawning jewels or utensils. The following table shows the distribution of expenditure, and the percentage of expenditure to income on various items.

CLOSED DAYS.

154. In the majority of cases, Sunday is the weekly holiday; no pay is however paid for holidays. If it suits the convenience of the employers, workers are given work on the so-called weekly holidays. It must be admitted that labourers are in the habit of voluntarily going and asking for work even on Sundays, as they are always in need of money.

HOUSING.

155. Workers in snuff industry live in rented houses or in huts of their own; in thickly populated towns and in Madras, congestion of the worst sort is found. The tenements are little better than those of the workers in beedi and cigar industries. It is too much to expect the snuff manufacturers to provide houses for their workers in their present state of mind. But in view of the small numbers they employ, it will not be very difficult to provide the workers with housing facilities.

WELFARE ACTIVITIES.

156. No welfare activity of any kind or form is to be found in this industry. There is no provision for medical assistance to the workers; nose masks are not provided for the workers engaged in the process of pulverizing and sieving, in which there is a great likelihood of very fine particles of snuff entering unduly into their noses and mouth and affecting adversely their health. Vomiting and nausea, fever and bile trouble are the common ailments of these workers. To overcome the unpleasant feelings of nausea labourers in this industry take to drinking; it is stated that after the heavy and strenuous work, there will be a great craving for drinks.

EDUCATION.

157. About 5 per cent of the workers are literate. Illiterate as most of them are, they do not bestow much attention on the education of their children.

WORKERS' UNION.

158. Snuff workers are the least organized among the workers in the tobacco trades. Very recently the Tamilnad Congress Labour section has organized a Trade Union called "The Madras Snuff Workers' Union" in Madras City. Under the lead of this union, about 300 workers employed in about 35 firms have been on strike from 20th February 1947. The workers complain that there is a considerable degree of victimization of the workers by the employers for joining the workers' union.

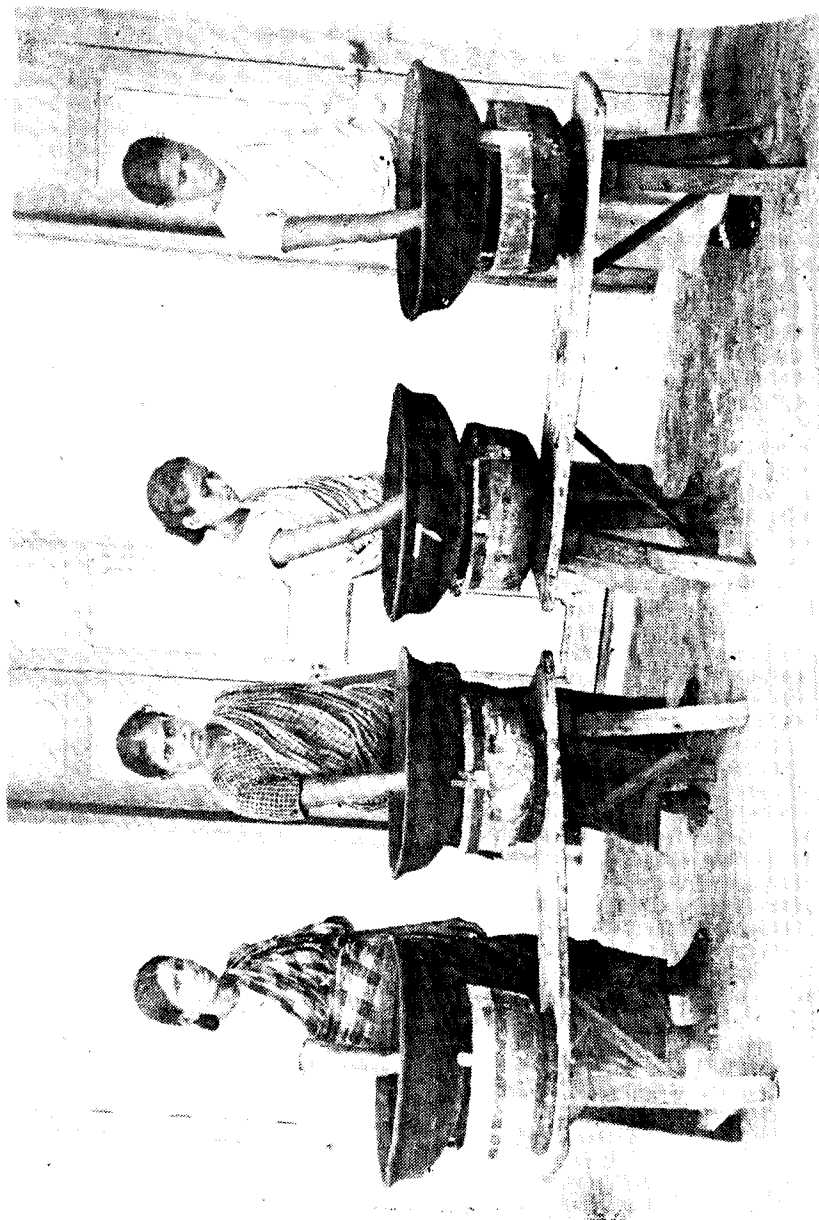
159. Neither the manufacturers nor the workers belonging to snuff industry have any organizations of their own in any centre except in Madras. The Snuff Manufacturers' Association, Madras, has 50 members of whom about 15 are owners

of the largest workshops in the city. The employers admit that there has been a scarcity of labourers especially since the World War II. Recruitment to the defence services and employment in auxiliary war work have taken away a few hundreds of workers from the industry. The recently formed "The Madras Snuff Workers' Union" called for a strike of snuff workers on 20th February 1947, and from that date about 300 workers have struck work. The workers' union has formulated no less than 19 demands, the satisfaction of which has been made a condition precedent for calling off the strike.

ISSUES.

160. The issues for consideration in the snuff industry are almost the same as in beedi or cigar industry. Working hours in snuff establishments must be regulated on the principle of a maximum of 8 hours per day with a noon-day interval of one hour. A weekly holiday on Sunday must be given. Children are not employed in considerable numbers in this industry and they are not indispensable; hence the employment of children below 15 years must be prohibited. Women workers form about 20 per cent of the total number of workers employed. The male adult workers hold that the employment of women for lighter jobs like stripping, cutting and in some cases roasting will help them to turn out a larger output. On the other hand, the manufacturers contend that they are not particularly anxious to employ women and even express their desire to ban their employment. They are not direct employers in the Madras workshops; they seem to foresee the responsibilities of paying maternity benefit and of providing creche and other special amenities in the event of women being employed. To avoid all these costly functions they are prepared to prohibit the employment of women. This is, however, true only of the Madras manufacturers. At other centres, where women are directly employed and paid time wages by manufacturers, the general set-up of the industry will be disturbed if women employment is legally prohibited. Such workshops in the mofussil are numerous. So it is not necessary to prohibit women labour in the snuff industry. But wherever women are employed, the provisions of the Factories Act or the recently introduced Non-Power Factories Bill should be strictly applied; the women should be made permanent workers and they should be enabled to enjoy the Maternity Benefits Act; provision must also be made for the proper care of their children during the hours of their work.

161. The working conditions in all snuff workshops must be regulated by the application and the strict enforcement of the provisions of the recently introduced Non-Power Factories Bill.



At Ramnad it is not leaves but stems of tobacco that are used for making snuff and therefore the price is low. Superior snuff requires high grade tobacco and the manufacturers give 16 or 17 names of tobacco which are in common use. Different types of tobacco used for snuff of superior variety, are (1) Kanchal, (2) Mustabathi, (3) Kondagula, (4) Nunna, (5) Lunga, (6) Eather, (7) Kutral, (8) Beddakadayam, (9) Gopavanam, (10) Ganapavaram, (11) Panastota, (12) Tholkodi, (13) Nehalam, (14) Gondaparava, (15) Potharpadu, (16) Malakaravam, etc. Their prices vary from Re. 1 to Rs. 2 per lb.

WORKING CONDITIONS.

152. Among the four processes of stripping and cutting, roasting, pulverizing and sieving, and mixing and grinding, roasting is invariably done in a separate place, away from the rest, in the open ground outside the workshop or under specially erected thatched or tiled sheds. This arrangement is adopted to avoid ashes from the oven getting mixed with the semi-finished or finished products. In bigger factories the floor is tiled or stone-made and in small workshops mud-floor is not seldom found. The mortars for pulverizing, and the wide-mouthed earthenwares for grinding after admixture occupy a considerable portion of the floor-space of the workshops. The women stripping the leaves squat in some corners while the rest of the space is used for cutting the tobacco. The women assistants leave the premises after working for about two or three hours in the early mornings. The snuff workshops are relatively less untidy than cigar workshops. Much remains yet to be done to make the workshop healthy and wholesome for the worker. Generally speaking, no proper provision is made by way of latrines and lavatories. Facilities for washing is no where provided. No dining shed is found in any of the factories.

WORKING HOURS.

153. As in beedi and cigar industries, there are no prescribed hours of work, except in one factory using power and coming under the operation of the Factories Act. In that factory hours of work are divided into two periods between 8 a.m. and 1 p.m. and between 2 p.m. and 5 p.m., with an interval of one hour for mid-day meal and rest. In all other workshops, where piece wages are paid, the hours of work are not at all regulated, while in those where time wages are paid, work commences at 7 or 7-30 a.m. and continues right up to dusk with a short interval for noon-day meal. In periods of busy trade, workers also work far into the night, getting only the same rate of wages as in the day time.

TOBACCO-CURING.

167. Tobacco is a very valuable money crop; more than any other commercial crop, it requires a good deal of processing before it can be marketed. The green leaves picked from the fields are not marketable. Tobacco-leaves have got to be cured and graded prior to their sale. "The process of curing is intended to remove moisture from the green leaf, in such a manner that the final product has the required colour, texture and aroma Curing is probably the most important operation in the production of tobacco and the method and efficiency in curing determine to a large extent the quality of tobacco-leaf, particularly in regard to colour and texture. The classification of tobacco in the United States of America is based largely on methods of curing *."

168. Four types of curing, practised in India, are ground or sun-curing, rack-curing, pit-curing and flue-curing. In the first form of sun-curing, "the leaves are spread on the ground in the early morning and collected in heaps in the evening. The heaps are disturbed occasionally to prevent over-heating. The process is continued until the mid-rib is quite dry." In India over 67 per cent of the crop is subject to this kind of ground-curing. For rack-curing, special sheds are erected under the shade of which racks are placed and green leaves are tied by means of strings and hung on racks and they dry out in the air. This method is generally followed in Madras for country cigarette, cigar, cheroot and snuff tobacco. The time taken for curing by this method varies from one and a half to two months. About 25 per cent of the Indian tobacco crop is cured in this manner.

169. Pit-curing, done only for about 5 per cent of the tobacco produced in this country, is mostly found in the Punjab, Bombay and Madras, where hookah and chewing tobacco are cured in this way. Flue-curing "consists of drying green leaf under artificial atmospheric conditions by adopting a process which does not allow the green leaf to come in direct contact with smoke or fumes from the fuel and which permits the regulation of temperature and humidity *." Flue-curing is carried out in specially built barns artificially heated by flue-pipes led from furnaces in which coal or wood is burnt. The curing process consists of three main stages: (1) yellowing of the leaf when the temperature is kept at between 85 and 100° F. for about 30 to 40 hours; (2) fixing the colour when the temperature is steadily maintained at 120° F. for about 16 to 20 hours; and (3) drying when the temperature is raised to 165° F. for 28 to 42 hours. During the process the moisture is dried up from the leaves and the loss of weight arising therefrom is considerable. The cured leaf weighs only one-fifth or one-sixth of the green leaf and the moisture contents

* Marketing of Tobacco in India, 1939, pp. 173-174.

The system of giving advances to workers must be entirely prohibited.

162. Even the larger units manufacturing from 4,000 to 6,000 lb. of snuff per annum classified by the Department of Central Excise as large establishments, employ only 4 or 5 workers. Only the very big ones producing one lakh or more lb. of snuff employ more than 10 workers. Hence the well-devised and flexible provisions of section 5 of the Non-Power Factories Bill, namely, "Notwithstanding anything contained in clause (d) of section 2, the Provincial Government, may, by notification in the official Gazette, declare any place or class of places wherein a manufacturing process or handicraft is carried on and to which the Factories Act does not apply, to be a non-power factory for all or any of the purposes of this Act," will have to be invoked in a vast number of cases.

WAGES.

163. The wages in Madras City have risen from $3\frac{1}{2}$ annas in 1939 to 8 annas per viss in 1947. For four years between 1943 and 1946, they have stayed at 6 annas per viss, or only 170 per cent of the pre-war level. During those years, the cost of living index had gone up to 250. Even at present the wages are only 228.5 per cent of the pre-war wages, while the cost of living index stands above 260. In view of the fact that the workers have been receiving disproportionately low wages for four of the worst war years, all the permanent workers must be given one month bonus and those who have put in not less than three years of service shall be paid three months' bonus.

164. The wages shall be fixed at not less than 10 annas per viss throughout the province.

The employers shall give to each worker not less than 3 visses per day for 26 days in a month, failing which, for each workless day, the employer shall pay one rupee to each of the permanent workers. This is a recommendation I am forced to make with a view to preserving industrial place.

The wages for women shall be paid at not less than the rates shown below:—

	RS.	A.	P.
Stripping one viss tobacco	0	1	6
Cutting one viss tobacco	0	0	6
Roasting	0	3	0

Dearness allowance shall be payable to both men and women workers, if the cost of living index goes above 300, according to the following schedule.

Index number.	Up to 300.	300 to 325.	325 to 350.	350 to 375.	375 to 400.
Allowance per rupee of earnings.	Nil.	1 anna.	2 annas.	3 annas.	4 annas.

PART IV.

TOBACCO-CURING, GRADING AND STRIPPING.

165. Next to the United States of America, India is the largest producer of tobacco in the world. In 1937-38, the area under all varieties of tobacco in India was about 1,401,000 acres, and the production exceeded 1,276 million lb. The area under tobacco in the Madras Province was 294,000 acres in 1937-38, constituting 25 per cent of the total area in British India and about 19.5 per cent of the total area in All-India, including the States. These data will indicate the significance of this Province with regard to the acreage of tobacco but will hardly reveal the role this Province plays in the Indian export trade of cigarette tobacco. Of the total area under Virginia tobacco in India more than 95 per cent is grown in the Province. Thus, although Madras occupies only the second place in India among tobacco-curing Provinces, next to Bengal, the quality of tobacco grown makes its position unique in India.

166. In the Province of Madras, tobacco, particularly the Virginia variety, is not cultivated uniformly in all the districts as will be seen in the table given below—

Acreage under tobacco in different districts.			Percentage to total area.
District.	Acres.		
Guntur	123,900		45.3
Vizagapatam	39,350		14.4
Coimbatore	29,100		10.6
East Godavari	17,500		6.4
Kistna	9,260		3.4
West Godavari	8,390		3.1
Madura	8,030		2.9
Others	37,950		13.9
Total	273,480		100

Source. Report on the Marketing of Tobacco in the Madras Presidency, 1941.

The dominant position of Guntur district will be evident from the above table; more than 45 per cent of the total area in the Province is found in that district. Since 1910, the crop in Guntur district has increased by nearly 76,000 acres, an increase of 160 per cent compared with 37 per cent for the whole Province. The area under Virginia tobacco has increased from small beginnings in 1920 to a lakh of acres in 1938-39. The rapid development of Virginia tobacco in this Province has been, in a large measure, due to the pioneering work of the Indian Leaf Tobacco Development Company, Limited, Chirala. In 1941, a total of 100,000,000 lb. of all types of tobacco was produced of which 55,100,000 lb. were flue-cured Virginia tobacco. It may be added that since the food-crisis of 1943, extension of area under tobacco has been banned by the Government.

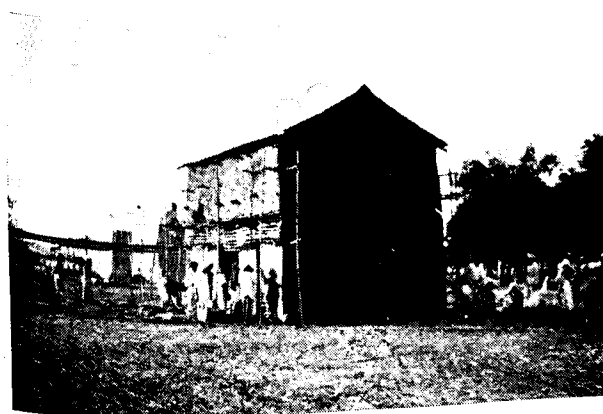
FLUE-CURING BARN.

170. Two sizes of barns, known as single-furnace and double-furnace, are common. Both of them may be either *kachcha* or *pucca* buildings. A single-furnace barn, even at the present high prices of building materials, will cost only Rs. 2,000 while a double-furnace only Rs. 3,000. The size and approximate cost of construction of these two types of barn are given below :—

Size.	Single furnace.		Double furnace.	
	Kachcha.	Pucca.	Kachcha.	Pucca.
	RS.	RS.	RS.	RS.
16' × 16'	1,225	1,850	..	..
18' × 16'	1,300	2,000	..	..
20' × 16'	1,500	2,150	..	..
20' × 20'	..	..	2,001	3,000

171. The process of flue-curing, as already observed, is very elaborate and complex. The leaves are first picked from the field, secondly they are stringed on to sticks; "Hands" of tobacco are in most instances made up of anything up to six leaves per hand and the leaves are tied up to 3 inches from the butt. Better curing results could be achieved, if only 3 leaves were made up into a "hand" and the wastage in the form of scraps would be lower if the "hands" were evenly tied not more than one inch from the butt end. Ryots are in the habit of tying too many "hands" of leaf to a stick. Thirty "hands" to a stick for the heavy and big type of leaf with fifteen on each side of the stick will yield the best results. After stringing, the sticks are carried into the barns and placed on the racks; this stage is known as loading. It is common to find the ryots overloading the barn with the result that there is lack of ventilation and the leaves are spoilt. It may be added that if green leaf grading were carried out prior to stringing and loading, better results could be obtained; heavy leaf should be hung on the top tiers, medium type leaf on the middle tiers and slightly over-ripe leaf on the bottom tiers of the barn. Dead green, diseased and damaged leaf should be rejected.

172. A fully loaded barn is then warmed up and under the vigilant observation of an expert curer, stokers keep the furnace alive and the curing is done. The expert should inspect the barn every two hours. The Indian Leaf Tobacco Development Company pamphlet says that "untrained stokers in charge of the furnaces, some of them had never seen coal before, performed fantastic and for the curer, heart-breaking feats with the temperature inside the barn." When the leaves have passed through the "yellowing", "killing stems" and "drying" stages, the sticks bearing the string of leaves are taken out; leaves are untied and spread on the



FLUE-CURING BARN



INSIDE OF A BARN

ground for aeration. Next day the leaves are roughly graded according to colour and texture; they are, then, packed and bundled for sale. Of the various stages involved in flue-curing, harvesting and stringing of leaves, loading the barn, unloading, bulking of sticks, unstringing and bulking of leaves, are all done consecutively by the same team or gang of workers and they are paid contract wage at the rate of about Rs. 30 and this is usually shared by 20 to 25 persons of either sex. The observation of the barn and the keeping of the furnace are done by an expert and a couple of stokers, respectively. The expert's work is extremely difficult and he is paid at about Rs. 60 per month for watching one barn; he is generally entrusted with more than one barn in which case, he may earn Rs. 90 per month. The stokers are paid monthly at the rate of Rs. 20 to Rs. 25.

173. The cured tobacco consists of different grades and the prices vary with grades. In order to obtain the best price, the cultivator, after the curing is done, grades the tobacco in a rough fashion and packs each grade separately and sells it. Rough grading and packing are paid separately. Grading is paid at the rate of 8 to 12 annas per day and packing is paid on piece basis at the rate of 2 annas per candy of 500 lb.

174. The larger cultivators of tobacco have their own barns while the smaller get their tobacco cured in the barns of the former, paying certain specified charges. The number of flue-curing barns has risen from 1,597 in 1935 to 6,389 in 1939 and at present it is about 10,000 of which more than 60 per cent are in Guntur district. The operations in the barns last for less than three months during which period agricultural workers in villages find work in them. The workers employed by the barn owners are purely agriculturists who are obliged to them in more than one way as tenants, relations, etc. The workers are not yet instilled with any desire to assert their rights qua workers. Their employment is seasonal and follows the regular field work. The rates of their wages will be conditioned by the rates of agricultural wages and their wages problem forms part of the major problem of agricultural wages. The conditions of work are determined by the nature of curing operations. They are working in the open air and the hours of work are dependent upon the time taken for loading or unloading a barn. Any reform of conditions of service, wages, etc., of workers in the flue-curing barns gets merged with the wider reform of agrarian labour.

REPORT OF THE COURT OF ENQUIRY INTO

Flue-curing barns.

Year.	Parthoor.	Chilakalurpet.	Kommur.	Ongole.	Tangutur.	Guntur.	Ponnur.	Tadikonda.	Nambur.	Mangalagiri.	Bezavada.	Kovvur.	Nidadavolu.	Rajahmundry.	Muggala.	Total.
1932	32	27	54	22	..	35	..	40	24	17	..	..	..	..	..	251
1933	90	88	98	49	..	117	..	153	49	48	..	..	..	..	..	692
1934	168	128	226	101	..	188	..	270	113	181	..	..	..	..	..	1,375
1935	182	124	233	143	..	217	..	295	119	240	46	..	..	..	..	1,599
1936	194	122	258	240	..	238	..	305	129	240	141	..	..	..	..	1,867
1937	254	72	385	240	..	473	..	347	151	259	164	..	..	..	..	2,345
1938	605	201	989	714	..	598	..	669	356	461	447	56	..	..	..	5,096
1939	885	360	1,021	989	..	832	..	785	436	546	529	64	..	..	..	6,447
1940	882	381	921	706	249	859	108	744	436	552	533	129	..	..	..	6,500
1941	926	581	863	697	251	879	154	874	448	545	747	384	..	..	..	7,737
1942	965	617	718	549	178	812	153	1,230	476	540	1,059	947	291	797	..	9,332
1943	900	624	550	550	160	402	124	1,175	400	500	1,185	1,180	298	750	..	8,798
1944	953	465	400	615	231	554	269	900	330	554	945	1,102	367	476	413	8,574
1945	999	537	420	686	225	436	230	943	354	615	775	1,136	383	593	411	8,743
1946	919	548	459	765	292	511	238	950	348	602	1,043	945	391	483	421	8,915
1947	1,050	673	542	926	272	535	254	1,100	380	621	981	* 1,073	508	621	430	9,966

* Includes Malakapalli.

175. However, the grading and stripping of tobacco prior to its being sold to the manufacturers constitute a very important industry in all the regions growing Virginia tobacco, particularly in Guntur district. A study of the labour conditions and wages system in this industry may now be undertaken.

GRADING AND STRIPPING OF TOBACCO.

176. The bales of tobacco purchased from the curers are subject to grading and stripping in establishments known as tobacco-handling workshops. The owners of these workshops are primarily tobacco merchants exporting tobacco mainly to foreign markets. Since the price of tobacco is tempered by its quality in the foreign markets, the tobacco merchants have found it necessary to grade and assort tobacco. The Government of India has introduced a system of agmarking tobacco according to the different qualities in which they are graded. The system of agmark specifies the quality which helps the foreign buyers to give quotations for the various grades of tobacco. That the price of tobacco varies with the grade may be appreciated from the following table :—

Different grades of tobacco and their prices in 1946.

Grade.	Price per lb.		
	RS.	A.	P.
Number I	2	2	0
Number II	1	15	0
Number III	1	12	0
Number IV	1	9	0
L.B.Y.	0	11	6
L.G.	0	13	0
LM G.	0	11	0
D.G.	0	6	0
B. & D. B.	0	7	6
P.L.	0	5	0

It will be seen that the prices vary from Rs. 2-2-0 per lb. for the highest quality to 5 annas per lb. for the lowest quality. This proves that it is worthwhile for the tobacco merchants to incur the trouble and expense of grading their tobacco prior to export and sale.

GRADING.

177. The number of grades into which tobacco is graded varies from work-house to work-house, according to the requirements of the buyers. Compared with the three or

four qualities into which tobacco is roughly graded in the flue-curing barns, about eight grades of tobacco are found in the tobacco-handling factories. It is significant that this delicate work of grading is done entirely by women workers who have a nice sense of colour and texture coupled with infinite amount of patience. In this first grading, women squat on the floor or on mats with bundles of tobacco which is deftly handled, examined and put into different heaps according to their quality. This kind of graded tobacco is usually taken in larger factories to "table grading." In this stage of work, women stand at the table which is covered by a plank with narrow slits; the scrap and dust tobacco fall through these slits and the graded tobacco is further scrutinized and the grading is carefully checked. In the grading section, for every 30 to 50 women workers, there is a woman maistri who watches the work and corrects any mistake done in grading by the inexperienced.

STRIPPING.

178. It is not all the varieties of graded tobacco that is subject to stripping; only the superior grades of tobacco leaves are stripped of their mid-ribs. There is a small mechanical contrivance in the Indian Leaf Tobacco Development Company for this stripping which considerably quickens the pace of work. This work is also done by women supervised by women maistris whose main business here is to goad the workers and prevent them from slackening. In both the sections of grading and stripping, women maistris are said to be chosen from among the experienced workers who possess the capacity for drive and a clear eye for the grades.

Re-drying.

179. All the tobacco-handling establishments do not possess re-drying plants. What they generally do is to pack the graded leaves with the help of hand presses in gunny bags and send them to re-drying factories which re-dry and finally pack the tobacco for export purposes on payment of certain specified rates. At the present time, the charges for re-drying one bale of 250 lb. of tobacco are Rs. 20 compared with Rs. 13-4-0 in 1946. The packages of tobacco coming from the tobacco handling establishments are fed into the re-drying plant at one end by women who evenly spread the tobacco on a wide revolving belt. This belt carries the tobacco into successive chambers where the tobacco is dried and moisture fixed up to the required degree before the tobacco is brought to the other end of the plant; it is received there by women and packed by men.



LEAF-HANDLING (I.L.T.D. Co., Ltd.)



WEIGHING OF TOBACCO (I.L.T.D. Co., Ltd.)



STRIPPING (I.L.T.D. Co., Ltd.)

CONCENTRATION OF INDUSTRY.

180. Tobacco-handling industry shows an extreme degree of concentration in Guntur district. There are about 366 units in Guntur town and about 1,600 in the whole district. Next in importance is the East Godavari district where the industry has agglomerated around Rajahmundry and Anaparti, where the Indian Leaf Tobacco Development Company, Limited, have a re-drying plant.

STRUCTURE OF INDUSTRY.

181. The most remarkable feature of this industry is its seasonal character giving employment for a period varying from 5 to 8 months in accordance with the nature of the annual crop. Except for the packing, the whole industry depends upon women labour, about 95 per cent of the total number of workers being women. The workers are directly recruited by the management; at the commencement of each season, the women maistris as well as workers living in the vicinity usually return to work in their respective factories; there is no need for the management to send intimation to the workers who always know when the factories would resume work.

182. Seven out of the ten tobacco-handling and re-drying factories which come under the operation of the Factories Act are situated in Guntur and one each at Chirala, Vetapalam and Anaparti. All the other establishments do not use any sort of power but vary widely in size. The smallest work-house employs about 40 workers whereas the larger ones more than 400 workers; however, at present, whatever be their size, none of them comes under any system of effective regulation by the Government.

METHOD OF INVESTIGATION.

183. The process of grading, stemming, packing, sorting, handling and re-drying of tobacco should be gone through only in the case of the Virginia variety. It is well known that above 95 per cent of the Virginia tobacco in the Province is grown in Guntur district. Naturally there is a very high degree of concentration of the tobacco-handling establishments in this district. In the absence of power-driven machinery, the ordinary tobacco-handling workhouses are organized in a stereo-typed fashion wherever they may be located. In view of the above considerations, investigation was also mainly concentrated in this area. The present survey covered 33 tobacco-handling concerns of which six were under the operation of the Factories Act. The total number of workers brought within the scope of this direct investigation was 13,955 of which 11,433 were employed in the six factories using power. The estimated total number of workers employed in

this industry in the whole Province being about 80,000 the sampling has embraced more than 17 per cent of the aggregate number of workers.

184. It was originally proposed to collect data regarding about 100 family budgets but my investigators could not satisfy themselves to the authenticity of the figures given reluctantly by the women workers. These workers were not only illiterate but gravely suspicious and were loath to part with information pertaining to their incomes and expenditures of their families. Their earnings in these workshops being seasonal, unless a clear picture of their earnings during the non-season period is obtained, no clear insight into their annual budgets could be had. Due to these various difficulties, the proposal to study the family budgets was dropped but more intensive investigation was made into the average earnings of the workers during the season of the work.

EMPLOYMENT.

185. Data regarding employment are not well kept in most of the tobacco-handling establishments which do not come under the operation of the Factories Act. So an attempt has been made to study the records of employment maintained by four outstanding factories at Guntur, two of which are European-owned. It must be noted that the industry experienced a severe crisis with the closing or shrinkage of the European and other foreign markets as a result of the war. The European concerns show a steady increase in employment whereas the Indian concerns, a sharp fall which is ascribed to the latter's peculiar difficulties in marketing their goods and the consequent reduction in outturn.

Employment in a few factories in 1942 and 1947.

Code number of concern.	Total number employed.	
	1942.	1947.
1	1,100	1,654
2	895	1,036
3	843	355
4	371	224
5	846	997
Total ..	4,055	4,266

It may be of interest to note that despite increase in employment in the first two and decrease in employment in the last two factories, the total employment in the four factories between 1942 and 1947 has not sustained any serious change. This fact reveals that the increase in employment in one set of factories is only at the expense of the other set which could not show any resilience to the impact of war conditions. It may be pointed out that the total employment in the grading

and stripping establishments is governed by the total output of Virginia tobacco which, in its turn, is dependent upon the acreage under it. So long as the area under Virginia tobacco remains constant, the volume of employment will also remain constant. In view of the complete absence of mechanization of the grading section, the constant volume of work available in each year will be spread over a certain definite number of hands. In the immediate future, owing to the persistence of the food crisis, there is very little likelihood of any extension of the area under tobacco and the future employment potential is more or less the same as it is to-day.

186. All the establishments in the industry do not work for the same length of time. Big factories with numerous buying depots situated at strategic places possess larger stocks of tobacco which provide for about eight months of employment while the smaller work-places work only for three or four months. The duration of employment, thus, depends not only on the acreage under and output of tobacco but also upon the capacity of the individual establishments to purchase stocks from the curers. Employment is thus limited while almost all the women in these areas know the art of grading and therefore compete for work. In order to enjoy some degree of security, they generally remain loyal to their respective employers. This fact explains two important aspects of conditions of work, viz., (1) the wages are kept down and active competition and (2) there is not a high degree of labour turnover.

LABOUR TURNOVER.

187. Compared with other tobacco industries, there is a lower degree of labour turnover in the tobacco-handling establishments due to important reasons. Grading being unskilled work, the employers always show preference to experienced and tried hands; again as grading is paid time wages the employers want to employ only efficient hands. On the part of the workers, as their former employer knows their capacity much better than a new employer they go back to the old firms. Further, they choose the work-places after considering many factors like proximity to their houses, etc., and they are scarcely inclined to change. The following table indicates the degree of labour turnover in the four establishments employing over 3,000 workers selected for this particular investigation:—

Labour turnover in four selected tobacco-grading factories.

Length of service.	No. 1.	No. 2.	No. 3.	No. 4.
	PER CENT.	PER CENT.	PER CENT.	PER CENT.
Below one year	30	15	15	45
Between 1 and 3 years	20	25	35	20
Over 3 years	50	60	50	35

ABSENTEEISM.

188. In order to investigate into absenteeism among the workers in the tobacco-grading industry, the attendance of 1,343 workers during a week in April 1947 was studied and the results are tabulated below :—

Absenteeism.

Code number of factory.	Number of persons who have worked for					
	Six days in a week.	Five and a half days in a week.	Five days in a week.	Four and a half days in a week.	Four days in a week.	Less than four days in a week.
1	177	34	51	11	17	31
2	240	13	36	6	9	18
3	203	..	29	..	..	..
4	123	18	4	10	8	15
5	170	34	23	..	5	58
Total ..	913	99	143	27	39	122

It will be seen that out of a total of 1,343 workers 913 or 68 per cent have had full attendance of six working days in a week. Two hundred and forty-two workers or 18 per cent have been absent only for half or one day. These data clearly show that the degree of absenteeism is not considerable. This is but natural in an atmosphere of seasonal work as also due to the anxiety of workers to earn as much as possible before the season is out.

AGE COMPOSITION.

189. In the unregulated medium and smaller establishments, girls and boys below 13 years are being employed. The employers state that they are not interested in child employment but owing to the pressure of women workers who are reluctant to leave behind their children particularly girls, when they come to the factories, they are forced to employ them. In the larger factories subject to the Factories Act children are naturally not admitted. Older people are found only in a small proportion in this industry. In a sample of 7,515 workers, 6,152 were found to be between 13 and 40 years while only 1,353 or 18 per cent were above 40 years. The relevant data are tabulated below :—

<i>Age composition.</i>					
Factory.	Between 13 and 40.		Above 40.		
	Number.	Percent- age.	Number.	Percent- age.	
A ..	2,079	86.3	330	13.7	
B ..	4,083	80.0	1,023	20.0	
Total ..	6,162	82.0	1,353	18.0	

WAGES.

190. In the tobacco-handling industry wages are paid both on time and piece basis according to the nature of the work. Generally men who are employed in gangs for passing, weighing and stacking are paid at the rate of As. 2-6 per bale; men who are working in teams at the end of the process for baling, weighing and stacking are paid at rates from 8 to 10 annas per bale of 250 lb. Turning to the majority of workers who are women, in most of the smaller and medium scale workshops, they are paid for both grading and stripping time wages ranging from 8 annas in the remote villages to Re. 1 in Guntur. In some of the larger establishments the strippers are paid piece-wages at rates varying from Re. 0-1-1 to Re. 0-2-0 per pound of stems removed from the leaves. The exact rate per pound that is paid to the workers is fixed by the management not at the commencement but at the end of the week. In fixing the rate the management is said to be guided by a desire to keep down the wages of the strippers to the level of wages earned by graders per day. If the same rate per pound is paid to the strippers in all the weeks, their earnings will vary with their outturn and more often than not, their wages will rise far above those of the graders who are undoubtedly more skilled workers than the strippers doing somewhat mechanical work. In the event of the latter earning higher wages, the graders will either demand better wages or move to the stemming section. In order to avoid this contingency, the peculiar system of wages in which the piece-rate varies inversely with the weekly output is paid in certain firms. The following table illustrates this system as it obtains in a factory at Guntur.

Piece-wages in relation to output.

Average daily output per worker in a week.		Piece-rate per lb. of stem removed.		Average earnings per day.	
LB.		RS.	A. P.	RS.	A. P.
9.87	.. ..	0	1 7	0	15 8
9.38	.. ..	0	1 8	0	15 8
9.33	.. ..	0	1 8	0	15 7
8.40	.. ..	0	1 10	0	15 5
7.66	.. ..	0	2 0	0	15 4

191. In this kind of manipulation of the piece-rates, the management, however, takes care not to allow the daily earnings to fall below As. 15 or to rise above Re. 1. This schedule of wages is most flagrantly opposed to all the canons of wage-payment. The same amount of exertion is put forth to strip 1 lb. of stems in whichever week the work is done. This system offends first the principle of equal wages for equal work. Secondly, the larger the outturn the exertion undergone is proportionately greater. Strictly speaking, when more units of work are done beyond a specified minimum, the extra units must be paid at higher rates. On the contrary,

the workers are paid at lower rates when they turn out larger quantities of work. In fairness to the workers, the wage-rates must not be subject to the abovesaid manipulation. They must know the wages they would receive per unit of work even at the commencement of the week. There is no reason to keep down the wages below the level of those of graders. On the other hand there is every reason to raise the wages of the graders *pro tanto* in order to keep the work of grading attractive enough to that category of workers.

192. The women workers in tobacco-handling establishments, divided into six categories with their respective wages, are given below :—

Wages-rates prevailing at Guntur.

Categories.	Wages.					
	Per day.			Piece.		
	RS.	A.	P.	RS.	A.	P.
Strippers	1	0	0	0	1	1
					to	
				0	2	0
					per lb.	
Graders						
Table-graders	1	0	0			
Table-women	1	2	0			
Grading maistries	1	2	0			
Stripping maistries	1	2	0			
	1	2	0			

The table-graders and table-women are paid 2 annas more because they have to stand and work all the time. It may be added that there are men-supervisors for the various departments and they are paid at the rate of Re. 1-4-0 per day. It is almost the general custom in this industry for wages to be paid weekly.

RECENT UPWARD TREND IN WAGES.

193. There has been a sharp rise in the wages paid to the various categories of workers since 1943 as will be seen from the table given below :—

Variations in wage-rates between 1939 and 1947.

Category.	1939.		1940.		1941.		1942.		1943.		1944.		1945.		1946.		1947.	
	A.	P.	A.	P.	A.	P.	A.	P.	A.	P.	A.	P.	A.	P.	A.	P.	A.	P.
Grader	4	0	4	0	4	0	5	0	7	0	8	0	9	0	10	0	11	0
Table-grader.	5	0	5	0	5	0	6	0	8	0	10	0	11	0	12	0	13	0
Maistries	5	0	5	0	5	0	6	0	8	0	10	0	11	0	12	0	13	0

The wages have been steeply revised in 1946 mainly due to a burst of trade union activities soon after the cessation of hostilities.

EARNINGS.

194. As already seen, grading is paid time-wages and earnings per week are governed by the number of days the workers attend to their work. In the case of piece-wages

paid to the strippers, it will be natural to expect wages to vary with the efficiency and output of the workers. On the other hand due to the manipulation of the piece-rates (already explained in the previous section) by the management, the earnings of the strippers hover about the level of the earnings of graders. It may, therefore, be laid down, more or less as a general axiom, that in this industry, absenteeism is responsible for low wages. A detailed investigation into the earnings of 1,343 workers was undertaken and a frequency table with the collected data as given below, was worked out :—

Frequency table showing the weekly earnings.

Wage group.	Number of workers.	Per-centage.
	RS.	RS.
Below Rs. 2	18	1.3
Rs. 2 and below Rs. 4	79	5.9
Rs. 4 and below Rs. 6	328	24.4
Rs. 6 and below Rs. 7	806	60.1
Rs. 7 and below Rs. 8	110	8.2
Rs. 8 and above	2	.1
All groups	1,343	100.0

195. Two salient features of the earnings of the workers belonging to the industry are evident from the above table. Leaving out the first two groups whose earnings are low consequent upon absence from work, legitimate or otherwise, the weekly earnings of nearly 60 per cent of the workers range between the narrow limits of Rs. 6 to Rs. 7. Secondly extraordinarily high incomes are extremely rare. Only 2 or 0.15 per cent of the workers earn more than Rs. 8 per week. The mode in this frequency table falls in the fourth group earning Rs. 6 and Rs. 7 per week. The average earnings of a worker in this industry will be between Rs. 24 and Rs. 28 per mensem. The group of 110 workers earning between Rs. 7 and Rs. 8 are mainly maistries and table-workers who constitute only a small fraction of the total number employed. So far as the bulk of the workers are concerned, it may be safely stated that the average earnings per mensem will be about Rs. 25. The seasonal character of employment is of utmost significance in any calculation of the annual earnings of the workers in this industry. It may be reiterated that only a small percentage of the establishments work for about eight months, while the rest for periods ranging from three to six months. In these circumstances the average employment period will not exceed six months for the entire army of workers. In this period the earnings of a worker will be about Rs. 150. In the remaining months the agricultural operations in which they are said to be engaged cannot yield more than a meagre income. Obviously the mainstay of their income should be

the earnings from their industrial occupation. The present monthly earnings even during the season of employment are not adequate to satisfy the minimum wants of life. When it is known that these self-same earnings have got to be spread over the entire year, the difficulties of making both ends meet may well be imagined than described. At best agriculture and other rural pursuits can be deemed only of secondary importance; the industrial occupation being of prime significance, it must be able to help the workers to maintain themselves in reasonable comfort apart from any other subsidiary occupation. Viewed in this light the earnings of the workers in this industry should sustain a double increase, first to enable them to lead a comfortable life during the season and second to ensure subsistence without loss of efficiency during the months when these establishments remain closed.

196. It is argued in certain quarters that the workers in this industry need not be paid higher wages because they are chiefly women and their income serves only to supplement that of the male members of the respective families. This argument is invalidated by the following points: (i) Scarcely any woman looks upon her earnings as pocket money. Indeed, the earnings of these women are mainly devoted to the upkeep of the family. They are not supplementary but subsistence income; (ii) When the dictum of equal wage for equal work has been so well recognized, the women would refuse to receive any wage lower than what the industry can afford to pay. Their right to get an economic wage is indubitable. In the skilled work of grading, women are as much specialists as in nursing, due to their essentially feminine faculties. Indispensable in this manner as their services are, these workers should be paid higher rather than lower wages, for being women, because the productivity of their labour is of a high order; (iii) These women workers can by no stretch of the definition be described as part-time workers; they are pent up for more than 8 hours every day in no highly sanitary workshops under the ever-vigilant eye of the maistris and supervisors without any possibility of relaxation or rest, but for the short lunch recess. A considerable number of these women workers live 3 to 5 miles from their workshops and daily trudge the distance to and fro. It should be pointed out that these women spend more hours outside than inside their homes. It will hence be sheer mockery to classify these women workers as anything but full-time regular industrial employees.

197. In view of the important and indispensable role played by women workers in this industry and their attitude towards their employment, the level of wages should be such as to enable them to maintain both their health and efficiency. The present wages have been found to fall short of that level.

WORKING CONDITIONS.

198. Except a small number of factories, all the units in this industry are housed in buildings which are improvised for this purpose. Women squat in rows under thatched or tiled sheds with tobacco bundles in front of them and the maistris walking up and down, checking, guiding and goading the workers. Even where the floor is stone-made or cemented, it is mostly kept in an untidy condition. The roofs on either side slope down to a low height and prevent free entry of light as well as air. There is no proper provision for drinking water. In many of the establishments inspected, drinking water was being kept in open uncovered buckets or drums surrounded by mud and mire. Very few of the factories have latrines which any woman worker can use without hesitation.

HOURS OF WORK.

199. Generally all the establishments commence work from 7 a.m. and close down at 6 p.m. with a lunch interval of 1 hour. It is not technically possible to extend the hours of work into the night because grading will be done badly after dusk. The rule of eight hours' work is, however, observed in all the establishments subject to the Factories Act.

HOLIDAYS.

200. Every Sunday is a holiday in all the establishments except in one factory where Tuesday is observed as a weekly holiday.

HOUSING, EDUCATION AND WELFARE ACTIVITIES.

201. With respect to housing, education and welfare activities, no provision has been made by the medium and small concerns. Even among the larger concerns, coming under the operation of the Factories Act, the need for provision of creches has been only recently recognized. In an arid absence of these essential facilities throughout the important regions where this industry has got localized, one solitary but refreshing exception is found at Chirala where the Indian Leaf Tobacco Development Company, Limited, provides free education to the children in a specially-built and well-conducted school, supplies free medical aid and medicines by running a hospital with a few beds, maintains a creche with about 40 cradles and two attendants and runs a canteen.

WORKERS' UNION.

202. Almost at every important centre, there is a workers' union which has been responsible for the recent increments in wages. Apart from their fight for obtaining higher wages,

their record of achievement is extremely poor. At Guntur where thousands of workers are employed, the workers' union has a great but yet unexplored field for the improvement of the workers' welfare in many directions. In addition to the local workers' unions, the interests of the workers in the tobacco-grading establishments are keenly and continuously watched by the Andhra Tobacco Workers' Union.

EMPLOYERS' ASSOCIATION.

203. There is a Tobacco Merchants' Association at Guntur. It becomes active only in periods of acute labour disputes.

COST OF PRODUCTION AND MARGIN OF PROFIT.

204. The graders purchase several varieties of tobacco from the curers at different rates which vary from place to place, time to time and curer to curer. Their finished product consists of numerous grades fetching prices varying from about As. 5 to Rs. 2-4-0 per lb. The quantity of each grade of tobacco produced from a fixed stock is not in the same proportion, even in the same establishment, which depends upon the kind of curing, colour and texture of the tobacco and the presence or absence of spots. Consequently the cost of production and selling price vary from month to month in the case of each establishment. In each of the 32 establishments investigated, the various items leading to the cost of production were examined as also the selling prices. The rates derived from these calculations have been found to fluctuate widely and were not quite helpful in discovering the normal profits. To this end, income-tax returns for three years of a few representative firms were studied. The normal profit is quite considerable and it would allow a certain rise in the level of wages. My findings have remarkably coincided with the calculation of the profits by the Tobacco Marketing Committee, Guntur, published in their pamphlet "Minimum Prices for Tobacco." Their objective has been to raise the prices of raw tobacco to the benefit of tobacco growers. My object is to find out whether any rise in wage is possible to enable the workers to attain a better standard of living. Margin of profit, it may be added, is wide enough to allow some rise in the price of tobacco as well as in the wages, without any detriment to the tobacco handling industry.

ISSUES.

205. Nowhere is the enforcement of the provisions of the Non-Power Factory Bill more urgent than in the tobacco-handling industry. A large proportion of the units in this

industry employ more than 50 workers most of whom are women. Unlike in beedi, cigar and snuff industries, no effort is needed to prevent and counteract the dispersal and diffusion of the industry. Without the necessity for any negative regulation, constructive action is quite feasible in this industry with regard to regulation of the working hours, working conditions, holidays and other necessary amenities for labour. The passing of the Non-Power Factory Bill and the enforcement of its provisions, it is hoped, will eliminate the insanitary conditions, excessively long working hours, employment of children and other evils, already referred to in the earlier sections. However, stress must be laid on the maintenance of creches in view of the vast numbers of women employed in this industry. Special attention will also have to be paid to the provision of lavatories and washing facilities by all the establishments.

206. With the application of the Non-Power Factory Act, working conditions will get standardized all over the Province. However, mention must be made about the need for the betterment of life of the workers by an over-all encouragement of welfare activities. The concentration of the industry in certain centres like Guntur and Chilakalurpet will offer great opportunities for the establishment of special co-operative societies for the workers of this industry. Women workers being naturally more prudent, thrift societies will have a more congenial atmosphere to thrive. Trade union movement will have to be carefully fostered to suit the special requirements of women workers. At the same time, the interest of the men workers employed in packing, weighing and other sections must be safeguarded by suitable regulations. Men workers' unions cannot afford to cut themselves adrift from women workers' unions. Co-ordination of both the types of workers' unions with a view to intimate merging together of their interests should be the prime objective of the trade union movement in this industry. The foregoing measures will solve all the problems of the industry except that of wages.

WAGES.

207. The need for an upward revision of wages has already been indicated in a previous section. After a careful consideration, the following scheme for the revision of wages is recommended :—

(1) Wherever time wages are paid, the wage rates obtaining in the various centres in January 1947 shall be enhanced by 25 per cent subject to the condition that at no centre wages per day shall fall below Re. 1.

(2) Wherever strippers are paid piece-rates, they shall be paid at not less than As. 2 per lb. of stems stripped.

(3) Men workers working individually or in groups shall be paid 25 per cent above the rates which were prevailing in January 1947.

At present, in certain firms like the Indian Leaf Tobacco Development Company, Limited, wages are supplemented by separate dearness allowance. In all these cases, the daily earnings of workers (consisting of basic wages plus dearness allowance) in January 1947 shall be raised by 25 per cent. This increment in earnings has been awarded with due regard to the enhanced cost of living of the present day. No separate dearness allowance need be paid in addition to the wages revised on the above principles unless the cost of living index rises above 300.

Dearness allowance shall be payable to both men and women workers, if the cost of living index goes above 300, according to the following schedule :—

Index number	Up to 300.	300 to 325.	325-350.	350-375.	375 to 400
Allowance per rupee of earnings.	Nil.	1 anna.	2 annas.	3 annas.	4 annas.

PART V

TANNING INDUSTRY.

INTRODUCTION.

208. From Rig Vedic times, tanning of hides and skins into leather has been practised in India. In the international export trade of the present day, India's share in tanned hides or in leather, known as East India Kips, is larger than that of any other country in the world, although Argentina stands first with regard to the export of hides. This is due to the fact that among the important countries with huge cattle population like Argentina and Brazil, India has comparatively more developed leather tanning industry. With respect to the number of tanneries, Madras Province ranks first among the various Provinces and States in India although she is only the second largest producer of hides and skins, and only third on the basis of the cattle population.

209. The indigenous tanning had been extremely primitive but about a century ago, the European methods of tanning hides were first introduced by the military authorities who required large quantities of superior leather suitable for harness and other military accessories. A French Eurasian, named Charles de Susa, may be described as one of the early pioneers in the improved method of tanning. "Following De Susa, this new tanning trade was at first largely in the hands of Eurasians but their lack of energy, improvidence and inferior business capacity enabled Muhammadan and native tanneries to cut them out, so that, at the present day, there is scarcely a single tannery in this Presidency worked by Eurasians."* This statement made in 1904 is even to-day substantially true; excepting two European-owned factories, using power and employing about 728 and 1,471 persons, respectively, nearly 90 per cent of the tanneries in this Province are at the present time owned and worked by Moslems. It is interesting to note that the majority of these Moslem businessmen hail from Madras City, North Arcot, Trichinopoly, Chingleput and Tinnevely districts. Most of the tanneries at Vizianagram and at Ellore are owned by enterprising Moslem tanners who come from North Arcot and Tinnevely districts respectively. It may be said, in passing, that these tanners in general are endowed with a high degree of native shrewdness and with regard to the various aspects of their business they are greater experts than professional specialists. The business acumen of these tanners has found certain congenial factors in this Province for the rapid development of this industry. Two major factors may be mentioned; they are: (1) cheap labour derived from the scheduled castes and (2)

* Chatterton—A Monograph on Tanning and Working in Leather, 1904, p. 4.

abundant and cheap supply of raw materials of excellent quality, used in the tanning pits, viz., avaram bark (*Cassia Auriculata*) and myrabolams (*Terminalia chebula*). In the growth of the tanning industry in this Province, the earlier momentum given by the Military authorities can scarcely be ignored. The tanning industry has been so well developed that, at present, most of the hides used are imported from distant up-country markets in the Punjab, United Provinces, Central India, parts of Bombay, Mysore, Hyderabad and Calcutta. South Indian country tanneries produce only vegetable tanned kips which are only semi-finished or crust-tanned. Even then the Madras-tanned kips have earned reputation for quality in the foreign markets especially in England. The total production of hides and skins in the Madras Province will be about 80 and 200 lakhs of pieces, respectively, per annum. Of these, nearly half of the hides and seven-eighths of the skins are exported from Madras.

COUNTRY TANNERIES IN THE MADRAS PROVINCE.

210. A tannery is a workshop where raw hides and skins are converted into leather by the application of an astringent called "tannin" or "Tannic acid." The process of tanning has been aptly described as nothing but a series of baths in water containing certain ingredients. "In the trade, the larger and thicker pelts of cows, bullocks, buffaloes, horses, camels, etc., are called 'hides' while the smaller and lighter ones of calves, sheep, goats, deer and other wild animals are termed 'skins.' " The same tannery can be used for tanning both hides and skins. In the interests of convenient allotment of work and smooth performance of the series of processes, both hides and skins are not simultaneously taken up for tanning.

211. A country tannery is a simple construction costing from Rs. 5,000 for a thatched to about Rs. 40,000 for a pucca building. The pattern of tanneries in this Province or even in the whole country, is almost stereotyped. The description of a tannery given in 1904 by Alfred Chatterton is exactly true of tanneries in the year 1947 and hence well worth being quoted fully:—"A typical Madras tannery consists of tiled sheds built on the four sides of a square or rectangle with a blank wall externally and opening on the inside of a quadrangle. A wide doorway in the middle of one of the shorter sides of rectangle gives access to the tannery. One half is devoted to the reception of the raw materials and to the carrying out of the processes preliminary to tanning. The soaking pits are usually constructed below the ground level along the outer walls. They are generally square in plan and three or four feet deep, built of brick and plastered. For



FLESHING



THOTTI OR PIT WORK

the removal of the lime after unhairing, tanks of brick and plaster are usually built above the ground level with masonry aqueducts or channels to supply them with water. Skin tanning is invariably carried on in wooden tubs from 3 to 4 feet in diameter or more and of about the same depth. Of these there are more than one hundred. . . . Hide tanneries are generally much smaller than those devoted to skins, but the arrangements are otherwise very much the same except that the tanning is often carried on in pits similar to lime pits.* Viewed from outside a tannery looks like a godown with a main gate; the pials on either side of the gate are used as the office room and weighing room of the finished leather. Inside a tannery, rows of pits above or below the ground level, a few thatched and tiled sheds parallel to one another with open spaces, heaps of unused barks in one corner and parts of the open spaces covered by layers of used barks and drying in the sun are the most striking objects which greet a visitor's eyes.†

PROCESS OF TANNING.

212. Although tanning can be and is usually done in country tanneries without the help of any kind of machinery driven by power or manual labour, the processes involved in it are numerous and complex to an ordinary observer. Without a clear knowledge of these processes, it will not be easy to comprehend the nature of work done by the various categories of workers in a tannery.

213. The most important processes arranged in series are (1) soaking, (2) liming, (3) unhairing, (4) fleshing and deliming, (5) scudding, (6) tanning and (7) finishing. The raw materials of a tannery are hides or skins; fresh hides or skins are available only to tanneries situated near big slaughter-houses; other tanneries will be receiving them in wet-salted or dry-salted condition according as they are imported from near-by or distant Northern Indian markets. The first process of soaking is extremely short and easy in the case of fresh skins as they can be simply washed in plenty of water to free them from blood and dirt before being put into the lime-pits. Wet-salted skins are soaked in fresh water pits for a day to remove the salt during which period water is changed from time to time so as to thoroughly remove all salt. The dry salted skins which constituted a considerable portion of the raw materials of tanneries in this Province require a longer period of immersion in fresh water to be cleaned of all the

* *Ibid*, pp. 29-30.

† Sanitation and working conditions will be dealt with in later sections.

salt. A good bulk of the hides and skins are flint-dried and "are the most difficult to deal with, as, owing to the complete desiccation of the pelt, water penetrates it very slowly and they often require mechanical treatment to thoroughly soften them." Soaking these hides in fresh water pits is done in the evening by all the workers; it is a customary joint work for which no special wages are paid. The skins are removed from the pits in the morning and placed on beams and scudded; this is a mechanical process of pressing and straining the hides to get rid of all the salt and to restore the tissues to their natural state. This is called locally "nanavu" and "nattadi-thal." These hides are washed in fresh water three times, until they have returned to the natural condition in which they were when removed from the carcasses of the animals.

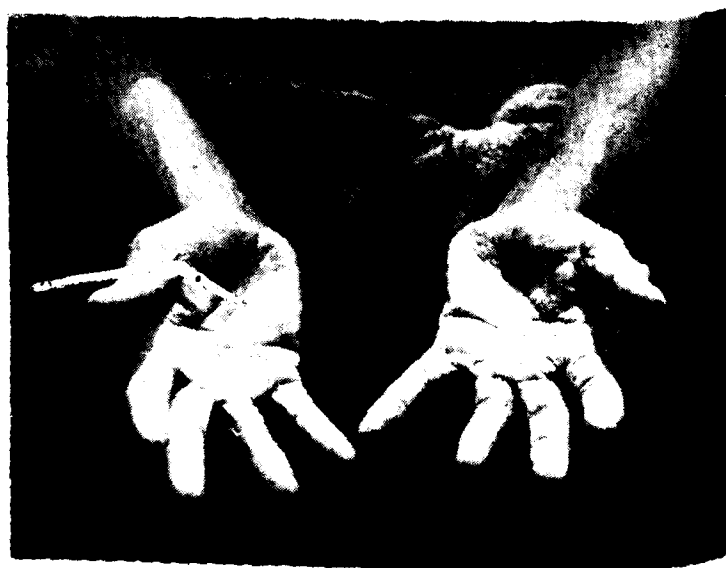
214. *Liming*.—These hides are then immersed in the lime pits for the purpose of loosening their hair. The practice in most tanneries seems to be to use about two kalams of lime for every 100 hides or skins in about the same proportion. The hides are kept in the lime pits for about ten days; every day except the last two days, they are turned over so as to ensure that the lime water has free access to every part of the hide. The first liming process is complete as soon as the hair can be readily pushed off the skin with the thumb-nail.

215. *Unhairing*.—Dewooling, as it is also called, is done on a sloping convex beam behind which the workman stands. The hide or skin is spread over the surface of the beam and with a slightly curved two-handled knife with a blunt edge, the workman scrapes off the hair with a firm downward stroke. "The work requires a good deal of skill to accomplish it rapidly and without damage to the surface of the pelt." The hides are washed and again soaked in fresh lime-vats and are kept for three or four days. These lime-vats are known as "Sulla Kuzhi" in contrast with the lime pits used earlier called "Mudi Kuzhi." During these days also, the hides are turned over every day. This second bath in lime water swells the pelt and makes it plump, firm and fit to be acted on by the tanning liquors. It is important that all traces of lime should be removed from the hides or skins by washing, if need be, by treading on the hides.

216. *Fleshing*.—Before taking them to tan baths, it is necessary to clean the inner or flesh side of the hide or skin by removing with a knife all fleshy and fatty matter. The fleshing is done on a beam similar to that used for unhairing, with a shorter and heavier knife, the edge of which is kept sharp. "This work requires great skill as the action is a cutting or shaving one rather than scraping; and carelessness in handling the knife would lead to cutting into the skin and



SCUDDING



PALMS OF A TANNERY WORKER

probably irretrievable damage." The process of fleshing and washing and trampling in water is, sometimes, repeated three times.

217. *Scudding*.—The pelts are, at intervals between washing and trampling and fleshing, scudded before tanning. The object of scudding is to remove any trace of lime, still in the pelt, and to open out its pores to receive freely the tanning liquor. This is an important operation because "if some lime is allowed to remain in the skin when subjecting it to the influence of tannin," a tannate of lime is formed which destroys the suppleness of the leather and renders it dry and brittle.

218. *Tanning*.—The fleshed and scudded hides are immersed in bark solution for about two hours; then they are taken out and relaid into the pits with layers of avaram or wattle bark between them and kept in the liquor for three days. The process of sandwiching the bark is repeated once in a day all these days after which period, the pelts are cleaned on the flesh side and scudded and then replaced for about five days in the same solution. This process of tanbath, scudding and fleshing is repeated twice and the hides are immersed each time for four or five days on later occasions in stronger liquors. Afterwards fleshing and scudding are done again and the hides are strained of all the liquor and placed in myrabolam pits for three days. It is the practice in most of the tanneries to give two baths in myrabolam solution. Later, on removal from these pits, the hides are strained of water and subjected to a final scudding process which removes the greater part of the moisture remaining in them. They are hung up to dry in specially constructed sheds to keep off sun light. With this, the process of tanning is complete.

myrabolams (done usually by women), for removing the fleshings, hair, etc., from the sheds to their places of storage and maistris to supervise the work connected with every one of the processes and monthly paid servants like clerks, weighing men, sweepers and watchers.

221. The chief processes described above vary in minor details, with respect to buffalo hides, calf skins, sheep and goat skins. Work is harder in the case of buff hides whereas lighter in the case of skins in general. The duration of liming or tan bath also varies with the nature of hides or skins used for tanning. It will be seen that there are more than a dozen processes including three scuddings, two tan baths and two myrabolams; the minor variations found in the actual process of tanning and the differences in the nature of work with regard to buff hides, cow hides and skins make an analysis of the working conditions and wages schedules trebly difficult and complex.

ORGANIZATION OF THE TANNING INDUSTRY.

222. The two European-owned tanneries are joint stock companies. They use power and employ large labour forces and are subject to the operation of the Factories Act. On account of the strong organized unions of labourers employed in them and their frequent agitation for higher wages, better conditions, etc., inspection by Factory Inspectors is effective. Conditions of employment, wages, etc., in them have been very recently thoroughly analysed by the Labour Investigation Committee of the Government of India. Any detailed study of employment and conditions of service in them would lead to mere duplication of effort. In view of the above, I have attached greater importance to the investigation of the country tanneries working all over the Province. Although the Government of Madras, by their notification, dated 10th February 1942, brought these tanneries under the operation of the Factories Act, their inspection has not been effective due to two important reasons: (1) the inspecting staff is too inadequate for the work entrusted to them and (2) a number of small tanners spring into life suddenly, operate for three or four months and then disappear. In times of brisk trade they appear like mushrooms and cease to exist when trade slackens. Some of the tanneries have been started in very remote places and escape for some time the notice of the Department; for instance, the investigation of my staff has revealed that there are more than 407 tanneries in the Province whereas only 184 are found in the list of large industrial establishments coming under the operation of the Indian Factories Act for the calendar year 1945. It is among these tanneries, nominally

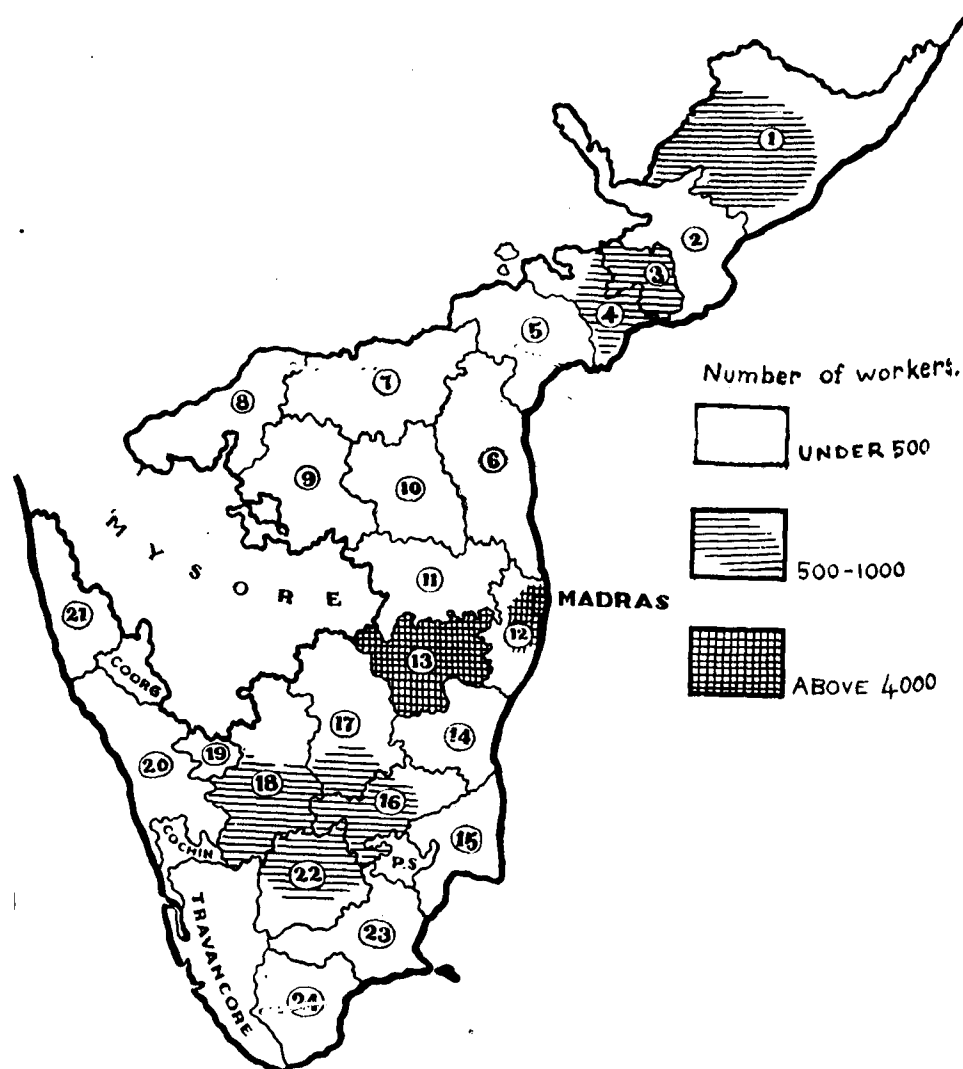


FINISHING



TANNERY WORKERS' HOUSES

TANNING INDUSTRY



- (1) Vizagapatam.
(2) East Godavari.
(3) West Godavari.
(4) Kistna.
(5) Guntur.
(6) Nellore.
(7) Kurnool.
(8) Bellary.

DISTRICTS.

- (9) Anantapur.
(10) Cuddapah.
(11) Chittoor.
(12) Chingleput.
(13) North Arcot.
(14) South Arcot.
(15) Tanjore.
(16) Trichinopoly.

- (17) Salem.
(18) Coimbatore.
(19) Nilgiris.
(20) Malabar.
(21) South Kanara.
(22) Madura.
(23) Ramnad.
(24) Tinnevely.

under the Factories Act but really not under effective inspection that violations of the provisions of the Factories Act are found. Most of these tanneries are one man's concern or partnership firms.

223. From the standpoint of labour, there is only one type of direct employment by the tanners. However, cases of tanners who do not have their own tanneries but take on lease the whole or portions of another's tannery are not rare. It is this class of tanners who rise and fade like meteors. They have less stake or reputation than the tanners possessing tanneries of their own. Labourers engaged by the former class of tanners are frequently left in the lurch by the voluntary or involuntary winding up of their business. Steady and regular employment will be extremely difficult to attain so long as these "gentlemen adventurers" infest the trade.

224. Tanning industry is one of the biggest industries in the Province, comparable with handloom weaving (1) in its wide distribution over the whole Province from Vizianagram in the north to Melapalayam in the south, (2) in its production of one of the necessities of life and (3) in its general lack of power-driven machinery. It is not easy to compute the amount of capital invested in this industry but it will well exceed two crores of rupees. Workers directly employed in the various processes of tanning number more than 20,000 and those indirectly employed more than 10,000. That these people are chiefly drawn from the depressed classes adds interest to this figure. Since the raw materials of hides and skins are subject to rapid putrefaction if ill-kept, the processes of tanning involve handling of the hides and skins in their raw condition and smudging of hands and feet with lime and filth and the tanneries have long remained unregulated and even today only scantily regulated, the industry is being carried on in most of the tanneries with little regard to the social well-being of the workers. These factors will suffice to emphasize the urgency for an objective inquiry into the actual conditions.

GEOGRAPHICAL DISTRIBUTION.

225. Although there is scarcely any district in the Province without any tannery, the tanning industry is concentrated in Ellore-Bezwada region, North Arcot district, the environs of Madras City, Erode-Coimbatore region and Trichinopoly-Dindigul region. The causes for this localization cannot be clearly stated; however, the existence of cantonments encouraging tanning trade in Trichinopoly and Madras, the availability of Muslim enterprise and fresh and copious supply of water in North Arcot and in Bezwada-Ellore area, respectively, may be cited as prominent agglomerating influences. Places like Vizianagram are gaining importance as centres of tanning industry thanks to their proximity to the Northern

Indian sources of raw materials. The degree of concentration of tanning industry in the various regions will be evident from the following table :—

Area.	Number of tanneries.	Number of workets.		
		Adults.	Ad. lescent.	Total.
Madras and its environs ..	62	4,000	300	4,300
North Arcot district ..	120	4,500	250	4,750
Ellore, Bezwada, Vizianagram. ..	50	2,450	150	2,600
Erode, Coimbatore ..	28	1,350	350	1,700
Trichinopoly, Dindigul. ..	100	2,000	100	2,100
All areas. Total ..	360	14,300	1,150	15,450

Apart from the most important areas and places where the tanning industry seems to be localized, about 40 tanneries will be operating in the Province at isolated centres, for example, Sankarankoil and Parvatipur (Adoni P.O.). If the labourers employed in them are also included, the number of workers will be about 20,000. At least 10,000 will be employed in the auxiliary trades connected with tanning industry and this figure, of course, excludes the numerous village chamars who also tan hides and skins in a crude and primitive manner.

METHOD OF INVESTIGATION.

226. The present enquiry has revealed that there are 407 tanneries of which two are European-owned and conducted on a large-scale and had been subjected to intensive study by the Central Labour Investigation Committee. But these two cannot by any stretch of the definition, be described as representative firms in the tanning industry of the Province. An exhaustive census study of the tanneries being impracticable due to various limitations, a sample study alone has been attempted. If the stereotyped conditions of management in the country tanneries are properly appreciated, it will be clear that an investigation of sampled units would suffice for deriving a comprehensive picture of the industry as a whole. On these premises, 19 important centres were selected and investigators were sent with instructions to choose, on the principle of random sampling, tanneries for detailed enquiry; in these various centres, they chose 105 families for the family budget enquiry in addition to 68 tanneries for investigation into labour conditions. The number of sampled tanneries is roughly one-sixth of the total number of tanneries in the Province.

EFFECTS OF WAR.

227. The war years witnessed the full repercussions of the World War II on the Indian tanning industry. Prior to the full tempo of war demand for tanned kips could be felt

by the industry, the sudden closure of the European continental market extinguished many a small concern. Those firms which had the resources to withstand the initial shock of a shrinkage of the market, continued to enjoy the boom conditions, though restrained, caused by the war. At present the industry is passing through the usual post-war phase which is accentuated by the shortage of wattle bark. The recent imposition of economic sanctions against South Africa has resulted in the cessation of imports of wattle bark from that country and in the absence of an immediate organized drive to find suitable substitutes from the Indian forests, the industry is suffering from a short supply of barks.

AGE AND STRENGTH OF THE TANNERIES.

228. Most of the tanneries operating today have been in existence for many decades. Yet the dates of their establishment could not be found out correctly as owners of tanneries gave only the dates when the present occupiers have inherited or bought them. There is a natural shyness to reveal the actual date of establishment which could not be easily dispelled. Indirect queries to elicit information on this point have shown that about 60 per cent of the sampled tanneries were more than 15 years old. The owners of these tanneries are in affluent condition everywhere and enjoy a decent status in society.

SIZE OF THE TANNERIES.

229. Tanneries are of varying degrees in size, ranging from those employing less than 10 labourers to those employing more than 100 labourers. The table given below will give some idea of the popular size which may be reckoned as optimum; since tanners have very shrewd instincts of organizing business, experience of several decades seems to be in favour of tanneries employing 20 to 80 workers; they constitute 67·6 per cent of the samples studied.

Number of persons employed.	Number of tanneries.	Percentage to total.
Below 10.	2	2·9
Between 11 and 20	6	8·8
Between 21 and 40	20	29·4
Between 41 and 80	26	38·2
Over 81	14	20·7
Total	68	100·0

EMPLOYMENT OF WOMEN AND ADOLESCENTS.

230. No process in the series constituting tanning proper is light enough to be done by women or children. It is hard, strenuous labour, calling for strong physique even in the case

of men. However, women are employed in a number of tanneries for (1) splitting myrabolam fruits and (2) filling the bark and myrabolam pits with water. Of course, everywhere sweeping, cow-dunging, etc., are done by women. The former category of women workers are paid between 5 annas and 7 annas per day. Time was when such women workers were invariably employed on monthly pay. Since the notification including tanneries under operation of the Factories Act particularly, the tendency on the part of the owners of tanneries is to take special care to free themselves from any responsibility to pay maternity benefits by employing women merely as casual labour. Wherever women workers are still employed, they are paid a monthly pay ranging between Rs. 10 and Rs. 12 with a dearness allowance of Rs. 7-8-0 or Rs. 8. The latter category of women workers, generally sweepers, are employed on monthly basis and they are too ignorant, dumb and meek to know their right to maternity benefits or to demand and get them from their employers. The consensus of opinion among the employers, as disclosed by their evidence before the Court, is that women labourers are not indispensable for work in tanneries and they would prefer to employ men alone. Two employers among the interviewed stated that they do not employ women at all. However in the sampled units, out of 3,854 workers, 186 or 4.8 per cent were women.

ADOLESCENT WORKERS.

231. Adolescent workers between 15 and 17 years are employed in the tanneries for making bark liquor, for filling myrabolam pits with water and are paid Rs. 7 and Rs. 10 per mensem with a dearness allowance of Rs. 6 to Rs. 8. They are also engaged in removing the hides and replacing them with layers of bark between them in bark pits; to do this operation for 40 hides usually immersed in a pit, the adolescent workers are paid 9 pies to 1 anna. Prior to the application of the Factories Act, these two kinds of work were done by boys below 15 years. As will be seen from the table on page 114, there are 1,150 adolescents for 14,300 adult workers; the percentage of the former to the latter is about 8 per cent.

EMPLOYMENT.

232. It must be recognized at the outset that workers in tanneries are doing hard and unpleasant but skilled and delicate work. The labourers must be both physically and mentally alert. Further, even among the depressed classes, it is not all who prefer to do this kind of work; but those who have chosen this occupation rarely go out of it. All these factors result in an inelastic supply of labour. At times, the

work is stopped in certain tanneries, during which period the workers are paid wages at the rate of one unit of work per day as well as dearness allowance; it must, however, be noted that such payments are in reality advances the repayment of which will be effected by means of deductions from the earnings after the resumption of work in the tanneries. The employers take pride in their philanthropic act of paying the workers when they have no work and keeping them alive. They appear to ignore the allegation of the more vociferous elements among the workers that such payments are made only to tie down the labourer to the tanneries and be assured of labour supply when work should again be commenced. Whichever side may be right in this controversy, the foregoing description of employment conditions will clearly show that there is a degree of scarcity of labour supply.

233. It may be observed that capital and enterprise alone can never turn hides and skins into leather. Mechanization cannot go so far in tanning industry as to minimize to any considerable extent the importance of human labour. In this context, it is necessary that there should be a healthy and honourable partnership between labour and capital in this industry. Employers will be better advised, in their own interests, to keep labourers regularly employed and contented. It must also be added that the labourers should not try to embarrass and perplex their employers by lightning or other varieties of strikes which will, on account of inherent nature of the industry, bring untold losses to the owners of tanneries and in the long run scare away capital from the industry itself.

AGE COMPOSITION.

234. In the absence of children, the workers are divided into two age-groups and the following table will indicate that about 8.9 per cent of the total number of workers are above 40 years.

Age group.	Age groups.		Total.	Percentage to total.
	Male.	Female.		
Up to 40 years	3,340	175	3,515	91.1
Above 40 years	328	11	339	8.9
Total	3,668	186	3,854	100.0

LABOUR TURNOVER.

235. In the absence of statistics relating to labour turnover in the country tanneries, I had to rely mainly on evidence tendered by the employers and workers. The former state

that workers generally stick on to the tanneries. The representatives of workers say that only when work in a particular tannery is short, there is a tendency for workers to migrate to some other tannery.

ADVANCES.

236. Advances appear to be "twice blessed" in this industry; they help the receivers in tiding over workless and moneyless days and in keeping them alive while they help the givers (the employers) in maintaining always in readiness adequate labour force. It is very difficult to come across tanneries where the system of advances is absent. Only 7 out of 68 sampled units were free from this system. In 25 establishments, all the workers without a single exception have taken advances. In 57 tanneries out of the 68 samples, the percentage of workers who have received advances exceeds 50 per cent. The amount of advance taken varies with individuals and tanneries and reaches in certain cases such high figures as Rs. 125, Rs. 133 and Rs. 300. The per capita advances are high in centres like Ranipet, Pernambut and Melapalayam. The employers make a deduction of about Rs. 2 to Rs. 3 in the earnings of every fortnight towards the liquidation of advances paid. The following table will show an abstract statement on advances given in detail in Appendices:—

Total number of places.	Total number of units investigated.	Total number of Workers. (Adults.)	Total amount of advances.	Number of workers who got advances. (Adults.)	Average advance per head. (Adults.)	Percentage of workers receiving the advance. (Adults.)
19	68	3,477	RS. 1,14,609	2,873	RS. 40	82.6

In the recent disputes between the workers and employers in the tanning industry, the question of advances has received a great deal of attention; the representatives of workers are for writing off the entire sum and the employers, for full settlement. Thus what appeared to be twice blessed has now become twice-cursed. A satisfactory solution of this problem is essential to the establishment of happier relations between capital and labour.

WAGES.

237. The system of payment of wages to tannery workers is extremely intricate and complex which is due to the existence of nearly twelve different processes and of four grades of pay based on the nature of the work. Excepting the clerical staff, supervisors and in some cases maistris, women,

adolescents and menials like sweepers, all the workers engaged in the main processes are paid piece-rates. Wages being based on output, the quantity of work allotted to workers is defined and it varies with different processes. In certain centres like Gudiyatham and Pernambut, what is known as "moray" system consisting of a stipulated weight of hides or skins being considered as one unit is prevalent; but in other centres, it is broadly true to say that the unit is defined as certain number of hides or skins. The unit, assuming it to be described in terms of number of hides, is not the same for all processes; in the case of lighter jobs, the number of hides or skins is higher than in the more difficult ones. For example, in one tannery 40 hides constitute one unit for unhairing while only 20 hides for fleshing. The twelve important processes are grouped into four on the basis of ease or difficulty with which they can be done and the same wage rate is applied to all the processes in the same group. The four groups are known as thotti work, tana work, big tool work and small tool work. The wages paid for these classes of work differ from place to place except in the environs of Madras City, North Arcot district and Trichinopoly where some degree of standardization of wages within each region has been brought about by trade union agitation. The following table shows the variations in wage levels in four centres:—

Wage level in some centres.

Categories of workers.	North Arcot district.		Vizianagram.		Trichinopoly.		Dindigul.	
	RS.	A.	RS.	A.	RS.	A.	RS.	A.
Big tool	15	0	11	0	11	0	17	0
Small tool	13	2	10	0	10	0	14	0
Tana	15	0	11	8	13	0	18	0
Thotti or tub ..	11	4	8	8	7	0	8	0

238. According to an agreement reached between the proprietors of some tanneries and the Tannery Workers' Union, Sembattu, Trichinopoly, the workers are divided into eight classes, with different rates of wages as shown below:—

Class of workers.	Wages.		Class of workers.	Wages.		Class of workers.	Wages.	
	RS.	A.		RS.	A.		RS.	A.
Knife men—			Tub men—			Women ..	7	0
A Class ..	13	0	A Class ..	9	0	Adolescents..	6	0
B " ..	11	0	B " ..	7	0			
C " ..	10	0	C " ..	5	0			

The few typical illustrations given above may indicate the wide variations in wages. As if to aggravate the already complex system of wages, when the Workers' Unions strongly agitated for higher wages and dearness allowances, their demands were met in a multitude of ways. Certain tanneries merely raised the wages; certain others raised the wages and also paid dearness allowance; neither the increment in wages nor the dearness allowance was uniform all over the Province. The strength of the bargaining power of the workers as measured by their capacity to strike work in the various regions determined the magnitude of the increase in wages as well as that of the dearness allowance. Even in the same tannery, the dearness allowance varied with the grade to which the workers belonged. Some specimens of the differential rates may be useful.

Grade of work.	Dearness allowance per mensem.			
	Vizianagram.		North Arcot district.	
	RS.	A.	RS.	A.
I Big tool	10	0	10	0
II Tana	10	0	10	0
III Small tool	7	8	10	0
IV Tub men	6	0	7	8

At Sembattu a dearness allowance of Rs. 10 is paid to the three classes of knife men and the three classes of tub men irrespective of their wages while the women and adolescents get only Rs. 6. These needless differences in the rates of dearness allowance render the calculation of wages immensely difficult.

Wages (Tannery).

Places.	1st unit wages.				Extra unit wages.				Dearness allowances.				Other allowances, if any.			
	Minimum.		Maximum.		Minimum.		Maximum.		Minimum.		Maximum.		Minimum.		Maximum.	
	RS.	A. P.	RS.	A. P.	RS.	A. P.	RS.	A. P.	RS.	A. P.	RS.	A. P.	RS.	A. P.	RS.	A. P.
	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Madras ..	0 5 4	0 6 2	0 8 0	0 9 9	0 4 6	0 5 0	0 6 0	0 6 0	12 0 0	0 0 0	0 0 0	0 0 0	..	..	..	..
Vizianagram ..	0 5 10	0 6 4	0 6 4	0 6 4	0 6 0	0 6 0	0 6 0	0 6 0	7 8 0	0 0 0	0 0 0	0 0 0	..	..	..	..
Samalkot ..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Rajahmundry ..	0 8 0	0 9 0	0 9 0	0 9 0	0 8 0	0 9 0	0 9 0	0 9 0	..	..	..	..	..	..	..	..
Ellore ..	0 10 0	0 10 6	0 10 6	0 10 6	0 10 0	0 10 0	0 10 0	0 10 0	..	..	..	..	..	..	..	..
Bezwada ..	0 5 4	0 6 11	0 6 11	0 6 11	0 5 0	0 5 0	0 5 0	0 5 0	10 0 0	0 0 0	0 0 0	0 0 0	..	..	..	..
Trichunopoly ..	0 7 5	0 9 9	0 9 9	0 9 9	0 5 0	0 5 0	0 5 0	0 5 0	1 8 0	0 0 0	0 0 0	0 0 0	..	..	..	..
Dindigul ..	0 6 4	0 9 0	0 9 0	0 9 0	0 6 0	0 6 0	0 6 0	0 6 0	..	..	..	..	..	..	..	..
Chittoor ..	0 8 0	0 10 8	0 10 8	0 10 8	0 4 0	0 4 0	0 4 0	0 4 0	..	..	..	..	..	..	..	..
Adoni ..	0 6 0	0 13 6	0 13 6	0 13 6	0 4 0	0 4 0	0 4 0	0 4 0	..	..	..	..	..	..	..	..
Melapalayam ..	0 15 5	1 0 7	1 0 7	1 0 7	0 5 0	0 5 0	0 5 0	0 5 0	..	..	..	..	..	..	..	..
Coimbatore (Kurihi) ..	0 12 0	0 13 4	0 13 4	0 13 4	0 6 0	0 6 0	0 6 0	0 6 0	..	..	..	..	..	..	..	..
Erode (Agraharam) ..	0 6 0	0 8 0	0 8 0	0 8 0	0 7 0	0 7 0	0 7 0	0 7 0	8 0 0	0 0 0	0 0 0	0 0 0	..	..	..	..
Ambur ..	0 6 0	0 8 0	0 8 0	0 8 0	0 6 0	0 6 0	0 6 0	0 6 0	..	..	..	..	..	..	..	..
Ranipet ..	0 6 0	0 8 0	0 8 0	0 8 0	0 6 0	0 6 0	0 6 0	0 6 0	10 0 0	0 0 0	0 0 0	0 0 0	..	..	..	..
Vaniyambadi ..	0 6 0	0 8 0	0 8 0	0 8 0	0 6 0	0 6 0	0 6 0	0 6 0	7 8 0	0 0 0	0 0 0	0 0 0	..	..	..	..
Gudiyattam ..	0 6 0	0 8 0	0 8 0	0 8 0	0 6 0	0 6 0	0 6 0	0 6 0	7 8 0	0 0 0	0 0 0	0 0 0	..	..	..	..
Pernampet ..	0 6 0	0 8 0	0 8 0	0 8 0	0 6 0	0 6 0	0 6 0	0 6 0	6 8 0	0 0 0	0 0 0	0 0 0	..	..	..	..
Wallajabad ..	0 5 2	0 9 8	0 9 8	0 9 8	0 5 0	0 5 0	0 5 0	0 5 0	..	..	..	..	..	..	..	..

(Attendance allowance).
1 0 0 2 0 0
(Attendance allowance).

need for doing minor and subsidiary processes paid on piece-rate basis—all these contribute to make the wages system in the tanneries extremely complex and baffling.

RECENT CHANGES IN WAGES.

243. Wages had been deplorably low in the prewar years and for the best part of the war period, wages had remained at a level unrelated to the steep upward curve of prices in general and cost of living in particular. Only in the last years of the war, Trade Union activity had expressed itself strongly while after the war it has manifested its vigour by launching a number of strikes. In the North Arcot, Bezwada and Ellore, the strikers have gained certain points to their advantage. The following table will show the rise in the wages paid to the various processes at Ranipet. The representative character of the data adds special interest to them.

Rates of wages for the various process at Ranipet in 1947 and between 1938 and 1944.

Type of work.	Soaking.	Unhairing.	Fleshing.	"Surukkam".	Mottu work.	Myrabalam.	Oiling.	Tana work.
	A. P.	A. P.	A. P.	A. P.	A. P.	A. P.	A. P.	A. P.
Years—								
1938-44 ..	4 3	4 3	5 4	4 3	4 3	4 3	4 3	5 4
1947 ..	7 0	7 0	8 0	7 0	7 0	7 0	7 0	8 0
Unit in terms of								
hides ..	100	50	20	50	50	33	33	12

BONUS, OVERTIME, FINE FUND.

244. In the country tanneries, no bonus or overtime allowance is paid to the workers. Imposition of fine is not common either.

WAGE PERIOD.

245. The wages are generally paid fortnightly; but the workers' grinding poverty drives them to take some advances before the fortnight is out. So much so, only a very small proportion of the wages earned are left for disbursement on the pay-day. No deductions are made from the pay except for the purpose of repayment of the long-term advances referred to in a previous section. Such deductions may be from Re. 1 to Rs. 3.

CLOSED DAYS AND HOLIDAYS.

246. Some of the country tanneries are seldom completely closed although officially a weekly holiday is observed. A few tanneries give weekly holidays to workers by rotation, avoiding

thus any interruption to work. Yet a few others actually close on Sundays thereby showing that the process of tanning will not be spoiled, as it is alleged, by the closing of tanneries for one day in a week. On the days of festival like Bakrid, Deepavali and Christmas, holidays without pay are granted. The workers in country tanneries do not enjoy any casual leave with pay. Conditions in the country tanneries are in marked contrast to those obtaining in the two large tanneries where ten days' casual leave with pay are granted to all their permanent workers.

EARNINGS.

247. In order to gain a correct picture of the average earnings of the tannery workers, the wage-rolls in 32 tanneries were studied covering 1,563 workers. The wages are paid fortnightly and the amounts earned by the workers are determined by two factors, viz., the productivity of the workers and the number of days present in the fortnight. The data were collected on the principle of random selection, omitting of course women and adolescents. The following table shows the data analysed and classified.

Frequency table showing average fortnightly wages in 32 tanneries.

Wage groups.	Workers in specified wage groups.	
	Number.	Percentage.
Up to Rs. 5 ..	161	10.3
Above Rs. 5 and up to Rs. 7 ..	118	7.6
" Rs. 7 " Rs. 9 ..	160	10.2
" Rs. 9 " Rs. 11 ..	230	14.7
" Rs. 11 " Rs. 13 ..	256	16.4
" Rs. 13 " Rs. 15 ..	206	13.2
" Rs. 15 " Rs. 17 ..	168	10.7
" Rs. 17 " Rs. 20 ..	213	13.6
" Rs. 20 ..	51	3.3
Total ..	1,563	100.0

248. The mode for fortnightly wages for the workers lies in the groups, "above Rs. 11 and up to Rs. 13" and "above Rs. 9 and up to Rs. 11," comprising 21.1 per cent of the total number of workers. About 3.3 per cent earn above Rs. 20 per fortnight or above Rs. 40 per month and 37.5 per cent earn between Rs. 13 and Rs. 20 per fortnight or between Rs. 26 and Rs. 40 per month. Together with the 3.3 per cent earning above Rs. 40 per month, about 40.8 per cent earn Rs. 26 or above per month.

239. The final act of complication in the wage system is the difference in the rates paid to the first and to subsequent units of work done on the same day, notwithstanding the fact that the latter are identical with the former.* It may be strange but true that the wages paid for the later units are lower than those paid for the first units. To crown this complex edifice, some tanneries are paying an attendance allowance. Leaving out for the present variations in the quantities taken as units in the various tanneries, the wages for the first unit for work range from As. 6-2 at Vizianagram to Re. 1-0-7 in a tannery at Coimbatore district. The wages for the second and subsequent units have been equalised with those of the first very recently at some centres like Ranipet, Vaniyambadi, Gudiyatham and Madras. But they are different in many other centres; for instance, at Dindigul, the wages for the first unit vary from As. 7-5 to As. 9-9, while the extra units done on the same day fetch only 5 annas each. At Adoni, the corresponding figures are As. 8-0 to As. 10-8 and 4 annas. Similarly dearness allowances also show a wide disparity; the highest rate of Rs. 12 is paid in the environs of Madras City and the lowest rate of Rs. 1-8-0 to Rs. 3 is paid at Dindigul. At Trichinopoly and Dindigul, an attendance allowance from Re. 1 to Rs. 3 is paid. The table opposite will show the extremely heterogeneous rates of wages, dearness allowance, etc., paid at 19 important tanning centres in the province.

SYSTEMS OF WAGES.

240. The foregoing paragraphs would have shown clearly the existence of an extreme diversity of wages in the province. However, they may be roughly classified into three types—

(i) Monthly wages plus dearness allowance:—These monthly wages are not to be construed as time wages because they are clubbed with piece work. The workers are required to do 26 or 30 units of work in a month at the rate of one unit of work per working day. For example, a worker may be paid Rs. 15 per month with a dearness allowance of Rs. 10. If the worker is required to do 30 units in a month, wages for the first unit every day will be 8 annas. The same worker will be paid 5 annas or 6 annas, a distinctly lower wage for the second or third unit. The consolidation of daily wages

* It is contended by the employers that the first unit of work in a day includes some customary common work performed jointly by the whole team of workers. On the other hand, the workers argue that the customary work used to be specially remunerated by presents of dhoties, etc., once a year; the progressive trade union opinion is that the workers will no longer do these old bits of common work without special payment. It is needlessly confusing the issue to define the first unit of work to include extra work and the subsequent units without any such work.

into monthly pay in the case of the first units of work serves to conceal the differential rates paid for the first and the subsequent units.

(ii) A flat enhanced rate of wages for all units without any dearness allowance:—At Bezwada and Ellore, for instance, employers pay a flat rate for all the units of work regardless of their being the first units or otherwise. In the absence of a separate dearness allowance, the wages have been steeply raised to meet the enhanced cost of living.

(iii) A flat higher rate of wages for all units plus dearness allowance:—In this type of revision of wages, a smaller rise than in the second type is noticed but the workers are eligible to a maximum dearness allowance of Rs. 12, provided a minimum of one unit each for 26 days is done by them, failing which, the dearness allowance is proportionately reduced. Apart from the above four grades of wages, there are also a number of small jobs that require to be done every day in a tannery and they are also paid piece-wages; for instance (1) turning over of hides in "Sulla" pits is paid at the rate of about one anna per pit containing 50 hides; (2) placing the hides in bark pits with layers of bark between every two hides is paid at the rate of 9 pies for 40 hides immersed in a pit; and (3) trampling in soaking pits to soften the hides.

241. In most of the smaller tanneries and even in some bigger ones, labourers working in gangs are expected to do all the processes and are paid wages according to the units of work turned out in each of them. This practice is a clear proof of the fact that conditions of work do not permit the workers to specialise in any set of process; it is also stated that such specialisation will be injurious at least to workers in the lime yard whose fingers and toes get corroded; if there is diversification, the harm done in the lime yard will be healed by work in the bark yard. The relevant point to be noted in this type of gang-work and non specialisation is that the computation of the wages earned is rendered still more intricate.

242. To summarise the foregoing observations on wages and income of the workers, there are about 12 different main processes, apart from incidental ones, which are grouped into four grades and paid different rates of wages, according to the nature of work. Wages are piece-rated and "pieces" vary with centres, tanneries and vary in the case of cow-hides, buff-hides and skins. Differential rates in dearness allowance, the practice of gang-work in certain centres, the custom of paying attendance allowance in some tanneries, the presence of time-rated women workers and adolescents, and the

STANDARD OF LIVING.

249. A clear knowledge of the standard of living of the workers in the tanning industry cannot be had without an examination into their family budgets. Out of the 105 standard of living schedules filled up by the investigators, only 93 could be used. The population covered by this survey was 547 consisting of 170 men, 157 women, 113 boys and 107 girls. The families were divided into five groups according to their income and the results are tabulated below:—

Income groups and their average income.

Income groups.	Total number of families.	Total income.		Average income per family.	
		RS.	A. P.	RS.	A. P.
Below Rs. 35	17	503	12 0	29	14 1
Rs. 35 and below Rs. 50.	30	1,243	8 0	41	7 3
Rs. 50 and below Rs. 75.	23	1,374	4 0	59	12 0
Rs. 75 and below Rs. 100.	14	1,148	8 0	82	0 7
Rs. 100 and above ..	9	1,163	8 0	131	8 0
All income groups ..	93	5,438	8 0	58	7 7

Only 9 out of 93 families get an income exceeding Rs. 100 per month. The largest number of families is found in the second income group with an income between Rs. 35 and Rs. 50 per month. These figures, though interesting, cannot give any clear idea of the reasons for the wide variations in income from group to group.

250. The average size of the families in each of the income groups and the average number of gainfully employed persons in the families of each group can be seen from the table next page.

Income group.	Total number of families.	Family composition.				Average persons per family.				Total number gainfully employed.	Average number gainfully employed.
		Total number of persons.		Average persons per family.							
		Men.	Women.	Boys.	Girls.	Total.	Men.	Women.	Boys.	Girls.	Total.
Below Rs. 35 ..	17	20	22	28	22	92	1.18	1.29	1.65	1.29	5.41
Rs. 35 and below Rs. 50 ..	30	35	42	33	36	146	1.17	1.40	1.10	1.10	4.87
Rs. 50 and below Rs. 75 ..	23	47	43	19	17	126	2.09	1.87	0.83	0.74	5.53
Rs. 75 and below Rs. 100 ..	14	37	25	14	23	99	2.64	1.79	1.00	1.64	7.07
Rs. 100 and above ..	9	31	25	19	9	84	3.44	2.78	2.11	1.00	9.33
All income groups ..	93	170	157	113	107	547	1.83	1.69	1.22	1.15	5.88

as the second biggest item in the list. The distribution of the expenditure on various items indicates that the workers have little margin left for the satisfaction of any want, except the necessities. The drink bill is the only sore point in expenditure schedule. But these workers cannot be weaned away from drink at the present moment except by increasing the wages and giving the necessary sinews for better type of recreation, relaxation and amusement, accompanied by increased welfare activities.

WORKING CONDITIONS.

256. Despite the fact that the country tanneries have been brought under the Factories Act, no tannery has fixed hours of work. Labourers turn up in the early morning between 6 a.m. and 8 a.m., according to their convenience and do the work till 1 p.m. or 2 p.m. Occasionally in busy seasons they may work in the afternoons. The employers are not interested in regulating the hours of work as the workers are paid only piece-wages; further they add that absence of regulation confers labourers perfect freedom which the latter would be loath to give up. On the workers' side, opinion is in favour of regulating the hours of work.

SANITATION AND VENTILATION.

257. Almost all the country tanneries with a few honourable exceptions are extremely insanitary. There are no proper well-built drains to carry the effluents out of the tanneries; the effluents stagnate just outside the walls of the tanneries, emitting foul odour. Within the tanneries, dirt and filth accumulate. Lime yard is usually slippery and tan yards dark and dismal looking. The sheds, thatched as well as tiled, are low crouching structures into which none can enter without stooping and bending; and the workers have to get in and get out of the sheds innumerable times in the course of their regular work. The flooring under the sheds is paved with bricks or stone slabs, but kept in a very bad condition. The open spaces around and beyond the sheds are of loose earth in many tanneries. The most arresting fact of all is the peculiar stench that pervades the whole atmosphere of the tanneries. Fleshings are in certain tanneries strewn on the ground outside to dry in sunlight.

258. Few tanneries have made provisions for supply of good drinking water or dining sheds. The workers are expected to use the well-water and take their food in some corner of the tanneries or better still outside. Country tanneries with proper types of latrines and urinals are an exception. There is scarcely any arrangement providing for

bathing or washing. This desideratum is specially to be regretted in view of the dirty nature of the work. After the day's work, the workers must have a nice bath before getting out of the tanneries.

WELFARE ACTIVITIES.

259. All the country tanneries keep the first-aid equipment set in compliance with the Factories Act. But it was invariably found to be intact in almost all of them; either there had been no accidents calling for their use or no use had been made of it even if occasion arose. The workers handling big tools in a few tanneries were found with little pieces of cloth tied round their finger or toes. On being questioned it transpired that they had themselves dressed the cuts and sores in their crude ways. There is no evidence of medical attention except for the first-aid materials kept carefully in almirahs or boxes.

260. Other amenities like canteens, creche, schools for children and adults, social clubs and grain shops or provision stores are conspicuous by their absence in all the country tanneries investigated.

261. The provisions of the Factories Act, the Payment of Wages Act, the Workmen's Compensation Act, and the Maternity Benefit Act are paid scant respect in the country tanneries. The enforcement of all the provision of these Acts, having made the tanneries subject to them, is an urgent necessity in the interests of respect for law and betterment of labour conditions.

(2) Minimum wages in all the factories should be paid at the following rates:—

				RS. A.
(i) Unskilled workers	..	..	0 12	per unit.
(ii) Semi-skilled	..	..	1 0	„
(iii) Skilled workers	..	..	1 4	„
(iv) Salman	..	..	25 0	per month.
(v) Women workers	..	..	25 0	„
(vi) Maistris	..	..	50 0	„

(3) Dearness allowance should be paid at the rate of Rs. 21 per month.

(4) Three months' wages must be paid as bonus every year.

(5) Gloves, masks, shoes and other protective covering must be supplied free of cost by the employers to workers."

264. The abovementioned demands are mild when compared with those made by the Andhra Provincial Tannery Workers' Union. In order to indicate the aspirations of the workers, a few of the demands unanimously passed by the above union on 21st February 1947 may be cited here:—

"(1) Wages for maistris Rs. 45 to Rs. 60 per month with an yearly increment of Rs. 2.

Technical workers Rs. 40 to Rs. 60 per month with an yearly increment of Rs. 2.

Women and children Rs. 30 to Rs. 45 per month with an yearly increment of Rs. 1-8-0. Dearness allowance of 2 annas per each point of rise in the cost of living should be given to each worker.

(2) Provident Fund As. 1-4 should be subscribed equally by the proprietors and workers and the amount should be paid to the worker at the termination of the service.

(3) Six months' wages should be given as bonus to all workers.

(4) Two pairs of lower clothes and two pairs of upper clothes and two shirts should be given to each worker per year.

(5) *Leave*.—Fifteen days casual leave, fifteen days privilege leave and one month sick leave should be granted to every worker during the year with pay.

(6) Sundays and all Government holidays should be holidays with pay."

265. It is needless to catalogue the numerous other demands found in their memorandum. The tannery workers are at present in the lowest rung of society as well as employment; their conditions of service are low as their status in society. In view of their present condition the demands cannot be described as moderate. That is why a series of

strikes in the Madras City and its environs did not prove to be a success. Fixing the targets very high may be attractive for some time to the workers; but if they are not attained within a measurable distance of time by strikes, or by threat of strikes, the members will lose faith in the union activities; such a result will be regretted by every well-wisher of labour. A point of great significance and interest found in the memorandum of workers' unions deserves mention. All the unions are very anxious to see that units of work should be uniform throughout the province; they want to fix the maximum number of hides or skins the units should contain at the various stages of tanning.

266. In a number of centres interim agreements between the workers and the employers have been concluded in the presence of the Local Labour Conciliation Officer or the sub-divisional or district magistrate.

267. The process of tanning from the time the hides are soaked to the emergence of the fully dressed leather takes about 45 days to be completed. Up to 1st April 1947, the workers had been in the habit of giving only 15 days' notice before striking work. Such strikes have resulted in certain cases in heavy losses to the tanners who would have soaked large quantities of hides or skins without expecting any strikes in the immediate future.

268. The representatives of the workers want to use this right to strike as their trump card in any bargaining counter with the tanners. The strikes have already created a great alarm among the tanners. Persistence in lightning strikes will adversely affect the industry and ultimately employment itself.

EMPLOYERS' ASSOCIATIONS.

269. As already mentioned, every important centre has an association of employers, known either as Hides and Skins Merchants' Association or Tanners and Dealers Association. It may be mentioned at the outset that every tanner recognizes vividly the consequences of labour disputes and strikes. All the local associations knitted together by the South Indian Hides and Skins Merchants' Association hold almost the same views on all matters affecting their trade. Hence the opinions of the employers on the industry in general and on wage and labour conditions in particular may be easily summarized. Towards the general improvement of the industry, the tanners desire that the Government should adopt a free export policy for tanned skins and hides to all parts of the world, and lift the ceiling prices on tanned skins; they should also ban the export of raw and picked skins and thus conserve the raw

materials within the country to afford better employment to the labourers. "The Government should supply the tanners wattle-bark, bark-extracts and other barks at a controlled price, if need be, by subsidizing the production of bark; and must give wagon facilities for the quick movement of bark from the production centres to the tanning centres. The Government should help the industry by providing wagon facilities for moving raw and wet skins and hides from accumulation centres to tanning centres." Provided these facilities are offered by the Government, the tanners feel that they could guarantee employment to the labourers. They also recognize that avoidance of absenteeism is essential to the proper and successful conduct of the business. They are opposed to the fixing of time rates; one of the associations in its memorandum, avers that "unit rate is more advantageous and beneficial to the labourers employed in this industry as this facilitates the employee to attend to his work" whenever he likes and to do more than one unit of work whenever he can. "To fix hours of work" says another memorandum "will only inconvenience the workers." The advantage to the tanners of the piece-rate system is that it obviates the need for the employment of too many supervisors to goad the workers. Some of the associations plead for three months' notice before strike arguing that the process of tanning and the attendant risks commence not only from the day of soaking but from the day on which dry or wet salted raw materials are bought in distant upcountry centres. They would like not only to stop soaking but also to stop buying from the day the strike notice is served on them to avoid losses of any kind.

270. An important association has given evidence to the effect that guarantee of minimum units of work can be given to the labourers provided they are prepared to do anyone of the various processes of tanning. Some of the experienced tanners hold that absenteeism is doing the greatest harm to the industry and they would gladly pay a bonus for good attendance. With regard to weekly holidays, opinion is divided; one school of employers holds that a weekly closed day is not feasible in this industry as the process of tanning is continuous and that batches of workers may be given one holiday in a week by rotation; another school is of opinion that a weekly holiday is possible as evidenced by some tanneries at Dindigul; a third school maintains that "East India Tannery is only a glorified cottage industry, to encumber it with factory rules and regulations, as has been recently done, is causing great inconvenience to the tanneries." This school says that the principle of weekly holiday must not be insisted upon in this industry. Almost all the tanners express themselves in favour of abolition of the system of paying advances and against migration of workers from one tannery to another.

271. Regarding wages, all the associations are unanimous in saying that no further increase is possible particularly in view of the decline in the prices of finished leather in recent months. They also say that wages have been raised from time to time and the present level of wages is nearly three times as much as that in 1939. The South India Tanners and Dealers Association, Ranipet, in its memorandum, dated 6th November 1946, states:—"The present fixation of wages (by means of a compromise agreement arrived at in the presence of the Collector and District Magistrate on 16th October 1946) is unworkable to the trade as this increases the cost of tanning. From the enclosed copy it will be clearly seen that the agreement is only temporary till the Court of enquiry completes the work." From the foregoing it will be evident that the associations as well as individual tanners are opposed to most of the regulations already imposed and the reforms that are necessary to improve the conditions of employment in the tanneries; they are, in general, opposed to weekly holidays, strikes without 45 and preferably three months' notice, to increase in wages, dearness allowance, to any guarantee of employment under the existing conditions; but they want the workers to be regular in their attendance; reduction of absenteeism, abolition of migration and due repayment of the advances already received are keenly desired by them.

COST OF PRODUCTION AND MARGIN OF PROFIT.

272. All the country tanneries are either single man's concerns or partnership firms. They have their income-tax returns. It is possible by a study of them to arrive at a rough estimate of the profits of the tanneries. A minute study of the cost of production and margin of profit was attempted in three different ways. The problem is extremely complicated due to the following factors:—(1) the raw materials vary from tannery to tannery and they may be buff hides, ox hides or skins, (2) even in a tannery specialising in hides, the raw hides might have been received from Mysore, Hyderabad, Calcutta, Cawnpore or Lahore apart from the local slaughter-houses. The origin of the raw hides is a matter of vital significance with regard to the length of the processes of tanning and the weight of finished leather produced from every 100 lb. of raw hides. Similar problems beset also the skin tanneries, (3) the cost of the raw materials at the buying centres may be the same to all the tanneries but the cost of transport may vary with the distance of the tannery from the raw material markets; for example, the Vizianagram and Ellore tanneries are nearer to the Northern Indian hides and skins markets than Dindigul or Vaniyambadi, (4) again the cost of transport of barks varies from tannery to tannery according to their respective distances from the markets or ports,

and (5) the bigger tanneries are able to effect greater economy than the smaller ones in numerous ways. All these considerations preclude any possibility of calculating the average profits of a representative firm. Hence, the profit and loss accounts of selected samples of all sizes and types of units were scrutinized except those of extremely small units and of concerns which were new or saddled with abnormally heavy overhead charges.

273. (1) Now the three different methods adopted to arrive at the margin of profit may be very briefly outlined. First, the cost and weight of 400 or 500 pieces of skin or hide bought by a firm were obtained. The cost of tanning these 400 pieces, comprising the cost of lime, bark, myrabolam and wages, was calculated. The weight and the selling price of 400 pieces of finished leather were found out. From the gross profits were deducted the proportionate establishment charges.

(2) The tanners' associations have given in their memoranda the average cost of tanning one lb. of finished leather including overhead charges and also the weight of finished leather that could be got from ten or twenty pounds of raw hide or skin. The prices of raw hides and skins as well as finished leather in the various months of 1945-46 were gathered and the cost of transport was added for individual firms. With the above data the profits of selected firms were calculated.

(3) From the annual accounts of the tanneries, the cost of materials, the number of pieces tanned, and the total weight of leather produced could be obtained. The actual sale price of the total quantity of leather made in the tannery would be available. These figures give an idea of the profit.

Adopting these three methods, the profit of ten tanneries each for buff hide, ox hide, and skin were calculated. The profits thus independently arrived at did not show any wide disparity. Apart from the abnormal profits of some tanneries, all the tanneries except those which are inefficiently managed are enjoying a good margin of profit, sufficient to enable the increment in wages awarded in the next section without in any way jeopardising the pre-eminence of this industry of our province.

ISSUES.

274. As the tanneries have been brought under the operation of the Factories Act as early as February 1942, it may suffice to point out that, with regard to the improvement of the working conditions, ventilation and sanitation, the

need for a rigorous enforcement of all the provisions of the Act is urgent. However a few points merit special observation :—

(1) Regarding the working hours, the tanneries should be kept open only for eight hours. By fixing the hours of work when tanneries may be kept open, a ceiling is put to the hours of work; the present day evil of overwork in seasons of peak production will be avoided.

(2) The Madras Maternity Benefit Act must be strictly enforced in all the tanneries employing women. Employment of women, casually instead of on monthly salary basis with the deliberate intention of depriving them of the maternity benefits as well as additional amenities due to them by virtue of their sex, must be prevented.

(3) Weekly holidays must be granted.

(4) Compensation for accidents must be paid according to the provisions of the Act. All the tanneries should be brought under the operation of the Workmen's Compensation Act by notifying this industry in the schedule to the Act.

(5) The employers should supply rubber shoes and rubber gloves to all the workers in the lime yard and sulla work and rubber apron sheets to all workers, performing defleshing, deliming and scudding operations.

(6) Special bath-rooms should be provided in every tannery for workers; gingelly oil or groundnut oil for lime workers and soaps for all the workers must be freely supplied.

(7) Water for drinking, cooking, washing and bathing must be supplied to workers within their colonies (residential area), without being forced to go, as at present, to the tannery wells for taking water. Under no circumstances, the facilities provided for water-supply should be curtailed or stopped.

(8) Registered Workers' Unions must be recognized by the employers and two representatives of the Union must enjoy the right to represent to the management the grievances of the workers.

(9) The workers must be granted 10 days' casual leave with pay every year.

STRIKES.

275. Due to technical reasons, declaration of strikes in the tanning industry after a short notice or suddenly inevitably inflicts serious losses to tanners. The workers are in a peculiarly strategic position to bring their employers to their knees when large quantities of hides or skins are in the lime pits or in any other stage of tanning. Too frequent strikes with a view to exploiting this situation will in the long run produce disastrous results to the industry as a whole bringing in its

Work in the lime-yard is injurious to health. Although these little differences are found, the various types of work need not on that score be paid differential rates. If the tana work is hard manual labour, liming is injurious and defleshing is expert labour. Again the fact that there exists only a distinction without difference is clearly proved by the custom of the tanners in giving any kind of work according to the requirements of the day. In view of the above considerations, the wages of male workers shall be fixed at 9 (nine) annas for every unit done in a day in all the tanneries in the Province. No distinction shall exist between the wages paid for the first and subsequent units done in a day.

In such factories as Chrome Leather Company and Gordon Woodroffe Leather Manufacturing Company, Limited, whenever time wages are paid, the wages obtaining in January 1947 shall be raised by 12½ per cent.

STANDARDIZATION OF UNITS.

279. Although there is a keen demand on the part of the workers to have Province-wide standardization of the units, several practical difficulties preclude the possibility of attaining this laudable end in the immediate future. The raw materials used in the different centres vary in their quality and in the processing done after flaying which affect the length as well as the nature of tanning processes. Secondly, the water used varies from centre to centre; soft water aids tanning better than hard water. Due to these facts, the number of hides or skins allotted to a unit in the various centres differ widely. Hence, the units of work in the various centres shall contain the same number of skins or hides as in January 1947.

280. The adolescent workers shall be paid Rs. 15 per mensem. The wages paid for turning the skins or hides in the lime pits, bark pits, etc., shall be As. 1-6 per unit of work. The women workers shall be paid Rs. 15 per mensem or As. 14 per day if casually employed.

DEARNESS ALLOWANCE.

281. All the workers—men, women and adolescents—shall be paid a minimum dearness allowance of Rs. 16 per mensem. This rate of dearness allowance is the lowest rate allowed by the Government and it shall be altered with any alterations made by the Government.

Wherever a higher rate of dearness allowance is being paid at the present time, it shall be continued without any alteration unless there is any change in the rate of dearness allowance paid by the Government.

PART VI.

GENERAL CONSIDERATIONS.

282. So far in the last five parts, the problems connected with labour, wages and working conditions pertaining to beedi, cigar, snuff, tobacco-curing and tanning industries, respectively, claimed my attention to the exclusion of certain considerations. In this part, it is proposed to deal with certain general issues common to these five industries. It must be mentioned that, without a knowledge of these general issues a study of the special issues framed in the preceding parts for the various industries will give only an incomplete picture of the regulations necessary to improve the organization as well as the lot of the workers in these industries.

UNORGANIZED INDUSTRIES.

283. It is convenient to include in the list of unorganized industries all those which are defectively organized. The general features of these industries are that there is no minimum or optimum size of business and these industries are usually littered with innumerable feeble and pigmy concerns. A few large-scale businessmen there may be but they deem it *infra dig* to mix with the smaller men. No *esprit de corps* or corporate feeling is found to any striking degree among the employers; consequently the good of the industry as a whole is ignored in an atmosphere of each man to himself and the devil take the hindmost. The persistence of acute competition prevents the employers from studying the problems of the industry in a liberal spirit and from devising measures for stabilisation of the working conditions and promotion of the interests of the industry.

284. The unorganized industries are generally unregulated. If they do not use power, the ordinary Factories Act does not apply to them. If they do not make use of harmful or dangerous raw materials, such as explosives, even health regulations are not imposed on them. In the absence of regulations, these industries in most cases present awful conditions of employment, working conditions and wages. In the United Kingdom and the United States of America, men's clothing, embroidery, artificial flowers, carding of pins and buttons, children's garments-making, toy and paper-boxes, stringing and tagging of bags, stripping of tobacco, etc., continued to be unregulated until very recently. In these industries, men, women and children, regardless of age or sex, were huddled together in extremely insanitary and ill-ventilated buildings and made to work for excessively long hours for frightfully low wages. These industries thus became sweated trades. The virtuous wrath of many philanthropists

train bankruptcy of tanners and closing down of tanneries; this may lead to a gradual tapering of employment. It is essential to recognize this long-period effect on the industry and devise measures to safeguard the interests of both the industry and workers. It will be nothing but practical wisdom to qualify the right to strike and at the same time to protect the labourers from any kind of exploitation. After sifting carefully, the evidence tendered by both tanners and the workers, the following scheme for the regulation of strikes is recommended. The workers must give 45 days' notice of their intention to go on strike. During this period, the tanners may be allowed to restrict or stop together, soaking of hides or skins, but should pay the workers wages which should not fall below their average earnings per month in the three months prior to the issue of the strike notice. This level of wages must be kept up regardless of the availability or otherwise of work. In the meantime, the grievances of the workers must be referred to the Trade Board of the district, the constitution and functions of which are described in the next chapter.

GUARANTEE OF EMPLOYMENT.

276. If the employers' interests are protected by the scheme regulating strikes recommended in the last paragraph, the workers' interests also require protection from arbitrary refusal to give work or lock-outs. One of the important grievances of the workers in this industry is that they are forced to be idle on many days because the tanners reduce or stop soaking. It is extremely unfair to employ these workers whenever it pays the tanners to do so and throw them out of work for no fault of the workers. It has already been noted that the tannery workers are a special class of workers who do not and cannot easily find alternative employment. This point is supported by the evidence of the tanners themselves: "In these parts when there is less work for small periods in the tanneries, the labourers are not dispensed with. They are kept in service by paying them their monthly wages and by debiting to their account as many units of work as they will have to do for their basic pay. When business improves and when there is extra work, the debited units of work are wiped out gradually by taking portions in the extra wages without causing any inconvenience to the labourers." This statement taken from one memorandum clearly depicts the practice obtaining in almost all the centres. It lays bare the following points: Firstly, the workers employed in the tanneries hang on to the tanners even when they are not given any work. Secondly, during such periods, the tanners pay them basic monthly wages which are recovered in the periods of brisk trade. Thirdly, they are not paid any unemployment benefit but only given advances to tide over the

workless days or months, invariably on tightened belts. This state of affairs calls for urgent reform. This kind of irregularity of employment places the labourers in a precarious position and degrades them to a sort of semi-indentured labour force. Most of the employers, as already indicated in a preceding paragraph, agree to provide the workers with regular employment if the Government were to eliminate the transport bottlenecks and cut down the soaring prices of barks and bark-extracts, discourage the free exports of raw hides and skins and encourage the exports of tanned leather. Some of these difficulties will disappear with the restoration of normal economic conditions. Hence it will be good for both industry and the workers if tanners voluntarily observe the following conditions for the provision of regular employment :—

(1) To provide every day at least one unit of work in default thereof to pay the wages for one unit every day to each permanent worker; these sums must not be debited to the workers' account nor recovered from them at any later date.

(2) To give not less than 560 units of work or pay the wages for 560 units work to each of their workers in every calendar year.

The above two schemes of restriction of the freedom of employers and the right of the workers is very much needed to establish industrial peace.

277. In order to minimise absenteeism, a system of bonus payment based on attendance as shown hereunder is necessary.

Number of working days attended in half year.	Bonus scheme.			
	One hundred and forty days or more.	One hundred and thirty-five to 139 days.	One hundred and thirty to 134 days.	Less than 130 days.
Amount of bonus in terms of average monthly earnings by the worker.	3/4	1/2	1/4	Nil.

The bonus according to the above scheme shall be paid at the end of every half year.

WAGES.

278. Although in a few tanneries, there is some degree of specialization among workers, some of them doing only tana work, others unhairing and yet others fleshing, it is generally found that the workers are transferred from one section to another according to the volume of work available. Smoothing and straightening of the leather in its final stages of tanning call for hard manual labour and generally the newcomers are assigned this job. Defleshing is a skilled work and wrong handling of the knife will irretrievably spoil the leather.

at the inhuman exploitation of the working classes led in the western countries to vigorous legislative activity to protect and safeguard the interests of the workers.

285. Appalling conditions, which had been completely eradicated in the west, still persist in this country in a number of industries. The need for regulation and reform in them, particularly in the beedi, cigar, snuff, tobacco-curing and tanning industries, is very urgent. There are two methods of meeting this need; one is legislation which is the path of compulsion and the other is voluntary action—by means of agreements between employers and employees. It will be necessary to adopt both these methods to attain maximum results. The first method of legislation is capable of being subdivided into two, affecting non-wage aspects and wage aspects, respectively. It is proposed to deal with these methods in seriatim with a view to drawing useful lessons which may be applied to the five industries in question.

THE MADRAS NON-POWER FACTORIES BILL.

286. Taking legislation affecting all aspects of the industry other than wages, the Madras Non-Power Factories Bill merits our consideration first. It is already on the anvil of the legislature. A brief analysis of the provisions of this Bill will clearly show how far it will help to ameliorate the conditions of the workers when it is placed on the statute book. Its scope is at present limited to 30 industries listed in the schedule appended to the Bill, which includes the five industries covered by this report. It provides for the licensing of premises for carrying on any one of the industries. Licensing helps to fix the responsibility on the occupier for the maintenance of the required minimum standards of sanitation, ventilation, cleanliness, working hours, etc. It will also help in the strict enforcement of the Employment of Children Act, 1938; it is at the present moment very ineffective in its operation on the unorganized industries due to the various methods of evasion rendered possible by lack of this provision for licensing. Apart from the complete prohibition of children below 14 years of age, even young persons defined as those who have completed their fourteenth year but not completed their seventeenth year should obtain fitness certificates from certified surgeons and carry tokens thereof while at work.

287. After the enactment of this Bill, no industrialist can house his workers in any building he likes unless the Inspector feels satisfied with its safety, ventilation, etc. The clauses, providing for the supply of water, spittoons, latrines and urinal accommodation, will help to satisfy much-needed wants.

288. The Bill prohibits work in a non-power factory for more than nine hours in any day or for more than 48 hours in any week; there is also a clear provision for a weekly holiday and also holidays for a period of at least 10 days every year for all permanent workers. The Bill contains many more salutary reforms and its enactment will be a great boon to the tens of thousands of workers employed in the five industries dealt with in this report. However, I would like to reiterate the need for regulation on the following lines in all the five industries for the improvement of working conditions:—

(1) The Employment of Children Act, at least after the Non-Power Factory Bill is passed, must be strictly enforced.

(2) The Payment of Wages Act must be applied to all the five industries and advances of wages, if permitted at all, should be limited to an amount equivalent to the wages earned by the employed person during the preceding two calendar months or if the worker has not been employed for that period, twice the wages he is likely to earn during the subsequent calendar month.

(3) The Madras Maternity Benefit Act, 1936, should be applied to all the five industries.

(4) The Workmen's Compensation Act must be forthwith applied to all the five industries.

(5) In every establishment, a register in the prescribed form should be maintained showing the names of the workers, their hours of work and the nature of their respective appointments. The wage-roll must be kept separately from the attendance-register and for all wages of Rs. 20 or more stamped receipts must be obtained.

(6) Every establishment must prominently display a copy of its standing orders, terms of employment, procedure for disciplinary action and the framing of charges, fine list, if any, and particulars regarding the amount in the fine fund.

(7) Every employer should supply all the appliances and instruments along with raw materials to every worker; for example, in the beedi industry, the trays in which tobacco and beedis are kept, scissors, thread, etc.

(8) In order to improve the health and safety of the workers, the workers must be provided with clean mats to squat on in the beedi, cigar, snuff and tobacco-grading industries and with rubber chappals, gloves and apron-sheets in the tanning industry.

INDUSTRIAL HOME WORK.

289. The above rules and regulations applicable to non-power factories will not completely solve all the problems concerning unorganized industries. Under the present industrial

set up, as indicated in the preceding parts, the question of the vast armies of industrial home workers will remain and therefore demand next the attention of the Government. It will be, therefore, better to tackle the problems of these workers simultaneously with those of the rest in any attempt at reform.

290. Industrial home work has persisted up to the present day and many of those industries which are relatively backward in their technical processes and which utilise small as well as cheaper forms of machinery are capable of being easily entrusted to male or female home workers. Millinery, neckwear, laces, feathers, religious articles, jewellery, umbrellas, tapestry, artistic goods and several other commodities are in large quantities manufactured in the west by the industrial home workers. This system of industrial organization is much applauded in certain quarters as it combines "centralization in marketing with decentralization in production." It is also argued that this system provides opportunities for the more convenient employment of women, children, semi-invalids and aged persons at home than in the factory. However, these few advantages are offset by overwhelming disadvantages. "Home work frequently takes the form of the sweat shop with low wages, long hours and poor working conditions." Further home work is often profitable to the **entrepreneurs** in several ways; the home workers are an unorganized mass with very feeble bargaining power and the employers are almost always successful in paying much less than economic wages. "By relegating most of the labour processes to the homes of the workers, the employer is able to economise on certain fixed charges such as rent, or interest, amortization charges on his capital, the cost of lighting and maintaining the sanitary standards demanded by law and the various other costs incidental to centralized supervision and control over labour performance." The logical outcome of this argument is that the wage of the home worker may well be higher than that of the factory worker since the employer is relieved of certain items of expenditure. The result of this controversy is that nobody today denies the sweated conditions of labour under the system of home work. Recognition of this fact has led to a large crop of Home Workers' Acts in a number of countries including the United Kingdom, Germany, the United States of America, France and Switzerland. Industrial home work is, by its very nature, beset with certain defects. It will be better to abolish it altogether than to allow it under strict regulation. But unless schemes of social insurance are comprehensive enough to eliminate the necessity for semi-invalids and aged persons to work and eke out their livelihood and compulsory universal education takes the children from their home to schools, abolition of home work seems to be beyond practical politics. The usual pleas put forward in favour of

the continuance of industrial home work are reinforced in this country by religious and social considerations which forbid the womenfolk of certain classes and religions from going out to earn their bread. It has been already briefly noted in paragraph 75, that women home workers in beedi industry should be protected from being sweated by the introduction of wage slips. It will be convenient here to give a detailed scheme for the regulation of industrial home work in the beedi industry; the problem does not luckily exist in the other four industries. The only effective method of eliminating sweating is to fix the wages and enforce strictly their payment. For this purpose, every manufacturer, commission agent or middleman should be required to keep a register containing the name and address of every female worker employed. The rate of wages for making 1,000 beedis must be affixed permanently in the waiting room or the rooms where the raw materials are delivered to workers and the finished beedis are received.

291. When a female worker receives work to be done at home, a coupon or a book with a counterfoil attached should be issued at the same time to that person, stating the nature and quantity of the work, the date on which it is given out, the rate of wages applicable to the given work. At the time of delivering the finished beedis, an entry should be made on the coupon or in the book, stating the date of delivery, the amount of the remuneration earned by the worker and the various deductions made and also the net amount paid or to be paid to the worker. The particulars entered on the coupon should be copied exactly on the counterfoil and the wages register, which must be kept for not less than a year by the manufacturer and placed by him at the disposal of the inspector at any time.

292. Industrial home work shall be confined to women workers only.

MINIMUM WAGES LEGISLATION.

293. *Objects.*—Legislation affecting wages usually takes the form of a Minimum Wages Act. A large number of workers in many trades, particularly in unorganized ones, were found to be "suffering severe privation as their wages, judged by the generally prevailing standards", were abnormally low. The twin objects of minimum wage regulation are the prevention of sweating and the promotion of industrial peace; an important, though indirect, effect of such regulation is the development of organization in the industries concerned. Fixation of minimum wages tends to promote efficient organization and to weed out inefficient entrepreneurs whom an unrestricted policy of cutting wage rates would have allowed to survive. When a "floor" for wages is fixed below which

they cannot fall, the only means of continuing in the trade for employers is to screw up their efficiency of production. On the part of the workers, the minimum wages tend to afford them a definite starting point from which they may strive ahead to attain higher standards of living. The inefficient workers whose outturn does not justify the payment of minimum wages will be thrown out of employment if they do not improve. Thus the economic forces set in motion by the minimum wages legislation will affect both entrepreneurs and workers and produce a tendency for the immediate rationalization of the industries affected by it. "It is to protect unorganized or badly organized workers that the minimum wage principle has been applied in certain countries. The fixing of wages by machinery established by law is regarded as necessary while the workers remain unorganized. In Australia the development of organization among workers and employers has been encouraged by various laws establishing wage-fixing machinery."*

HISTORY OF MINIMUM WAGES LEGISLATION.

294. This problem of minimum wages has been engaging, particularly in the last three decades, the serious attention of all the advanced Governments as also the International Labour Office. One of the items on the agenda of the tenth session of the International Labour Conference, held at Geneva from 25th May to 16th June 1927, was the question of "Minimum wage-fixing machinery in trades in which organization of employers and workers is defective and where wages are exceptionally low, with special reference to the home working trades."† In the period of two decades since this conference met, all the important countries in Europe, North and South Americas, Australasia, South Africa and even China have introduced minimum wages legislation with appropriate wage-fixing machinery. In this country, a bill introduced by the Labour Member in the Central Assembly about a year ago is now in the committee stage. The passing of this bill will bring India abreast with other advanced countries of the world.

BASES FOR FIXING MINIMUM WAGES.

295. The determination of minimum wages for the various categories of workers always presents serious and complex problems. It is common to base the minimum wages on one or more of three principles; it must be determined by the living wage; it must be such as the industry can afford to pay and lastly it must be fixed with reference to similar categories

* Richardson : A study on the Minimum Wage, pp. 23-24.

† I.L.O. : Minimum Wage-fixing Machinery, an International Study of Legislation and Practice.

of workers in other industries and other categories of workers in the same industry. The Minimum Wages Act (No. 185, dated 14th January 1936) of Brazil provides that "Every employee shall be entitled, in payment for the services rendered by him, to a minimum wage sufficient to satisfy his normal needs as regards food, clothing, housing, health and transport." The living wage principle is interpreted differently in different countries. The Act respecting minimum rates of wages in China (dated 23rd December 1936) lays down that in fixing the wages, the condition of life in the locality and the situation of the workers in the industry concerned shall be taken into account as follows:—For an adult worker, the wage should be sufficient to ensure him a living to admit of a sufficiently high standard of living for two members of the family who are incapable of work." Perhaps following the practice in the United Kingdom, the Australian Commonwealth Arbitration Court "makes its awards for unskilled adult male workers in accordance with the requirements, in a civilized community, of a man with wife and three children."* In fixing the minimum wages for workers in the five industries brought under the scope of this Enquiry, I have taken minimum wages to be sufficient to meet the subsistence needs of a man with wife and three children. To meet the minimum human needs, the wages will have to be increased; and in order to enable the workers to enjoy minimum comforts, further increases will have to be effected. However, I have now provided only for wages sufficient for subsistence and physical efficiency on the hope that when the general level of prices declines, the cost of living will become cheaper and the workers will be enabled to satisfy some of their needs and comforts with the proposed rate of minimum wages; it is also assumed that the wages will not be stepped down in case the cost of living index records a fall. It is only with this idea that I have provided only for rise in the wages with rising cost of living, omitting any consideration of scaling down wages with drops in the cost of living index.

296. Minimum wages sufficient to meet the cost of a decent standard of living could have been granted only at the risk of utterly ignoring the capacity of the industry to pay. On the other hand, nothing should be done to imperil the prosperity of the industry; for, it will be like killing the goose itself. Provided all traces of exploitation and sweating of workers are wiped out and the workers are paid adequately for their services, every effort should be made to promote the prosperity of the industry. In the appropriate sections, reference had been already made to the significance of the five industries in the economy of this Province. Hence careful

* Richardson : Minimum Wage, p. 34.

examination of the profit margins were made before finally arriving at the rate of minimum wages. In studying the capacity of the industry to pay, it was not that of the individual establishment but that of the industry as a whole which was taken into consideration. Apart from the above factors, the minimum wages in the five industries were fixed after a due comparison of the levels of wages in them with those of similar categories of work in other industries.

DIFFERENTIAL MINIMA.

297. Although a minimum wage-rate for the entire Province has been fixed for each of the five industries in question, differences in wages will exist from region to region. The case for differential minima has been already argued out in detail in paragraph 87. The same arguments *mutatis mutandis* apply to the cigar industry. In this connexion it may be of interest to note that the Minimum Wages Bill introduced in the Central Legislature permits different minimum wages for (1) different scheduled employments, (2) different classes of work in the same scheduled employment, (3) adults, adolescents and children, (4) men and women and (5) different localities. I have not fixed any wage-rates for children in view of the prohibition of child labour contemplated in the Madras Non-Power Factories Bill. Differential wages have been awarded to adolescents or "young persons" and women in the tanning industry. But no distinction has been made between men and women workers in the beedi industry because the wages paid are piece-rates. Even otherwise the trend of modern opinion seems to be in favour of obliterating all discriminating practices against women workers. The women employees of Maharashtra have recently passed at a conference a resolution demanding "equal pay for equal work." In the new constitution for India, the list of Fundamental Rights includes that "the State shall make no discrimination against any citizen on grounds of race, religion or sex."

WAGES FOR APPRENTICES.

298. The worship of the principle of equality should not, however, blind the law-maker to the real differences in productivity existing among workers, especially between the matter-craftsman and the apprentice. The nature of work in the five industries is not absolutely unskilled but semi-skilled. Experience counts not only in the quantity but also in the quality of the work done. This fact has won world-wide recognition. For instance, the Act in China lays down that "for a young person the wage shall not be less than one-half

of the minimum wage of an adult worker." "In the case of juvenile workers, wages are generally paid according to a scale based on age or length of service or on the two criteria combined." In all these cases, employment must be permitted only after the production of a medical certificate. Further in the case of inexperienced workers and apprentices just learning the trade, a period of 3 to 6 months must be fixed in all the five industries during which wage-rates lower than those for experienced workers may be paid. This is necessary to prevent the employment of workers at lower rates after they have gained adequate experience. In this period so fixed, the rate of wages paid to the inexperienced should not fall below half of the minimum wage of an adult worker.

299. Apart from the foregoing legislative measures for the regulation of the unorganized industries, voluntary methods deserve mention. The employers and employees in an industry may enter into voluntary agreements at their own initiative or at the mediation of disinterested and neutral persons. These agreements will lack any kind of sanction except the volition on the part of both parties to adhere to the terms of the agreement. Although the voluntary principle is the best to bring about abiding industrial harmony, it is of very limited application in the case of unorganized industries due to the absence of authorized representatives of entrepreneurs and workers respectively.

INDUSTRIAL PEACE-TRADE BOARDS.

300. Unsatisfactory working conditions and unduly low wages constitute the fundamental causes for disturbing industrial peace. Healthy and happy relations between the employers and the workers can be ensured only by the removal of these causes. The passing of the Madras Non-Power Factories Act and the Minimum Wages Act will pave the way for industrial peace. To build up enduring industrial concord, Works Committees and Trade Boards have been set up in the advanced industrial countries. In India, the Industrial Disputes Act, 1947, provides that in the case of any industrial establishment in which one hundred or more workmen are employed, the appropriate Government may require the employer to constitute a Works Committee consisting of equal number of representatives of employers and workmen engaged in the establishment. The representatives of the workers are to be chosen in the prescribed manner and in consultation with their trade union, if any, registered under the Indian Trade Unions Act, 1926. It will be the duty of the Works Committee to promote measures for securing and preserving amity and good relations between the employer and the workmen. The preceding parts would have indicated that establishments

in the five industries subject to this enquiry employing 100 or more workers are extremely few. In the majority of establishments, the number of workers will be less than 25 and some special device is necessary to attain the ends sought by the Works Committee. The prime object of the Works Committee is to focus the attention of the employer to the innumerable little grievances of the workers regarding working conditions. Timely and frank discussion of these small matters, it is hoped, will successfully prevent them from festering into major disputes. The same object can be achieved in the five unorganized industries by the constitution of regional or local Trade Boards. "The number of countries which have adopted this system is considerable. Included are Great Britain, France, Austria, Czechoslovakia, Germany and Norway, the Argentine Republic and the Australian States of Victoria and Tasmania." On the model of these boards which have been in existence for over two decades, I recommend the constitution of a Trade Board for every trade and in every district; it must consist of two representatives of employers and two of the workers and must be presided over by a Government nominee who must be a neutral person. The Chairman who is a disinterested member can hold the balance even between the workers and the employers. All matters relating to working conditions, wages, welfare activities and interpretation of existing agreements and contracts may be referred to this Trade Board by the workers' or employers' representatives. After a careful examination of all the aspects of the disputed points, the Board shall, by a majority vote, give a decision which must be made final and binding on all the parties to the industrial dispute. From the time a dispute is referred to, up to the time the award is given by, the Board, the *status quo* in the trade must be maintained. This kind of machinery is urgently required and I recommend its constitution at an early date. A word may be added regarding the need for the co-ordination of the work of the various District Trade Boards. At the outset it may be admitted that a considerable measure of uniformity will be achieved by the enactment of the Madras Non-Power Factories Bill and the enforcement of the minimum wages awarded in this report. Most of the points raised in the District Trade Boards will be of only local significance. As regards matters calling for uniformity, the Minister concerned and the Commissioner of Labour can frame rules to suit the needs from time to time. To illustrate, for the provision of regular employment in these industries to avoid labour unrest, the Government may well frame necessary measures that may be applied throughout the Province. The establishment of these Trade Boards will in no way deprive the Government of their right to appoint Adjudicators or Arbitration Tribunals.

301. In view of the unorganized character of the industries under consideration, Conciliation Boards will not be successful in resolving industrial conflicts. The representatives of labourers as well as employers will not have authority to reach any lasting agreements. This is well-illustrated by an instance in North Arcot district. In a particular place the tanners and their workers came to an agreement after some hard negotiation and regular work was resumed. But hardly a week had passed when the workers went on strike because the District Workers Union commanded them to do so. It is then obvious that Conciliation Boards are not suitable in unorganized industries. Until these industries develop their organization, a Trade Board vested with powers to give final and binding decisions is a desideratum.

NEED FOR COMPULSORY REGULATION.

302. It is sometimes imagined that beedi, cigar, snuff, tobacco-curing and even tanning are subsidiary occupations and the workers must be given a wide latitude in performing their work regarding both time and place. This attitude is born of superficial observation of the nature and working of these industries. It has been repeatedly pointed out in the preceding parts that these occupations are not supplementary to the main one of agriculture. It is wrong to presume that workers in these industries depend mainly upon agriculture for their livelihood. In fact these workers have come to look upon the various industries in which they are engaged as their chief avocations. At this juncture, it will be a great act of service once for all to shift them from agriculture and relieve the latter of excessive pressure of population. The Government should not rest content with shifting them from agriculture to these industries but should energetically strive to give them the most satisfactory conditions of work. The wages are the burning issues of the day. But equally vital is the provision of regularity of employment to these tens of thousands of workers. It is high time that each industry as it develops and organizes itself should also discharge its responsibility to its complement of workers. The relationship between the employers and the workers cannot be that of "good weather friendship." In both boom and slump, Capital and Labour should pull together; the industry should take care of its workers. It is with this objective that I have recommended in the case of all the five industries some reciprocal agreement between the workers and the employers. The former should not absent themselves unreasonably or strike work for flimsy causes and the latter should not lock-out or deny even a minimum of work to the workers. This kind of bilateral agreement is an imperative necessity for both the preservation of industrial peace and the promotion of prosperity.

SEASONAL INDUSTRIES.

303. The above arguments applies with equal force to the so-called seasonal industries. The Government appear to be inclined to rub out the distinction between the seasonal and perennial factories; it will be a step in the right direction. The seasonal industries cannot give employment and cast adrift their workers when the work is finished. The idle workers will constitute an ever present potential danger to industrial peace on account of their instability of employment. The seasonal factories must be made responsible for the maintenance in minimum comfort of their workers in the off-season. Only by proceeding along the above lines, real reform of the workers' conditions will be possible. In the western countries, labour in building trade as well as dockyard labour which is notorious for its irregularity of employment is given some measure of security of income and employment. At present, labour in tobacco-curing and grading industry is seasonal. Labour employed in this industry must be made regular and non-migratory. Stabilization of employment conditions are as urgent as, if not more than, improvement of wage-rates, not only in tobacco-grading but also in the other four industries.

304. Guarantee of employment restricts the freedom of the entrepreneur to a considerable extent. He is not nowadays quite sure of securing in a regular stream his raw materials; nor has he a stable market for his finished goods. In this context, if he is obliged to regulate his output and guarantee minimum work and wages to his employers all through the year, his rights as employer will be severely circumscribed. Laissez-faire goes by the board. When the entrepreneur is thus subject to restrictions to safeguard the interests and welfare of the workers, it is but fair and legitimate to impose restrictions on the workers' rights too. Several of the abuses of their rights, such as, ca'canny methods and malingering should be avoided. Even the right to strike cannot remain an unqualified one. To save the industry from effects of lightning strikes, the Trade Boards have been recommended. If the Trade Boards function well and discharge their duties with social welfare always at heart, strikes and lock-outs may well go into desuetude. The recent trend of public opinion in the United States of America, the land which has held aloft freedom of economic enterprise, freedom of contract and fundamental rights of labour, is towards restriction of the rights of labour. The United States Senate passed its far-reaching Labour Bill on 13th May 1937 to curb strikes. "The Senate measure bans the closed shop, provides for a new federal mediation agency, authorizes the Government to seek injunctions against 'national emergency,' strikes, outlaws Union

provisions in the House Bill (approved by the House of Representatives) is one banning industry-wide bargaining." In view of these recent developments, the larger interests of industries as well as society will be served if the right to strike in the five industries, especially in the tanning industry, is minimised.

SOCIAL INSURANCE.

305. The world is fast moving towards an age of "compulsory insurance for all classes for all purposes from the cradle to the grave . . . to bring the magic of averages to the rescue of the millions." The famous Report on Social Insurance and Allied Services by Beveridge has opened a new epoch in the realm of social and economic reform. This plan is calculated to form part of a concerted social policy attacking the five Giant Evils of Want, Disease, Ignorance, Squalor and Idleness. Under the existing system, security of employment and income is threatened by lockouts, sickness, injury, old age, widowhood and death. Beveridge Plan provides cash benefits for unemployment, accident, maternity, widowhood, guardianship of children, funeral expenses and training for new occupations, in short, insurance for all and insurance for everything. Social Insurance on these lines in India will require enormous funds and a huge machinery. However, Government of India have accepted the principle of social insurance. In his recent report, Prof. Adarkar suggests that a single comprehensive scheme to provide workmen's compensation, maternity benefits and sickness insurance must be evolved. At present, the Central Assembly is considering a Bill providing for health insurance, employment injury and maternity benefits; it covers only the perennial factories. The Health Survey and Development Committee have recommended long-term policies for provision of the most up-to-date medical aid to all without any reference to ability to pay for it. Thus although some beginning has been made, progress is slow; the workers in the so-called unorganized industries will have to wait for a long time to enjoy the benefits of these schemes. For the present, early measures must be taken to provide housing, education and medical facilities on a liberal scale to the workers in the five industries; schemes for these purposes must be financed from funds contributed equally by the employers and the Government. The workers' wages are too low at present to enable them to make any contribution of their own. However, eventually they must be made to contribute their share to this fund. In all important centres of these industries, the local boards should grant sites for the construction of workers' tenements and provide light, water and educational facilities. Towards

the construction of schools, houses, etc., the employers must be required to contribute a certain percentage of expenditure that would be incurred.

WELFARE ACTIVITIES.

306. In all establishments employing more than 100 workers or in all areas where more than 100 workers are employed by an industry, a canteen should be opened to supply wholesome food and refreshments to workers by the individual employer or body of employers. In most places, the tanneries, situated outside the town limits, cluster together employing a few hundreds of workers who do not get any food in the vicinity. This drawback is universal and ought to be remedied by the opening of canteens. Further, in all such centres co-operative provision stores must be opened for the use of the workers. This will ensure proper and regular supply of their rations. The Municipalities or Panchayat Boards must provide playgrounds; the employers must be made responsible for the equipment of these playgrounds. The employers must also be made responsible for the medical treatment of their workers whenever they fall sick.

BONUS.

307. In these days when profit-sharing schemes are gaining acceptance everywhere, the employers must pay one month average pay as bonus to all workers, who have worked for a specified number of days in a year. (For detail vide supra paragraph 277.)

GRATUITY.

308. Every worker should be paid a gratuity of 15 days' pay for every year of service; the worker shall be eligible to get this gratuity only when he has served at least three years in an establishment. This condition will discourage migration.

PROVIDENT FUND.

309. A compulsory scheme of Provident Fund should be instituted in all the five industries. The workers should pay at the rate of one anna per rupee of their monthly earnings and the employers should pay an equal amount.

The principles that should govern the payment of dearness allowance have already been laid down in the appropriate places in the preceding sections.

310. Minimum wages have been fixed for the industries after a careful consideration of the physiological requirements of a working class family to live above poverty line. Dr. Aykroyd's balanced diet was also studied in this connexion but

certain modifications were made before applying it to the workers belonging to the five industries. My calculations on the above lines have led me to conclude that the living wage should be above Rs. 50 per mensem, for a working class family. It compares very favourably with the findings of the Central Pay Commission which lays down Rs. 55 per mensem as the living wage.

311. Apart from the rise in wages, the workers in these unorganized industries require better conditions of service and welfare activities. All these can be brought about only by a rapid development of the Trade Union movement on sound lines and greater recourse to voluntary agreements between employers and employees and collective bargaining. The future of labour in these industries depends on unionization, collective bargaining and voluntary agreements.

MADRAS,
May 15th, 1947.

B. V. NARAYANASWAMI.

APPENDICES.

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PART V—TOBACCO-CURING—			Special questionnaire for tobacco-curing industry.
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PART I—GENERAL.

APPENDIX 1.

The places visited and industrial units investigated.

Places visited.	Industrial units investigated.					Total.
	Beedi.	Cigar.	Snuff.	Tobacco-curing.	Tanning-industry.	
Adoni ..	..	..	..	..	3	3
Agraharam (Salem).	..	..	..	..	1	1
Ambur ..	2	..	..	..	1	3
Arcot ..	2	1	..	..	..	3
Badagara ..	5	3	..	..	..	8
Bellary ..	4	..	..	..	..	4
Bezwada ..	..	..	..	..	3	5
Cannanore ..	5	3	..	..	..	8
Chilakalurpet ..	..	..	..	12	..	12
Chidambaram ..	..	2	..	..	..	2
Conjeeveram ..	2	2	..	..	..	4
Calicut ..	3	..	..	..	..	3
Coimbatore ..	4	..	..	..	..	4
Cuddalore ..	..	2	..	..	..	2

Industrial units investigated.

Places visited.	Industrial units investigated.					Total.
	Beedi.	Cigar.	Snuff.	Tobacco-curing.	Tanning-industry.	
Cuddapah ..	2	..	..	..	..	2
Chingleput ..	1	..	..	..	..	1
Chirala ..	..	..	..	1	..	1
Chittoor ..	1	..	..	..	..	1
Dhanushkodi ..	1	..	..	..	..	1
Dindigul ..	..	2	1	..	..	3
Ellore ..	3	3	..	..	..	6
Erode ..	2	2	1	..	..	5
Gudiyattam ..	4	..	..	..	..	4
Guntur ..	..	..	..	18	..	18
Jalarpur ..	5	..	..	..	..	5
Kalahasti ..	3	2	..	..	..	5
Kumbakonam ..	1	2	1	..	..	4
Kamalapuram ..	3	..	..	..	..	3
Kaveripatnam ..	4	..	..	..	..	4
Kurichi (Coimbatore).	..	..	..	..	1	1
Kurnool ..	10	..	..	..	..	10
Madras ..	40	5	5	..	15	65
Madurai ..	1	1	..	..	..	2
Mangalore ..	4	..	4	..	..	8
Mayavaram ..	1	2	..	..	..	3
Melapalayam ..	10	1	..	..	1	12
Mukkudal ..	5	..	..	..	..	5
Negapatam ..	..	2	..	..	..	2
Nagore ..	..	1	..	..	..	1
Nellikuppam ..	..	3	..	..	..	3
Nandyal ..	2	..	..	..	..	2
Palamcottah ..	..	..	1	..	..	1
Palghat ..	3	..	1	..	..	4
Parchur ..	..	..	..	2	..	2
Parrutti ..	2	3	..	..	..	5
Pernampet ..	..	..	..	..	4	4
Pettai ..	..	..	1	..	..	1
Puttur ..	2	..	..	..	..	2
Rajampet ..	2	..	..	..	..	2
Rajahmundry ..	1	2	..	..	3	6
Ranipet ..	4	..	..	..	10	14
Ramnada ..	..	1	1	..	..	2
Salem ..	3	..	..	..	..	3
Samalkot ..	..	..	..	..	1	1
Tadpatri ..	3	..	..	..	..	3
Tanjore ..	1	2	1	..	..	4
Tellicherry ..	5	3	..	..	..	8
Tirupati ..	2	..	..	..	..	2
Trichinopoly ..	2	4	..	..	3	9
Vaniyambadi ..	5	..	2	..	5	12
Vellore ..	9	1	1	..	..	11
Villupuram ..	..	1	..	..	..	1
Virudhunagar ..	..	2	..	..	..	2
Vizianagram ..	..	..	..	..	4	4
Wallajahad ..	..	..	..	..	5	5
All places ..	174	58	22	33	68	355

APPENDIX 2.

Court of Enquiry into labour conditions in tobacco-curing, beedi, cigar snuff and tannery industries.

Government of Madras.

General Questionnaire

regarding number employed, hours of work, conditions of labour, wages and welfare activities.

Name of concern

Town

District

Name of the industry

I hereby declare that the information and data given as answers to this questionnaire are correct and true.

Station

Dated

These forms returnable to—

Rao Bahadur Dr. B. V. Narayanaswamy Nayudu, M.A., PH.D.,
B.O.M., Bar-at-Law, Court of Enquiry, "Natana
Vilas," No. 38, Raja Annamalai Chettiar Road,
Vepery, Madras.

I. Date of establishment of the concern.

II. Number employed.

Year.	Officers.	Clerks.	Foremen or masters.	Worker.			Total number of workers.
				Men.	Women.	Children.	

III. Recruitment—

Is the labour recruited—

(a) directly?

(b) through jobbers or formen?

or (c) through any other agency?

IV. Age of workers—

Age of worker.	Number of employed.		
	Males.	Females.	Total.
Below 12 years ..	..	..	..
Between 13 and 40 ..	..	..	..
41 and above ..	..	..	..

Age of the youngest worker in the concern.

Age of the oldest worker in the concern.

V. Length of service of operatives—

Length of service.	Number of workers.	Percentage to total.
Between 0 and 1 ..	..	..
Over 1 and below 5 years ..	..	..
Over five years ..	..	..

VI. Method of wage payment—

(1) Time rate,

Are wages paid,

(a) monthly?

(b) weekly?

or (c) daily?

Pay period.

Number of
workers.

Number of days elapsing between
completion of pay period and the
date of payment of wages.

Month ..

Week ..

Day ..

(2) Piece rate : Define the unit of piece; if boys or other assistants are employed by the worker, who pays them, how much, and on what basis - time or piece.

VII. Wages—

Payment of advances to workers against their wages by the employers—

(a) Amount paid to each worker.

Between Rs. and Rs.

(b) Number of workers in the establishment so paid and the total amount so advanced.

(c) Rate of interest charged, if any.

(d) Nature of security on which the advance is made—pro-note, etc.

VIII. Recent changes in time or piece rates—

Nature of payment.

1939.

1942.

1943.

1946.

Time rate	Piece rate	
	Daily ..	..
Weekly ..	..	
Monthly ..	..	

IX. If the rates are not consolidated, what allowances are paid to the workers in the nature of war, dearness, grain, etc.?

Is any bonus paid in addition to the wages and allowances specified already for (1) good work, (2) good attendance or (3) for any other purpose?

In each case, the amounts of the bonuses and the conditions under which they can be earned shall be specified.

X. How are the monthly wages calculated? On the basis of the number of days worked, or the number of working days (notwithstanding the workers availing of casual leave) or the number of days including holidays and Sundays.

XI. Are fines or penalties imposed on workers? If so, for what reasons and to what extent? Are deductions made for any other reason? In what manner fines are utilized?

XII. In the payment of piece wages is there any testing of quality and rejection of any for not being up to the mark? What will be the percentage of the quantity so rejected? What are its effects upon (a) the workers' will to be efficient, and (b) their wages?

XIII. Please specify the exact times of work or hours of work and rest intervals for the various groups of workers, men and women, on week days and Saturdays and which day is the normal closing day of the week.

XIV. How do you calculate overtime, i.e., is overtime calculated on the basis of daily hours, weekly hours or monthly hours.

Which class of workers are regularly called upon to work overtime?

What is the rate of overtime allowance? Illustrate with data from the last 12 months of works in the concern.

XV. Is leave granted with pay? If so, what are the rules governing, or the system adopted for sanction of leave?

XVI. What rules have been laid down regarding conduct? (A copy of rules to be appended.) What arrangements are made to make the workers know and understand these rules?

XVII. What does the employer do in case of unauthorized absence and late attendance?

XVIII. First aid and medical facilities—

(1) What provisions have been made in the work place to give first aid in case of accidents and injuries?

(2) Is there a dispensary or hospital attached to the work place?

(3) Is medical aid given gratis? If not, at what rate?

XIX. Workhouse—Sanitation and ventilation—

(1) How many rooms are in the workhouse—four walled and open verandahs.

(2) What is the per capita floor space in rooms and verandahs.

(3) Is the floor stone-made or brick laid or mere mud.

(4) What is the provision for ventilation—specify the area of windows and doors.

(5) Is the light sufficient in the rooms?

(6) Is the building thatched, tiled or terraced, brick walled or mud walled?

(7) Is there proper drainage facility?

(8) Are lavatories provided; in case women workers are employed, is there any separate lavatory for them?

(9) What is the nature of water-supply for washing and drinking purposes?

(10) Is there any dining shed or any special rest-house for the workers to spend their intervals?

(11) Wherever women workers are employed is there any "Creche" arrangement? If not what do the mothers do with their babies?

(12) Is there any provision of house to the workers? If so briefly describe the kind of house, rent, etc., given to the various grades of workers.

(13) What is the total number of houses provided by the concern and what is the rent collected?

(14) Is there any payment of special house allowance if no house is provided?

XX. Educational facilities—

Is there any arrangements for providing vocational training to the workers?

XXI. Trade Unionism—

(1) Have the workers formed any trade union?

(2) Does the employer recognize such an union? If not why?

(3) Is there any approved method by which the workers can communicate their grievances to the employer?

(4) Is there any organization of employers in the industry?

APPENDIX 3.

Town or village.

Name.

Date of visit.

- 1 How far is this from the nearest Railway Station and town market.
- 2 Area and total population ..
- 3 Number of tannery, beedi, cigar or snuff workers, families and total population dependent on the Industry.
- 4 The castes employed in the industry.
- 5 (a) Number of active workers.
(b) Number of dependents ..
- 6 What hides and skins or varieties of tobacco are used ?
- 7 Social status of workers ..
- 8 Do any of them own land ? ..
- 9 How many are tenants ? ..
- 10 Any supplementary work done by the workers.
- 11 How often do the workers in town visit their villages and the extent of absenteeism caused thereby ?
- 12 Nature of work done by women.

APPENDIX 4.

From

Rao Bahadur Dr. B. V. Narayanaswamy, M.A., PH.D., B.COM.,
Bar-at-Law, Court of Enquiry into labour condition in tobacco-
curing, beedi, cigar, snuff and tanning industries, Government of
Madras.

To

The Secretary,

..... Labour Union,

..... District.

Sir,

[Reference.—G.O. Ms. No. 3075. Development, dated 9th August 1946—
Memorandum invited.]

As the Court of Enquiry into Labour conditions in
industry in the Province appointed by the Government of Madras, I
invite you to submit a memorandum relating to the following points:—

- A. 1 The date of formation of your Union.
- 2 Total number of members in your Union.
- 3 Names of office-bearers and members of the Executive Council and their occupation.
- 4 Total number of workers in the industry in your locality.
- 5 Reasons for certain workers not joining the Union.
- 6 Are there other Unions ? If so, give their names and membership.
- 7 Registration of Labour Unions and the recognition of registered Unions by employers.

- B. 1 Wages—Past and present levels.
- 2 Hours of work and holidays.
- 3 Piece-rate or time-rate.
- 4 Working conditions.
- 5 Welfare activities and schemes.
- 6 Other relevant matters in which your Union is interested.

The memorandum shall contain points to prove that the demands and aspirations of the workers are legitimate as also their satisfaction is possible and feasible. You are requested to send the memorandum so as to reach me on or before 31st October 1946.

I also request you to circularize this memo of mine to any other Labour Union which is desirous of making representations to me. I am appealing to all the registered Labour Unions as their list alone is available. In expeditiously submitting the memorandum, you will be doing the greatest service to the cause of labour and also assisting me to give my findings at an early date.

Thanking you,

“Natana Vilas”,
Vepery, Madras,
Dated

Court of Enquiry.

APPENDIX 5.

GOVERNMENT OF MADRAS.

Court of Enquiry into labour conditions in tobacco-curing,
beedi, cigar, snuff and tanning industries.

SCHEDULE

Standard of living.

These forms returnable to—

Rao Bahadur Dr. B. V. Narayanaswamy, M.A., PH.D., B.COM.,
Bar-at-Law, Court of Enquiry, “Natana Vilas”,
38, Rajah Annamalai Chettiar Road,
Vepery, Madras.

I. Industrial centre—

Name of the head of the family ..
Religion and caste
District of origin
Cause of migration

II. Size and composition of the family—

	Numbers.				Age of		Relationship to the head of the family.
	Men.	Women	Boys.	Girls.	Boys.	Girls.	
Wage earners ..							
Dependants residing with wage earners.							
Dependants residing elsewhere.							

NOTE.—Persons under 15 should be treated as boys or girls.

III. Extent of literacy—

IV. Regularity of employment of wage earners—

V. Normal monthly family income—

Occupation of each wage earner.	Monthly wages.	Monthly overtime pay.	Additional earnings, if any, with source.	Total.	
	RS. A. P.	RS. A. P.	RS. A. P.	RS. A. P.	RS. A. P.
Men	1.				
	2.				
	3.				
Women	1.				
	2.				
	3.				
Boys	1.				
	2.				
	3.				
Girls	1.				
	2.				
	3.				
Total amount of family income					

VI. Occupation—

(The description of the occupation should be as definite as possible.)

VII. Normal monthly expenditure—

Items.	Average monthly expenditure.		Percentage to total.
	RS.	A. P.	
Food—			
Cereals	..	..	
Pulses	..	..	
Sugar and sweetmeats	..	..	
Meat and fish	..	..	
Milk and ghee	..	..	
Vegetables and fruit	..	..	
Oils (gingelly, coconut and groundnut)	..	..	
Salt	..	..	
Condiments	..	..	
Tea and coffee	..	..	
Other food items	..	..	
Total			
OTHERS—			
Fuel and lighting	..	..	
Clothing	..	..	
Bedding and household necessities	..	..	
House-rent	..	..	
Hair-cutting, washerman and soap	..	..	
Tobacco	..	..	
Liquor	..	..	
Travelling to and from native place	..	..	
Interest on debts	..	..	
Miscellaneous	..	..	
Total			

PART II—BEEDI.

APPENDIX 6.

Special questionnaire for beedi industry regarding number employed, hours of work, condition of labour, wages and welfare activities.

Name of concern

Town

District

Year.	Total quantity of		
	Tobacco consumed in maunds.	Wrapping leaves in maunds.	Beedies manufactured.
1941-42			
1942-43.			
1943-44.			
1944-45.			
1945-46			

These forms returnable to:—

Rao Bahadur Dr. B. V. Narayanaswamy Nayudu, M.A., PH.D.,
B.COM., Bar-at-Law, Court of Enquiry, "Natana Vilas." No. 38,
Rajah Annamalai Chettiar Road, Vepery, Madras.

I. Price of tobacco—

- What is the market price of one maund of tobacco, i.e., the price at which the proprietor of beedi concern buys? What will be the seasonal variation in price?
- At what price does he sell it to the branch manager if he employs one?
- What kind of processing is done by the proprietor to the tobacco bought in the open market—state only the reasonable cost incurred per maund of tobacco?
- (There is no need to find out the ingredients mixed if they should be the trade secret but a clear and definite idea of the cost incurred must be obtained.)
- What is the margin of profit, if there is any in the sale of tobacco to branch manager.
- How many beedies can be made from one maund of tobacco? Junior and senior beedies?

II. Price of wrapping leaves—

- What is the market price of one bundle of 1,000 leaves, i.e., at which the proprietor of the beedi concern buys? What will be the range of variation in its price in a year?

(b) At what price does he sell it to the branch manager, if he employs one?

(c) What is the margin of profit if there is any in the sale of leaves to the branch manager?

III. Price of beedies—

(1) At what price does the proprietor buy the beedies from the branch manager?

(2) Is there usually any rejection of beedies for not being up to the mark by the proprietor? What is the percentage of rejected beedies and what is the approximate loss to the branch manager? Are the rejected beedies returned to the branch manager or retained by the proprietor? Who judges the qualities of the beedies and what kind of evasion of any scrutiny into quality are generally practised?

(3) What is the sale price of beedi per thousand?

(4) (a) What is the margin of profit in the purchase and sale of beedies?

(b) Specify the approximate percentage of profit in this transaction alone?

(c) Give a reasonable estimate of profit to the proprietor of the beedi concern taking into account all items of expenditure?

(5) What amount has been spent on advertisement in the last six years?

Year.	Amount spent on advertisement.	Percentage to total expenditure.	Percentage to total profits of the concern.
1940			
1941			
1942			
1943			
1944			
1945			
1946			

IV. Branch manager and his role in the industry—

(1) Prime costs—

(a) What is the price he pays for one maund of tobacco?

(b) What is the price he pays for 1,000 wrapper leaves?

(c) What is the price he pays for making 1,000 Beedies?

(d) How many Beedies are made from one maund of tobacco?

(e) What is his prime cost of production for 1,000 Beedies?

(2) Supplementary costs—

(a) What is the rent of the building in which workers do their work, per month?

(b) What is the interest foregone on the advances made to the workers, per month? (If the interest rate is concessional, the difference between the normal rate and real rate may be considered as the amount of interest foregone.)

(c) Supplementary cost incurred for making 1,000 Beedies (include also wages of superintendence done by others or by the Branch Manager himself.)

(3) What is the total cost of production of 1,000 Beedies?

(4) What is the price at which he sells 1,000 Beedies?

(5) What is the amount of profit? The percentage of profit on invested capital.

V. Wages—

(1) What is the rate of wage for making 1,000 Beedies.

Maximum output reached by expert workers.	Minimum output of a worker.	Average daily output.	Rate per 1,000 beedies.	Nature of assistants employed.	Rate paid by workers to assistants.	Net wages per 1,000.	Average wage per worker per day.
---	-----------------------------	-----------------------	-------------------------	--------------------------------	-------------------------------------	----------------------	----------------------------------

(2) (a) How much wage is paid to the cutter of leaves and by whom?

(b) Is the cutter of leaves man or woman?

(3) (a) Does the worker engage any assistant, if so, how much is he paid?

(b) Is the assistant a boy or an adult? If former, what is the average age of such boy assistants?

(4) What is the net wage earned per day by the worker? (That is after deductions are made for the payment for cutter of leaves and boy assistants.)

APPENDIX 7.

*Output and earnings of workers in various centres.**

Place.	Maximum output of a worker.	Minimum output of a worker.	Representative output.	Average earning of a worker per day.		
				RS.	A.	P.
Ambur	1,500	750	1,250	1	6	0
Arcot	2,000	1,000	1,500	1	8	0
Badagara	2,000	750	1,000	1	4	0
Bellary	2,000	800	1,500	1	12	0
Coimbatore	1,500	600	1,000	1	8	0
Cuddapah	2,000	1,000	1,200	1	1	0
Conjeevaram	2,500	1,000	1,500	1	5	0
Chingleput	2,000	1,000	1,500	1	9	6
Chittoor	2,000	1,000	1,500	1	2	0
Calicut	2,000	1,000	1,500	2	2	0
Cannanore	2,000	750	1,500	1	10	0
Dhanushkodi	1,200	750	1,000	1	6	0
Ellore	1,500	1,000	1,200	1	3	0
Erode	2,000	750	1,000	1	8	0
Gudiyatham	2,000	750	1,500	1	14	0
Jalarpet	2,000	750	1,250	1	14	0
Kavaripauk	2,000	1,000	1,500	1	2	0
Kurnool	2,000	1,000	1,500	1	0	6
Kamalapuram	1,500	1,000	1,200	0	15	0
Kalahasti	2,000	1,000	1,250	1	2	0
Kumbakonam	1,500	750	1,000	1	6	0
Madras	2,000	650	1,500	1	9	0
Madura	1,500	1,000	750	1	4	0
Melapalayam	1,500	750	750	1	0	0
Mukkudal	1,000	500	750	0	14	0
Mayavaram	1,500	750	1,000	1	6	0
Mangalore	2,000	750	1,500	1	12	0
Nandyal	2,000	1,000	1,500	1	2	0
Puttur	1,500	750	1,000	0	14	0
Palghat	2,000	600	1,500	2	4	0
Panruti	1,500	750	1,000	1	0	0
Rajahmundry	2,000	1,000	1,000	1	4	0
Rajampet	1,500	750	1,000	1	4	0
Salem	1,500	750	750	1	3	0
Trichy	2,000	1,000	1,250	1	4	0
Tanjore	1,750	750	1,000	1	0	0
Tadpatri	1,500	700	1,000	0	14	0
Tirupathi	1,500	750	1,000	1	3	0
Tellichery	2,000	675	1,500	1	14	0
Vaniyambadi	2,000	1,000	1,500	1	12	0
Vellore	2,000	1,000	1,500	1	12	0
Ranipet	2,000	800	1,500	1	12	0

* This includes assistance from children and their earnings.

APPENDIX 8.

Advances.

Place.	Number of units investigated.	Total number of workers (adults).	Total advance in rupees.	Number of workers advanced (adults).	Average advance in rupees.	Percentage of workers advanced.
Ambur	2	46	400	25	16	34.7
Arcot	2	28	750	25	30	89.2
Badagara	5	49	150	42	4	85.7
Bellary	4	605	14,133	403	35	66.6
Calicut	3	80	400	40	10	50.0
Cannanore	5	193	..	..	..	..
Cuddapah	2	22	1,000	22	45	100.0
Chinglepet	1	4	10	2	5	50.0
Chittoor	1	87	500	80	6	91.9
Coimbatore	4	68	576	63	9	92.6
Conjeevaram	2	38	1,000	22	45	57.8
Dhanushkodi	1	2	..	..	..	..
Erode	3	89	930	50	19	56.1
Ellore	3	42	..	..	..	..
Gudiyatham	5	159	1,800	139	13	87.4
Jalarpet	5	103	1,190	79	15	76.6
Kalahasti	3	460	3,200	120	27	26.0
Kamalapuram	3	21	50	4	13	19.0
Kaveripauk	4	40	1,150	28	41	70.0
Kumbakonam	1	2	50	2	25	100.0
Kurnool	10	471	29,700	443	70	94.0
Madras	40	1,215	69,950	1,045	67	86.0
Madura	1	2	200	2	100	100.0
Mangalore	4	159	2,195	129	17	81.1
Mayavaram	1	9	160	6	27	66.6
Melapalayam	10	965	8,720	344	25	35.6
Nandyal	2	41	4,400	41	107	100.0
Palghat	3	200	500	30	17	15.0
Panruti	2	5	..	..	..	..
Puttur	2	74	900	50	18	62.2
Rajahmundry	1	7	120	7	17	100.0
Rajampet	2	28	1,000	17	65	60.7
Ranipet	4	156	7,300	151	48	96.9
Mukkudal	3	75	300	24	12	32.0
Salem	3	53	200	16	13	30.2
Tadpatri	3	62	900	62	22	100.0
Tanjore	1	10	600	10	60	100.0
Tellichery	5	230	..	..	..	..
Tirupati	2	22	40	6	7	27.3
Trichinopoly	2	77	5,400	46	117	59.7
Vaniyambadi	5	101	3,500	29	121	28.7
Vellore	9	580	..	..	..	..
Total	174	6,680	163,374	3,604	45	53.9

PART III—CIGAR.

APPENDIX 10.

Special questionnaire for Cigar Industry regarding number employed, hours of work, conditions of labour, wages and welfare activities.

Name of concern
Town
District

Year.	Total quantity of	
	Tobacco consumed.	Cigar manufactured.
1941-42		
1942-43		
1943-44		
1944-45		

These forms returnable to—

Rao Bahadur Dr. B. V. Narayanaswami Nayudu, M.A., PH.D.,
B.Com., Bar-at-Law, Court of Enquiry, "Natana Vilas", No. 38,
Rajah Annamalai Chettiar Road, Vepery, Madras.

I. Cost of production—

- (1) What is the price of tobacco per maund at which the owner of a Cigar Industry buys?
- (2) What is the wage paid to the workers for making 1,000 cigars? If more than one brand of cigars are made, specify the number and also the rates of wages for each of them?
- (3) (a) What are the overhead charges?
(b) What is the monthly output of the industry?
(c) What supplementary cost is incurred for making 1,000 cigars (include excise duties)?
- (4) What is the total cost of production for 1,000 cigars? Specify the cost of each brand of cigar.
- (5) What is the sale price of 1,000 cigars of each brand?
- (6) What is the amount of profit earned in the year and what is its percentage to the total invested capital?

II. Wages—

- (1) What is the rate of wages for making 1,000 cigars?

Maximum output reached by expert worker.	Minimum output of a worker.	Average daily output.	Rate per 1,000 cigars.	Nature of assistants employed.	Rate paid by workers to assistants.	Net wages per 1,000 cigars.	Average wage per worker per day.
(2) (a) How much is paid to the tobacco splitter per viss of tobacco or any other quantity? (b) Is the tobacco splitter, man, woman or boy? (3) Does the worker engage any assistants for rolling the inner portion? If so, what is his wage? (4) What is the net wage earned per day by the worker? (Deduct from his gross earnings payments made to assistants).							

APPENDIX 11.
Advances.

Place.	Number of units investigated.	Total number of workers (Adults).	Average advance.	Number of workers advanced (Adults).	Total advance in rupees.	Per centage of workers advanced.
			RS.		RS.	
Vellore ..	1	65	..	..	..	..
Badagara ..	3	56	..	..	..	..
Tellicherry ..	3	26	400	18	22	69.2
Cannanore ..	3	102	..	..	..	..
Panroti ..	3	20	10	1	10	5.0
Nellikuppam ..	3	9	..	..	..	..
Melapalayam ..	1	8	150	5	30	62.5
Erode ..	2	37	1,100	35	31	94.5
Trichinopoly ..	4	234	5,370	205	26	87.6
Virudunagar ..	2	75	150	14	11	18.6
Madura ..	1	25	200	15	13	60.0
Tanjore ..	2	33	500	20	25	60.6
Kumbakonam ..	2	46	1,150	46	25	100.0
Chidambaram ..	2	32	800	25	32	78.1
Arcot ..	1	5	30	4	8	80.0
Villipuram ..	1	6	50	5	10	83.3
Cuddalore ..	2	36	1,600	35	46	97.2
Mayavaram ..	2	55	3,000	55	55	100.0
Negapatam ..	2	26	1,037	25	41	96.1
Nagore ..	1	20	300	20	15	100.0
Ramnad ..	1	3	..	..	..	..
Rajahmundry ..	2	22	900	22	41	100.0
Ellore ..	3	24	6,500	24	271	100.0
Dindigul ..	2	121	1,000	105	10	86.7
Conjeevaram ..	2	17	500	5	100	29.4
Kalahasti ..	2	11	..	..	..	..
Madras ..	5	147	1,075	113	10	76.8
Total ..	58	1,261	25,822	797	32	63.2

APPENDIX 9.

Cost, wholesale and retail prices of different brands of beedi.

Code number of beedi.	Number of beedis per maund of tobacco.	Wages for making 1,000 beedis.	The manufacturer buys from branch manager.	The manufacturer sells to wholesaler.	The wholesaler sells to retailer.	Retail prices.	
						In units of 25.	In smaller units.
		RS. A. P.	RS. A. P.	RS. A. P.	RS. A. P.	RS. A. P.	
1	(1) 20,000	1 8 0	5 4 0	5 8 0	5 9 0	0 2 6	2 for 3 pies and 5 for 6 pies (As. 2-6 to 3-1).
	(2) 28,000		4 8 0	4 10 0	4 11 0	0 2 0	3 for 3 pies (As. 2-1).
2	(1) 28,125	1 8 0	4 8 0	4 10 0	4 11 0	0 2 0	3 for 3 pies (As. 2-1).
	(2) 28,125	1 8 0	4 8 0	..	..	..	....
	(3) 20,000	1 8 0	5 6 0	5 11 0	Foreign market.	..	....
3	(1) 25,000	1 8 0	4 12 0	5 4 0	5 8 0	0 2 6	2 for 3 pies (As. 2-10).
	(2) 25,000	1 8 0	4 12 0	4 14 0	5 2 0	0 2 6	Do.
4	(1) 24,000	1 8 0	4 14 0	5 5 6	5 8 0	0 3 0	2 for 3 pies (As. 3-1½).
	to 26,000						
	(2) 30,000	1 8 0	4 0 0	4 3 6	4 6 0	0 2 0	3 for 3 pies (As. 2-1).
	to 34,000						
5	(1) 21,000	1 8 0	5 0 0	5 8 0	..	0 2 6	2 for 3 pies (As. 3-1½).
	(2) 30,000	0 14 0	3 8 0	3 12 0	..	0 2 0	....
	to 32,000						
	(3) 25,000	1 8 0	4 4 0	4 6 0	4 8 0	0 2 0	3 for 3 pies (As. 2-1).
6	(1) 25,000	1 8 0	5 0 0	5 10 0	5 12 0	0 2 6	5 for 6 pies (As. 2-6).
	(2) 30,000	1 8 0	4 0 0	4 9 0	4 10 0	0 2 0	3 for 3 pies (As. 2-1).
7	(1) 28,000	1 8 0	4 4 0	4 8 0	4 10 0	0 2 0	3 for 3 pies (As. 2-1).
8	(1) 30,000	1 8 0	Cost 4 1 0	..	4 6 0	0 1 9	7 for 6 pies (As. 1-9).
9	(1) 18,000	1 9 0	Cost 5 12 0	6 6 0	6 8 0	0 2 9	2 for 3 pies (As. 3-1½).
	(2) 30,000	1 8 0	4 8 0	4 10 0	4 11 0	0 2 0	3 for 3 pies (As. 2-1).
10	(1) 30,000	1 8 0	Cost 3 12 0	4 4 0	4 5 0	0 2 0	Do.
11	(1) 25,000	1 8 0	4 15 0	5 6 0	5 8 0	..	2 for 3 pies (As. 3-1½).
	(2) 30,000	1 8 0	4 6 0	4 7 0	4 8 0	0 2 0	3 for 3 pies (As. 2-1).
12	(1) 19,000	1 6 0	..	6 0 0	6 4 0	50 B. 0 5 6	2 for 3 pies (As. 6-3).
	(sada)						
	(2) 23,000	1 8 0	..	5 12 0	6 0 0	0 2 6	5 for 6 pies (As. 2-6).
	(jadi)						
13	(1) 32,000	1 4 0	3 12 0	4 6 0	4 7 0	0 2 0	3 for 3 pies (As. 2-1).
14	(1) 32,000	1 4 0	3 12 0	4 8 0	4 9 0	0 2 0	Do.
15	(1) 32,000	1 4 0	..	4 5 0	4 6 0	0 2 0	Do.
16	(1) 57,500	1 8 0	..	4 6 0	4 6 6	0 2 0	Do.
					to		
17	(1) 25,000	0 14 0	..	4 4 0	4 8 0	0 2 0	Do.
				to	to		
				4 5 0	4 8 0		

APPENDIX 12.

Average earnings of a worker per day in cigar industry.*

Place.	Average earnings of a worker per day.	Place.	Average earnings of a worker per day.
	RS. A.		RS. A.
Rajahmundry ..	1 0	Trichinopoly ..	2 0
Ellore ..	1 8	Virudhunagar ..	1 8
Dindigul ..	1 9	Madura ..	2 0
Conjeeveram ..	1 0	Tanjore ..	1 8
Kalahasti ..	0 13	Arcot ..	1 4
Madras ..	1 8	Kumbakonam ..	1 2
Vellore ..	1 4	Chidambaram ..	1 8
Badagara ..	1 12	Villipuram ..	1 4
Tellicherry ..	1 9	Cuddalore ..	1 8
Cannanore ..	1 5	Mayavaram ..	1 8
Panroti ..	1 4	Negapatam ..	1 4
Nellikuppam ..	1 2	Nagore ..	1 0
Tinnevely ..	1 4	Ramnad ..	1 4
Erode ..	2 0		

PART IV—SNUFF.

APPENDIX 13.

Special Questionnaire for Snuff Industry regarding number employed, hours of work, conditions of labour, wages and welfare activities.

Name of concern
Town
District

SNUFF.

Year.	Total quantity of	
	Tobacco consumed.	lb. of snuff manufactured.
1941-42 ..	..	..
1942-43 ..	..	..
1943-44 ..	..	..
1944-45 ..	..	..
1945-46 ..	..	..

These forms returnable to—

Rao Bahadur Dr. B. V. Narayanaswami Nayudu, M.A., PH.D.,
B.COM., Bar-at-Law, Court of Enquiry, "Natana Vilas,"
No. 38, Rajah Annamalai Chettiyar Road, Vepery, Madras.

I. Separation of stem from leaf—

Are the workers paid time rates or piece rates? Define the unit of piece—What is the rate?

Workers.	Number.	Average a.o.	Wages per viss.	Output.			Daily average wage.
				Maxi-mum.	Mini-mum.	Average.	

Age of the oldest woman

Age of the youngest woman

Age of the youngest child

II. Tobacco cutting, roasting and grinding—

(1) What is the weight of snuff produced from one viss of tobacco?

* This is gross earnings (the wages of children should be subtracted).

- (2) Are the wages paid per viss of tobacco or per viss of snuff and how much?
- (3) Are the oven, firewood, charcoal or other fuel supplied by the employer?
- (4) Are the grinding apparatus owned by the employer?
- (5) Are the workers to prepare the lime, that is to be mixed with tobacco or is there any special team of workers employed by the proprietor for the purpose?
- (6) How is the quality tested before weighment?
- (7) Is there any deduction from wages for bad work? How is the bad work determined?
- (8) What is the price of raw tobacco per viss?
- (9) What is the quantity of snuff produced from one viss of tobacco and what is its price?
- (10) What are the various items of expenditure incurred by the owner of the concern (exclude overhead charges) in converting one viss of tobacco into snuff?
- (11) What is the overhead charge?

APPENDIX 14.

Important Centres visited—Number of Units investigated in each centre and statement of Advances.

Important Centres visited.	Total number of units investigated.	Total number of workers (adults).	Total amount of advances rupees.	Number of workers who got advances.	Average advance per worker.	Average advance per worker receiving advance.	Percentage of worker receiving advance.
Bezwada ..	2	10	210	10	21.0	21.0	100.0
Dindigul ..	1	6	..	..	..	..	..
Erode ..	1	1	..	..	..	..	..
Kumbakonam ..	1	3	20	2	6.7	10.0	66.7
Madras ..	5	159	1,150	90	7.2	12.8	56.6
Mangalore ..	4	38	20	8	5	2.5	21.1
Palamecottah ..	1	7	..	..	..	..	..
Palghat ..	1	2	100	1	50.0	100.0	50.0
Pettai ..	1	6	..	..	..	..	..
Ramnad ..	1	8	50	5	6.2	10.0	62.5
Tanjore ..	1	7	50	5	7.0	10.0	71.4
Vaniyambadi ..	2	12	..	..	..	..	..
Vellore ..	1	4	..	..	..	..	..
All places ..	22	263	1,600	121	6.0	13.2	46.0

PART V—TOBACCO-CURING

APPENDIX 15.

Special questionnaire for tobacco-curing industry (Drying, grading, packing and exporting.)

Name of concern

Town.

District.

	Yes.	Total quantity of	
		Tobacco bought.	Tobacco cured and finished.
1941-42			
1942-43			
1943-44			
1944-45			
1945-46			

These forms returnable to—

Rao Bahadur Dr. B. V. Narayanaswami Nayudu, M.A., PH.D.,
B.COM., Bar.-at-Law., Court of Enquiry, "Natana Vilas,"
Vepery, Madras.

I. GENERAL—

- Names of proprietors or partners.
- When was the concern established? If it has changed hands, when did the present owner take charge of it?
- Quantity of tobacco bought and cured per season.
- Price of tobacco bought by the concern per maund.

II WAGES—

1.

Class of workers.	Sex.	Number employed.	Piece rate or time-wage.	Amount.
Strippers ..				
Stripping maistri.				
Graders of tobacco				
Grading maistris.				
Issuers of tobacco bundles to graders.				
Coolies at weighing scale ..				
Coolies for stacking graded leaf cases ..				
Packers ..				
Scrap women ..				
Sweepers ..				

- How many graders will be required to grade one maund of tobacco? Their wages.
 - How many strippers will be required to strip one maund of tobacco, with their wages.
 - What is the contract wage for packing one maund of tobacco? How many men constitute a team of packers? Their rate of output per day of 8 hours.
 - What is the wage paid to cutters of tobacco per maund.
 - Cost of re-drying one maund of tobacco.
- What is the total wage bill for grading, stripping and packing one maund of tobacco.

III. OVERHEAD CHARGES—

- Rent of the factory or workshop.
If owned, what rent will it fetch?
- Establishment charges.
- Interest charges at 4 per cent on invested capital.
- Cost of packing materials, gunny, frames, twine, etc., (Calculate the cost for 100 packages).
 - What is the net weight of tobacco in each package.
- Other items.

IV. PRICES—

The grades of tobacco sold and their prices.

PART VI—TANNING.

APPENDIX 16.

Special questionnaire for Tanning Industry regarding cost of production, number employed, hours of work, wages and welfare activities.

Name of concern

Town

District

Year.	Hides or skins consumed.	Leather manufactured.
1941-42.		
1942-43.		
1943-44.		
1944-45.		
1945-46.		

These forms returnable to—

Rao Bahadur Dr. B. V. Narayanaswamy, M.A., PH.D., B. COM.,
Bar.-at-Law, Court of Enquiry, "Natana Vilas," Vepey, Madras.

I. General—

1. Names of partners, if any
2. Their castes and education.
3. When was it started or taken over by the present owners.
4. Approximate amount of capital invested—
 - (a) Land
 - (b) Building
 - (c) Machinery
 - (d) Stock
5. Price of raw hide and skin bought per unit (maund, etc.)
6. Wages for the entire process of tanning paid to labourers per unit.
7. Prices at which leather of various qualities are sold per unit:—Hide, goat skin, sheep skin.
8. Amount of lime in seers required for one unit of hide to be limed and its price.
9. Amount of bark and myrobalams in seer required for tanning one unit of hide.
10. Cost of wheat or other bran, oil, fat and other materials used in the process per unit of hide.
11. (a) Overhead charges per unit.
(b) Total overhead charges.
12. Total cost of tanning per unit of hide, including wages and overhead charges.
13. Is there loss of weight due to the process of tanning, if so, to what extent? (State in percentage weight.)
14. Prices at which units of the various qualities of finished product are sold in the market (seasonal variations in prices and their causes to be noted).
15. Net profit per unit manufactured.

II. Wages—

1. Are wages paid piece-rate, what is the unit, and how much is the wage?

2. How many workers co-operate in doing one unit of work and in what ratio do they divide the wages?
3. Give a brief note on the nature of the work done by each of the team of the workers?
4. If wages are paid time-rate, specify the wages of—
 - (a) Tana coolies
 - (b) Big tool workers ..
 - (c) Small tool workers ..
 - (d) Totti workers
5. Is there any condition regarding output in the case of time-rate workers? If so, what is the unit of work expected to be finished by each class of workers?
6. Generally, is each class of worker finishing only one unit of work per day or more?
7. How many hours approximately do they work to finish one unit of work?
8. If they finish more than one unit of work, how many hours do they work?
9. What is the dearness allowance paid to each worker and under what conditions?
10. Are the workers granted holidays with pay? If so, give details.
11. Are gratuities paid to the workers? If so, how much and on what occasions?

APPENDIX 17.

Tanning Industry—Advances.

Code Number of questionnaire.	Total number of workers.	Number of workers advanced.	Total advance.	Average advance in rupees.	Percentage of workers advanced.
(1)	(2)	(3)	(4)	(5)	(6)
1 T	27	27	1,500	56	100
2 T	44	Nil.	Nil.	Nil.	Nil.
3 T	31	25	300	12	80.6
4 T	73	66	6,000	91	90.4
5 T	36	Nil.	Nil.	Nil.	Nil.
6 T	26	19	400	21	73
7 T	16	13	700	54	81.3
8 T	37	25	2,200	88	67.8
9 T	27	18	1,500	83	66.7
10 T	40	33	2,500	75	82.5
11 T	14	10	500	50	71.4
12 T	33	30	3,000	300	90.9
13 T	54	40	1,500	38	74

Tanning Industry—Advances—cont.

Code Number of questionnaire.	Total number of workers.	Number of workers advanced.	Total advance.	Average advance in rupees.	Percent of work advanced
(1)	(2)	(3)	(4)	(5)	(6)
14 T	9	9	300	33	100
15 T	59	40	1,600	40	67.7
16 T	71	57	4,000	70	80.3
17 T	91	75	7,500	100	82.4
18 T	191	165	9,000	55	81.1
19 T	44	44	2,000	45	100
20 T	86	65	6,000	92	75.6
21 T	7	5	200	40	71.4
22 T	73	61	525	9	83.6
23 T	60	60	5,000	83	100
24 T	80	60	500	8	75
25 T	35	30	1,000	133	85.7
26 T	40	30	350	12	75
27 T	27	27	500	19	100
28 T	23	15	300	20	65.2
29 T	17	17	500	29	100
30 T	15	12	350	29	80
31 T	32	12	1,500	125	38
32 T	13	12	800	67	92
33 T	95	85	4,000	47	89.5
34 T	99	Nil.	Nil.	Nil.	Nil.
35 T	38	35	1,500	43	92
36 T	91	40	950	24	41
37 T	20	20	1,500	..	100
38 T	15	15	1,000	67	100
39 T	77	67	2,500	53	88
40 T	62	62	2,000	32	100
41 T	65	65	1,000	15	100
42 T	60	40	1,000	25	66.7
43 T	89	80	1,000	13	90
44 T	47	47	500	2	100
45 T	56	50	500	10	89.2
46 T	22	22	200	9	100
47 T	49	49	500	1	100
48 T	39	39	600	15	100
49 T	76	76	1,500	20	100
50 T	20	20	250	13	100
51 T	170	170	3,500	21	100
52 T	60	60	1,500	25	100
53 T	56	56	250	4	100
54 T	..	..	..	..	..
55 T	..	..	..	..	..
56 T	100	100	6,000	60	100
57 T	50	50	2,000	40	100
58 T	50	50	1,000	20	100
59 T	40	40	400	10	100
60 T	25	12	50	4	50
61 T	..	..	..	..	..
62 T	..	..	..	..	..
63 T	132	123	3,884	32	88.5
64 T	129	123	4,500	37	95.3
65 T	120	90	2,000	33	50
66 T	50	50	1,500	30	100
67 T	44	44	2,500	57	100
68 T	..	..	..	..	..
	3,177	2,854	1,14,609	49	82