



# THE WORKING CLASS

MONTHLY JOURNAL OF THE CITU

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## Message Of Fraternal Solidarity From Vietnam Trade Union Federation

IN REPLY TO A MESSAGE SENT BY COMRADE B. T. Ranadive, President CITU to the Vietnam Federation of Trade Unions congratulating the heroic Vietnamese workers and people on their victory over imperialism and the liberation of South Vietnam, the following message of goodwill and fraternal solidarity has been received from Comrade Nguyen Thuyet, Secretary of the Vietnamese T. U. Federation :

"We are very happy indeed to receive your congratulatory message at moment when the Vietnamese workers and people are enthusiastically greeting their historic victory the complete liberation of South Viet Nam.

"On behalf of the workers and people of Viet Nam, we sincerely thank you for that. After 30 years of struggle, including 20 years of fighting against the US imperialists and their henchmen, through many hardships and sacrifices, the Vietnamese workers and people have finally achieved an extremely real victory, bringing about the total collapse of the neo-colonialism, completing the cause of national liberation in the whole country, and opening up a new stage, that of building the country in genuine independence and freedom. This great victory of the Vietnamese people is also a victory of the forces fighting for peace, national independence, democracy and socialism in the whole world, a victory of the socialist countries, the international working class, and the progressive mankind who have ceaselessly supported and strongly encouraged our Vietnamese people. Thereby, this victory is also a victory of your workers and trade union. The Vietnamese workers and trade unions shall remember for ever with profound gratitude, the warm support of your working class and trade union organisations to a long and hard struggle of the Vietnamese people.

"Your message of congratulation constitutes a new manifestation of the fraternal solidarity and friendship existing between the workers and trade unions of our two countries, a great encouragement for the Vietnamese workers and people

# Agreement In Steel Industry

A bipartite agreement in steel industry signed on the 30th July last at New Delhi after protracted negotiation for more than a year is different from many other agreements signed during the recent past. The final stage of negotiations continued at a stretch for from July 18 to 30. In the beginning the employers side placed a draft agreement which contained several derogatory clauses like withdrawal of existing transport facilities; curtailment of trade union rights; reduction of span in pay scales no arrears upto July 31 etc.

The representative of the Hindusthan Steel Employees' Union, Durgapur, the only representative of CITU amongst a group of 15 workers' representatives, after repeated attempts to secure improvement was left with no other alternative but to withdraw from the negotiations

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## *From Front Page*

who are now engaged in "building a peaceful, reunified, independent, democratic and prosperous Viet Nam, and making a worthy contribution to the world revolutionary cause" as recommended by our beloved and respected President Ho Chi Minh in his Testament. We are confident that in this new stage of the Vietnamese revolution, that of rebuilding the country, we shall continue to enjoy your support and assistance, and that of the workers and trade union organisation of India.

on July 24. The absence of the major Union in steel industry at Durgapur prevailed upon the authorities to re-consider the issue and finally the H.S.E.U. representative was approached to resume negotiations on July 29. During the course of negotiations on July 29 & 30 some of the derogatory clauses were withdrawn and an agreement was arrived at.

The gains of the Steel workers stands at Rs. 28.00 at the minimum and Rs. 75.00 at the maximum per month. At the lowest level a minimum of Rs. 10.00 assured as additional fixed DA and a fitment benefit of Rs. 18/- or one increment in the corresponding revised grade whichever is higher. There have been some improvement in the fringe benefits. The Industry has agreed to pay House Rent Allowance @ 10% of pre-revised basic wage or Rs. 65/- whichever is less, to those employees who have not been provided with Company's accommodation. Transport Allowance has been enhanced to Rs. 20/- p.m. from Rs. 13/- p.m. Workers who fall victims of accidents during employment will get full wage till recovery. In fatal cases dependents will get preference in employment.

The ministerial staff and others who were previously not covered by incentive schemes, will hereforth earn a percentage of incentive earning of their corresponding production groups.

Generally, and in TISCO & IISCO in particular, pay scales have been improved. Employees

children studying in Company's School or Schools in the locality will receive free education up to class X. The agreement has been made effective from 1.9.74. The arrears are being paid in cash.

The question of transport facilities for Durgapur, TISCO, IISCO and Bhadravati is yet to be settled at the plant level.

Though the agreement was fulfilling all the aspirations of the two and a half lakh steel workers the representative of the Hindusthan Steel Employees' Union decided to sign it in view of the prevalent situation. The Union representative however did its best to make the maximum possible bargaining. The HSEU kept the workers regularly informed of every stage of the negotiations and their opinion was taken into account while taking position during negotiations.

It should be noted here that in the past HSEU on several occasions have pointed out the constraints affecting the production of the Durgapur Steel Plant. The response from the authorities to the suggestions made by the unions is still being awaited. It is only hoped that the authorities will consider them seriously and remove these impediments as soon as possible.

In a meeting of the Joint Negotiating Committee held on 31 July it was decided to consider the question of Leave Travel concession, extension of coverage of incentive bonus to non-bonus earning employees, revision of existing incentive scheme, annual performance bonus, pension scheme etc., at an early date.

## **Dispute Between Co-operative Society And Its Employees**

A Division Bench of the Madras High Court has held in the Workmen of Salem Co-operative Motor Society v. The Government of Tamil Nadu and others (1) that a member of a co-operative society who becomes its employee can pursue remedies against the society as by a servant against his master.

The question that was raised was whether a shareholder, being one of the owners of the society, can at the same time be its employee. It had been answered in the negative in the case of South Co-operative Motor Transport Society Ltd. v. Syed Batcha (2). There the Court said, "All the share-holders are interested in running the above services. They are members of the society and owners of the concern. On the facts of the instant case, we find it difficult to visualise any industrial dispute between the members of the society under the Industrial Disputes Act or to regard the respondents as workmen as defined in the Act".

It is, however, significant to observe that the learned judges of the Madras High Court took care to observe that they did not consider the respondents as employees of the Society on the facts of that case. It appears that they did not lay down any absolute proposition that an employer cannot, by a process of

law, be his own employee. That should be apparent from the fact that the learned judges quoted without any dissent the statements at footnote at page 38 of Barwell and Kar's "Law of Service in India", Vol. 1 —

"The certain of associations capable of being employers of labour has led to one rather entertaining situation whereby a man may become, in contemplation of law, his own servant. For, unless a company's Articles or the rules of an Association framed for similar reasons, forbid it, a servant may become a share-holder in the company which employs him or a subscriber to the Association, in both of which cases he becomes one of the owners of the concern".

In the subsequent case that we have already noticed, the Court did not agree with the earlier case and have also given a reason why, in certain circumstances, an employer can at the same time be his own employee. A society or corporation with perpetual succession and a common seal has a separate personality with "the powers to hold property, to enter into contracts, institute and defend suits and other legal proceedings and do all things necessary for the purposes for which it was constituted. It follows, therefore,

that a member of a society can well be its employee. It cannot be said that in such a case, the question of an employer being also an employee arises..." The Court relied on the decision of the Judicial Committee in Catherine Lee V. Lee's Air Farming Ltd. (3)

The question that next arises is whether the dispute between workmen not to speak of member-workmen and the management of the society can be a matter for Industrial Tribunal or for a Civil Court. In the case that we have just noted (1), the Court held that "the dispute raised by them or on their behalf was an industrial dispute within the meaning of the Industrial Disputes Act" and, therefore, the Government could make a reference thereof to a Tribunal and the latter could adjudicate it.

In the case between Kasturbanagar Co-operative House Construction Society v. K. Soundarajan and another (4), there was a discussion whether, in view of the provisions of section 51 of the Madras Co-operative Societies Act corresponding to section 86 of the West Bengal Co-operative Societies Act, 1973, dispute between a co-operative society and its employees could be adjudicated by an Industrial Tribunal. In order to appreciate the problem, I quote below the provisions of section 86 of the West Bengal Act which is substantially similar to section 51 of the Madras Act :

"86 (1) Any dispute relating to the affairs of a co-operative society (other than than a dispute between a society or its manag-

ing committee and its paid employees) or of the liquidator of a society shall be referred to the Registrar if the parties thereto are among the following, namely :

(a) the society, its managing committee, any past or present officer, agent or employee or the liquidator of the society..."

Section 51 of the Madras Act is as follows :

"If any dispute touching the business of registered society (other than a dispute regarding disciplinary action taken by the society or its committee against paid servant of the society) arises —(a)...(b)...(c) between the Society and its committee, any past committee, any officer, agent, or servant, or any past officer, past agent or past servant or the nominee, heirs or legal representatives of any deceased agent or deceased servant of the society, or (d)...such dispute shall be referred to the Registrar for decision".

In the case under discussion (4), the dispute was with regard to retrenchment compensation. The Court held, "(Section 51) relates only to any dispute touching the business of a registered society and arising between the Society and its servant. There is no doubt that the claim for retrenchment compensation will be a dispute between the society and its servant. But it is not a dispute touching the business of the registered society...". A c c o r d i n g l y it was held that the dispute regarding retrenchment compensation was within the juris-

diction of the Industrial Tribunal.

It might be noticed that section 86 of the Bengal Co-operative Societies Act, 1940 before its replacement by the Bengal Co-operative Societies Act, 1973 was almost similar to section 51 of the Madras Act. On a consideration of that section along with the definition of the word dispute given in section 2(j) of the 1940 Act (corresponding to section 2(q) of the 1973 Act), Mr. Justice P. B. Mukharji said, "Strictly speaking, dispute between a co-operative society and its workmen does not relate to the actual business of a co-operative society and therefore does not touch the business of the co-operative society. Consequentially, however, a dispute between the co-operative society and its workmen may ultimately touch or affect the business of the co-operative society. I am inclined to think that the remote and the consequential result should not be included within the expression 'any dispute touching the business of a co-operative society'...the key to the solution of this problem appears in the definition of the word 'dispute'...The limitation in that definition is 'capable of being the subject of civil litigation'. Now here the dispute referred to the Industrial Tribunal is wages, wage scales and dearness allowances. (They) do not appear to be fit or proper matters capable of being the subject of civil litigation...In that view, it appears that the express limitation of the 'dispute' in the Bengal Co-operative Societies

Act excludes the present disputes which have been referred to the Industrial Tribunal from being the subject of settlement by the Registrar of the Co-operative Societies". (M/S. Co-operative Milk Societies Union v. State of West Bengal and others).

This decision of Mr. Justice Mukherjee was over ruled by a Bench decision of Calcutta High Court presided over by Chief Justice D.N. Sinha in Women's Co-operative Industrial Home Ltd. v. The Presiding Officer, First Industrial Tribunal, West Bengal & others (6). In this case, the Court held that the dispute arising from the termination of the service of the Respondent no. 4 by the appellant is governed by section 86 of the Bengal Co-operative Societies Act 1940 and the Industrial Disputes Act had no application in the matter.

Another Division Bench of the Calcutta High Court has, however, given a decision contrary to the the Bench decision of Chief Justice D. N. Sinha and Arun Kumar Mukherjee, J., though it was to be expected that the matter would be referred to a larger Bench for decision.

In this case between South Eastern Railway Employees Co-operative Urban Bank v. Presiding Officer, 1st Industrial Tribunal and others (7). The dispute was with regard to change in the working hours of the employees of the Society and referred to the 1st Industrial Tribunal. The jurisdiction of the Tribunal was

( Contd. on page 20 )

# Share Of Wages In Production

The *Economic Times*, in its July 14-15, 1975 issues carries an interesting study on the changing pattern of the shares of different factors in production over a period of 23 years, from 1950-51 to 1972-73. The findings and conclusions drawn by this study regarding the share of labour in production reveals certain interesting facts.

The study is based on data made available by the Reserve Bank of India from time to time, as well as Annual Survey of Industries published by the Government of India.

The study takes into account the fact that the traditional theory of four factors of production (land, labour, capital and entrepreneurship) has undergone changes over the years. As against the four traditional factors, we now have seven factors which contribute directly or indirectly towards production, viz. land, labour, borrowed capital, Government, corporate entity, Share holders (who include the entrepreneurs) and corporate industrial fixed assets (which receives its share in the form of depreciation).

## Labour share declining

From the Table given below, showing structural pattern of the share of different factors in production, it will be seen that there has been a significant change over the last 23 years in the share of labour as compared

to the share of interest (on borrowed capital) and depreciation (on industrial fixed assets).

The share of labour in gross value added to production, which was 62.1 per cent in 1950-51 declined to 53.5 per cent in 1963-64 and, after a slight rise thereafter, again declined to 52.1 per cent in 1970-71. Compared

to this, the share of interest in gross value added, which was 2.4 per cent in 1950-51, registered a steady rise over the two decades and reached 5.5 per cent in 1958-59, 10.5 per cent in 1968-69 and rose as high as 11.3 per cent in 1971-72. Similarly, the share of Depreciation which was 9.7 per cent in 1950-51 registered a steady rise through the fifties to 11.3 per cent in 1958-59, rose to 13.3 per cent in 1968-69 and to 13.8 per cent in 1970-71.

Table No. 1

## SHARE OF DIFFERENT FACTORS IN PRODUCTION (As Percentages of Gross Value Added)

Year	Interest	Deprecia- tion	Salaries & Wages	Tax	Profits after Tax	Divi- dends	Profit Retained
1950-51	2.4	9.7	62.1	10.0	15.8	9.7	6.1
1951-52	2.5	9.5	59.3	11.3	17.4	9.2	8.2
1952-53	3.3	9.6	66.7	8.9	11.5	8.9	2.6
1953-54	2.7	9.6	65.2	9.2	13.3	8.9	4.4
1954-55	2.9	9.3	63.1	10.3	14.4	9.2	5.2
1955-56	3.0	9.6	60.4	11.5	15.5	8.9	6.6
1956-57	3.3	9.6	60.1	12.1	14.9	8.8	6.1
1957-58	4.7	10.6	62.9	10.4	11.4	8.6	2.8
1958-59	5.5	11.3	58.9	11.3	13.0	9.3	3.7
1959-60	4.9	10.7	58.0	9.7	16.7	10.5	6.2
1960-61	4.7	12.3	55.2	10.7	17.1	10.2	6.9
1961-62	5.2	12.3	54.9	12.1	15.5	9.8	6.7
1962-63	5.3	12.2	54.8	14.5	13.2	8.8	4.4
1963-64	5.7	12.6	53.5	14.4	13.8	8.4	5.4
1964-65	6.4	12.9	54.6	13.2	12.9	7.9	5.0
1965-66	7.7	12.9	54.3	12.5	12.6	7.9	4.7
1966-67	8.9	13.0	53.9	11.6	12.6	7.5	5.1
1967-68	10.2	13.0	56.9	9.8	10.1	7.2	2.9
1968-69	10.5	13.3	57.2	9.4	9.6	7.0	2.6
1969-70	9.6	13.1	55.2	9.7	12.4	7.1	5.3
1970-71	10.5	13.8	52.1	10.2	13.4	7.0	6.4
1971-72	11.3	13.4	52.7	10.6	12.0	6.7	5.3
1972-73	10.9	13.2	54.3	10.5	11.1	6.6	4.5

The above table also shows that the decade of fifties was a decade of volatile changes from year to year in Labour share in Production. However, over the decade, the average annual rate of change was nominal. In contrast, the decade of sixties was a period of relative stability in labour share of production. Although the share changed from year to year, it remained more or less stable around 55.2 per cent and it never exceeded 57.2 per cent or fell below 53.5 per cent.

In spite of the relative stability within the decade of sixties, however, continuous falling trend in the labour share in production emerged definitely in the latter half of the fifties and thereafter it continued falling and has never improved thereafter. Thus, from 63.1 per cent in 1954-55 declined to 58.0 per

cent in 1954-55 it declined to 58.0 per cent in 1959-60, a fall of 5.1 per cent over a period of 5 years. In the thirteen years following 1959-60, labour share in gross value added never again reached the level of 1959-60, and fluctuated between 52 per cent to 55 per cent. (See Table No. 2)

It must be noted, however, that the data relating to wages and salaries include payments to all employees, i.e. workers as well as supervisory, administrative and managerial personnel. It also includes money values of all benefits received, besides basic pay, dearness allowance, etc. Productive capital includes fixed as well as working capital.

It will be seen from the above table that, whereas total employment of labour increased from about 29 lakhs in 1960 to about 41 lakhs in 1969 i.e. a rise of about 41.4 per cent, the per

capita value added to production by labour increased from Rs. 2976.7 in 1960 to Rs. 6028.5 in 1969, a rise of about 102.5 per cent.

Another significant point to be noted from the table is that, whereas total employment of labour force increased from 29.04 lakhs in 1960 to 39.86 lakhs in 1955, i.e. by over 10 lakhs, the figure remained almost constant around 40 lakhs from 1965 onwards. This means that despite nearly 300 per cent rise in the value added to manufacture during this period, from Rs. 864.4 crores to Rs. 2495.8 crores, the growth in labour force remained almost stagnant after 1964.

#### Rising productivity of Labour

From the facts revealed by the above study, a fairly obvious conclusion that can be drawn is (Contd. on page 20)

Table No. 2

#### Rise in value added by Labour

The study also shows, how during the decade 1960-69 per capita value added by labour in production has shown a continuous rise.

#### Labour Share in Manufacturer

	1960	1961	1962	1963	1964	1965	1966	1967	1968	1969
Total productive capital	1999.5	2374.2	3436.8	4075.3	5275.0	6444.0	7681.1	8328.0	9006.1	9894.5
Total value of										
Salaries and Wages	481.6	535.7	627.3	701.7	829.5	970.5	1072.1	1095.0	1232.2	1331.1
Value added	864.4	987.9	1115.6	1295.7	1503.5	1700.4	1831.7	1899.0	2062.0	2495.8
Total employment (000 Numbers)	2903.9	3049.7	3267.6	2447.8	3797.9	3986.3	3982.3	3934.0	3969.0	4140.0
Share of Labour in value added (%)	55.7	54.2	56.2	54.1	55.1	57.0	58.2	57.7	59.8	53.3
Per capita value added (Rs.)	2976.7	3239.1	3414.1	3758.0	3958.8	4255.0	4599.6	4825.9	5195.3	6028.5
Per capita Wages and Salaries (Rs.)	1658.5	1756.6	1924.0	2035.2	2184.1	2434.6	2692.2	2783.4	3104.6	3215.2

# Kerala's Cashew Industry In Crisis

The Cashew industry, the back-bone of the manufacturing sector in Kerala, has been facing a growing crisis in recent years. For want of sufficient raw-nuts the cashew processing units in Kerala, most of which are in the private sector, remain closed for an average period of 2 to 5 months every year. Since this industry is largely labour intensive and employes 65 per cent of the industrial workers in Kerala, the forced closure of the processing units for such long periods has resulted in growing unemployment and destitution among a large number of workers in the State.

## Cashew-the major industry

The Cashew processing industry occupies a dominant position in the economy of the State. It is not only the major industry, it also employes the lion's share of the industrial workers and contributes a large share in Kerala's export business.

Although cashew production is also carried on in Andhra Pradesh, Karnataka, Tamilnadu and some other States, the major contribution of cashew products and exports comes from Kerala. In 1970 there were 264 Cashew factories in Kerala—the largest number compared to other States. Out of the total exports of Cashew Kernels from India in 1970-71, amounting to 50,280 tons valued at Rs. 52.10 crores, about 47,000 tons or 93.47 per

cent came from Kerala. In regard to export of cashew nut shell liquid, Kerala's share came to about 80 per cent.

The Cashew industry also provides employment to the largest number of industrial workers in the State. The total work-force constitutes 28.91 per cent of the population of the State, of whom 22 per cent are employed in the industrial sector. In 1970 there were over 3000 industrial units in Kerala employing 205,174 workers. (For districtwise distribution of workers employed see Table given below). Of these 99,034 or about 50 per cent were employed in cashew factories.

Capital investment of Rs. 2 to 3 lakhs can employ 2000 workers provided sufficient raw nuts are available. However, the wage rates in the industry are very low.

According to the report of the Wage structure survey in Kerala conducted by the Bureau of Economics and Statistics, the per capita daily wage rate in 1969-70 was Rs. 4.90 in the agricultural sector, Rs. 6.18 in the industrial sector and Rs. 5.52 for unskilled workers engaged in construction. The average daily wage rate in cashew industry was less than Rs. 4. The majority of the rural workers engaged in the cashew industry are women and consequently their average daily wage rate is even lower than agricultural workers.

Out of 264 cashew processing

### District-wise industrial units and workers employed in 1970

District	Total No. of factories	Total No. of factory workers
Quilon	444	90,751
Ernakulam	415	25,656
Trichur	557	18,714
Kozhikode	361	17,805
Trivandrum	157	12,967
Alleppey	267	11,951
Cannanore	282	11,531
Kottayam	299	8,835
Palghat	258	6,964
	3040	205,174

(Source : Economic Times, August 3, 1975)

### Low rate of Wages

The Cashew industry is largely labour intensive and it employes both skilled and unskilled workers, mostly women. A Cashew processing unit with a

units in Kerala only 25 units are in the public sector (owned by the Cashew Development Corporation) and the rest are in the private sector. Out of the e

ON PAGE NINE

# Job-Seekers : An Analysis

**T**HE total number of job-seekers on the live registers of employment exchanges in the country (which numbered about 460\*) was about 72 Lakhs\* at the end of March, 1973, which represented an increase of about 73% in a single year. The corresponding figures for earlier periods were 22% during 1970-71, 17% during 1969-70 and 9% during 1968-69.

Out of a total of about 76 lakhs job-seekers in June, 1973 over 35 lakhs or about 46% were educated job-seekers.

**Teachers :** Candidates registered for teaching occupation—both trained and untrained—continued to face unemployment in increasing numbers. The live registers showed as many as 2.29 lakhs teachers (of which 1.84 lakhs or about 80% were trained) at the end of December, 1972.

This represented an increase of about 22% over the live register figure of a year ago. The number increased further to 2.39 lakhs by the end of June, 1973. The total number of vacancies for teachers notified to the employment exchanges was only 1.41 lakhs during the 12 months ending June, 1973 compared to 1.05 lakhs of vacancies notified during the corresponding period ending June, 1972. This represented only an increase of 11.6% in the number of vacancies for teachers between the two annual periods mentioned above. Thus viewed from the point of view of employment opportuni-

ties for teachers as notified to the employment exchanges, the swelling number on the live register seems to be indicative of an uncomfortable position.

**Science Graduates :** Compared to other special categories of educated job-seekers, the employment situation of those having a degree (or a post graduate degree) in Science seems to be more unenviable. Their number rose by nearly 60% between December, 1971 (1.09 Lakhs) and December, 1972 (1.74 Lakhs). (Another 20,000 Science graduates and post graduates got themselves registered between January and June, 1973, showing an increase of about 12% over the figure of December, 1972).

**Craftsmen and Production Process Workers.** The job-seekers belonging to this category (which excludes, for the purpose of this Review, unskilled workers) increased from 2.91 lakhs in December, 1971 to 4.26 lakhs in December, 1972 or by about 46% in a single year. The number rose by another 30% to 5.53 lakhs during the following six months. On the other hand, the number of vacancies notified to employment exchanges for this category of workers actually decreased by 3.2% between 1971-72 (1.18 lakhs for the entire year ending June, 1972) and 1972-73 (1.14 lakhs for the year ending June, 1973). The imbalances between supply and demand in respect of craftsmen and

production process workers comprising such skilled occupations as Spinners, weavers, Leather Cutters, Watch Maker, Furnacemen, Tool Makers, Electricians, Moulders, Welders, Carpenters, Printers, etc. are to be viewed in the light of the industrial/economic situation prevailing during the period under review.

**Engineers :** Employment situation for persons with engineering qualifications seems to have turned slightly better during 1973. Thus, while the number of engineering graduates registered with employment exchanges rose from 19,050 in December, 1971 to 22,808 in December, 1972 (i. e. by about 20% rise during the year), their number declined to 20,927 or by about 8% during the subsequent 6 months (ending June, 1973). The decline in the number of job-seekers might be the result of specific steps taken by Government to ease the problem of unemployment among engineers. In addition to the degree-holding job seekers, there was large number of diploma holders seeking employment assistances. Their number was 54,065 in December, 1971 which rose to 59,847 in December, 1972 and then declined to 54,899 in June, 1973 in line with the declining trend noticed in the case of (engineering) graduates.

Taking Civil Engineers separately, their number on the live register declined from 21,113 (17,028 diploma holders and 4085 graduates) in December, 1971 to 20,718 (16,247 diploma and 4471 degree holders) in

December, 1972 and further down to 18 010 (14,273 diploma and 3,737 degree holders) in June, 1973. (The number of diploma holders seeking job assistance seems to have further come down to 12,452 in December, 1973 according to the latest information available, although the number of degree holders had slightly increased-by about 200 by December, 1973). It seems that the various measures undertaken by the Central and State Governments from time to time to relieve unemployment amongst engineering graduates, etc. has been having a salutary effect.

**Doctors (Allopathic)** Employment situation for medical graduates continued to be somewhat disturbing, with as many as 5,255 of them (including 128 post graduates) on the Live Register of employment exchanges at the end of December, 1972. This represented a substantial increase of 33% over the figure in December, 1971. There was further increase of about 15% during the subsequent 6 months taking the live register figure to 6,034 at the end of June, 1973.

**Nurses.** As in the case of Doctors, increasing numbers of Nurses were also registering at Employment Exchanges. Their numbers on the live register was 1,565 in December, 1971. It was 1,943 in December, 1972—a rise of about 25%. The number further rose to 2037 in June, 1973.

**Agricultural Graduates.** The employment situation of this category of job-seekers was also a matter of concern judging from

the steady rise in the number of job-seekers from about 8,000 in December, 1971 to about 9,900 in December, 1972—an increase of about 24% in just one year. The subsequent six months (January to June, 1973) added another 650 job-seekers raising the total number to 10,550 at the end of June, 1973. It would appear that the output of agricultural graduates had outstripped the capacity of the economy to absorb them inspite of the various development schemes requiring the employment of agricultural graduates and the special employment programmes for educated unemployed, etc.

**Veterinary Graduates.** The employment situation among veterinary graduates does not

appear to be as uncomfortable as that of agricultural graduates. While there were only 392 veterinary graduates (of whom 31 were post graduates) on the rolls of employment exchanges at the end of 1971, this figure came down to 207 (7 post-graduates) at the end of 1972. However, there seems to be some spurt in the number of veterinary graduates registering at the employment exchanges during the next six months, the number having risen to 282 (post-graduates 30) at the end of June, 1973.

[Source : *Employment Review 1972-73 published by the Directorate General of Employment and Training, Ministry of Labour, Government of India.*]

## Kerala's Cashew Industry In Crisis

FROM PAGE SEVEN

again only 116 private sector units, besides the 25 public sector units, hold quotas for raw nuts. Only the quota holding units have a somewhat assured supply of raw nuts. Even the quota-holding units in the public sector are finding it impossible to keep the units working throughout the year for want of sufficient raw nuts. The condition of the private sector units which do not receive any quota is very bad and they are facing tremendous difficulties in keeping their factories going. As a result, most of these units have to close down for 2 to 5 months in a year.

The Cashew-processing units require about 4 lakh tonnes of raw cashew nuts annually to

maintain production at optimum capacity. The average production of raw nuts in the country comes to about 1,40,000 tonnes, of which only 70,000 tonnes come to the factories for processing, the rest being utilised for other purposes. Hence, 3,30,000 tonnes of raw nuts are required to be imported each year if the cashew factories are to be kept in production. The main sources of imports of raw cashew nuts are the African Countries of Kenya, Tanzania etc.

However, due to various reasons the actual imports of raw nuts is not only much below the requirement, it has gone on declining during the last few years. From 169, 985 tonnes in 1971-72, imports of raw nuts declined to

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# ERNST THAELMANN IN NAZI PRISON

Almost exactly thirtyone years back, on August 18, 1944, Ernst Thaelmann, Secretary General of the German Communist Party during the crucial days of Hitler's rise to power, was brutally murdered by the fascists and his body secretly cremated in the Buchenwald concentration camp. Thus ended the life of a great patriot, a life-long champion of socialism and a relentless fighter against fascism. Even the brutal tortures in fascist dungeons and concentration camps for eleven long years, since his arrest in 1933, could not break his indomitable spirit and his faith in the ultimate defeat of fascism and victory of socialism remained unshakable till his last breath.

Born on April 16, 1886 in Hamburg, Ernst Thaelmann began his life as a day labourer when he was still a boy. In later years, he worked as a furniture-hauler, cart driver, dock-worker and seaman. The revolutionary experience he gained in the working class struggles in Hamburg during these years brought him to join the Social-Democratic Party in 1902, when he was only 16, and two years later he joined the Hamburg Transport Workers Union. After the Great October Revolution, he joined the Independent Social-Democratic Party and it was under his initiative that the Left wing of the new party merged with the German Communist Party in 1920.

The emergence of Hitler as the fascist dictator in 1933 led to a fierce wave of repression

against the working class and democratic forces in Germany, especially the vanguard of the working class—the German Communist Party. Thousands of communists were arrested, newspapers and meetings of the CPG were banned and Communist deputies were deprived of their seats in the Reichstag (German Parliament). The Nazi henchmen of Hitler set fire to the Reichstag on February 27, 1933 as part of a diabolical plot to intensify the incarceration on the communists. Thaelmann was arrested by the fascist police on March 3 1933.

The last 11 years of Thaelmann's life, spent in fascist dungeons and concentration camps, is a history of the triumph of a revolutionary spirit over the fiendish forces of fascism.

After his arrest, Thaelmann was held in solitary confinement and strict isolation at the Moabit prison in Berlin, which fact was kept concealed from the public. He was allowed no visitors and was kept on starvation ration. Even his wife Rosa Thaelmann and his daughter were not allowed to visit him for a long time.

Fearing adverse reaction on public opinion, the Nazi secret police were preparing to stage a fake trial against Thaelmann. They enlisted numerous spies and traitors to give false evidence in a bid to prove the charges. The Nazi press spread slanderous

lies to blacken Ernst Thaelmann and the Communist Party. Meanwhile the fascist henchmen of Hitler were trying their utmost to break his will by the most refined methods of torture and humiliation, to make him confess to the charges against him and to betray his comrades. He was beaten, hypnotised, insulted and blackmailed.

All kinds of provocations were tried on him. For instance, the Gestapo confronted him with the traitor Katner. When he refused to give any information to the Gestapo, he was beaten with iron rods and thrown with shackles on his hands and feet in a death cell, where two guards kept constant watch on him. However, none of these tortures and beatings could break his revolutionary spirit. But these ordeals took inevitable toll of his health which completely broke down.

After Rosa Thaelmann was at last given permission to see Ernst Thaelmann, with a Gestapo on watch, she described the heart breaking experience to her daughter in the following words: "The door opened, and the SS gangsters led your father in. He could hardly walk. He had no teeth in his mouth. His face was swollen. He was all black and blue. He could'nt sit. I cried out in horror: 'What have they done to you?'"

The news of Thaelmann's torture in Nazi Prison horrified

the entire world and democratic people in all countries raised their voice in protest demanding his release. For fear of another fiasco like the Leipzig trial (where Georgi Dimitrov and his comrades were vindicated), the Nazis abandoned the idea of open trial of Thaelmann and to prevent open action breaking out in his defence in Berlin itself he was transferred from Moabit to the Hanovar dungeon, where the brutal tortures continued.

In 1944, the Red Army broke the backbone of the Nazi hordes in Soviet Union and drove them relentlessly back, the fascists became desperate in their terror and increased their repression. At last in panic and terror they murdered Thaelmann, but to conceal their crime they gave out a fictitious report that Thaelmann and Bretschied (a Social Democrat deputy) had died on August 28 when Buchenwald was bombed by British and American planes.

The brutal tortures undergone by Thaelmann in the fascist dungeons and the indomitable fighting spirit and faith in the ultimate victory of the cause maintained by him despite the tortures, is vividly depicted in a letter written by him in reply to a letter from a fellow prisoner at Bautzen. Selected excerpts of the letter are given below.

"On march 3, 1933 I was arrested in Berlin in the room I rented from a disabled soldier. That was where I generally

stopped on my trips to Berlin. A detachment of police—20 men headed by a lieutenant all brandishing revolvers, broke into the apartment and then rushed into the room. They handcuffed me. Then by auto to the nearest police precinct, and from there under guard of a special police squad to the Berlin Polizei-Prsidium on Alexander-Platz. Brief examination. No statement. Five hours of waiting. Finally I was settled in a cell in the jail right there. During all the time I was there tough boys of the notorious guard crews now and then came up to my door threateningly telling me that when the time came they would drag me out of the cell, and then my last hour would strike."

"While in that jail I wrote to the General Procurator of the Reich's Court, requesting that he set an early examination in my case as I was not aware of having committed any punishable acts. I took this step in order that at least my transfer to a concentration camp might be prevented. That worked. On May 23, 1933 I was transferred to Old Moabit, the Berlin detention home. For two and a half years I was under examination while in the lock-up, and during that time I was questioned by four examiners, sometimes for ten hours daily."

"In spite of it all, politically I behaved as becomes a revolutionist. As leader of the Communist movement I upheld all

decisions of the Central Committee of the Party and of the Communist International too, accepting full responsibility for all that. I not only energetically rejected all attempts to make me give or betray the names of the Party leaders and functionaries, but acted firmly and as duty demanded. Notwithstanding all kinds of tricks and lies the examiners were not, at any time during all the questioning, able to trap me or force me to betray my comrades-in-arms or the cause of Communism. And that despite the fact that matters frequently came to hot scenes and sharp clashes, which dragged out the questioning. After the examiners had failed in their attempts to get from me the confessions they wanted, they had recourse to help from the Gestapo".

"In January 1934 four Gestapo officers took me by car from Moabit to central headquarters of the Gestapo (Berlin, Prinz Albrecht Strasse). I was taken straight from the machine to a room on the fourth floor. Eight Gestapo officers of high and middle rank waited for me there, mockingly raising their fists in the "Red Front" salute".

"To describe what took place in that room during the following four hours and a half, from 5 to 9-30 in the evening, is next to impossible. I was subjected to the most brutal handling conceivable to make me confess and to give information about comrades who had been arrested earlier and about their political activity. The Gestapo men

began familiarly — as I had known some of these gangsters from the days of Severing's Political Police—with attempts at persuasion, and so on, to fish out something they wanted to know about some comrade or about something else. The manoeuvre was a complete failure. Then followed crass physical force. I had four teeth knocked out. But that too yielded them nothing."

"The third act was an attempt at hypnotism, which however, had no effect on me the attempt breaking against my then still very strong nervous system. Although the hypnotiser performed his manipulations around me for some 45 minutes I remained perfectly calm and clear minded. In that way three and a half hours passed. But this drama's climax came in the last act. I was stripped of clothing. Two Gestapo men laid me across a stool. One of them started to strike me monotonously with a heavy whip made of hippopotamus skin. The pain made me cry out several times."

"Then they gagged me and the blows came down on me thick and fast. They hit me in the face with their fists and in chest and back with the whip. Thrown on the floor I lay prone, burying my face against the floor and uttering not a word in answer to their questions. They kicked me. I kept trying to hide my face. I was exhausted. The heart began to give in. I no longer saw or heard anything. Besides I was so tormented by thirst that foam was coming out of mouth and I almost suffocated.

Although I was in a half-faint still I did not lose consciousness, but neither did I any longer feel pain and all I thought of was how to end the torture."

"Suddenly a man ran into the room and said in a whisper that the charwomen and other people in the building heard the loud cries."

"He asked that the questioning be finished quickly. At 9-30 in the evening the executioners ended their fun. They dressed my bleeding head wounds with a towel, wrapped my badly hurt neck around with a muffler and ordered me to sit down on the stool and face the wall, threatening to shoot the moment I turned around. Two Gestapo men pointed their revolvers at me. Of course, I turned around immediately to see what those fellows were going to do to me next. But nothing more happened. They called a waiter from the dining room who brought me something to eat and drink. He looked at me with compassion. After that I was taken down by lift to the basement where I was locked up in a cell".

"Eight days later in the same room I was examined with only two Gestapo men standing by and twentyfour hours later I had another examination in the presence of three Gestapoites. As I did not change my tactics I was threatened that if I behaved the same way in the future they would not hesitate to repeat the recent performance until I knew better."

'Shortly after this, I was

taken to Moabit, escorted by the four Gestapo men who were present at my beating. On the way one of my executioners was brazen enough to threaten me that if during my trial in the Reich Court I told publicly what had been done to me in their place, I would be put in a place where I would be silenced forever. I listened without saying a word but in my mind the decision came not to miss such a chance for anything."

"Who can plumb the depths of our seffering during the long years of confinement".

"Who can understand the tragedy of the fate whose blows we were able to take only because we did not allow ourselves to be budged from our position. At times the prison atmosphere completely exhausted our patience and caused all sorts of disappointments, but we remained firm, resolute and indomitable".

"You had to give up the best years of your youth, to sacrifice them, and you have reached a mature age. But I had to sacrifice to the gaol the most active years of my maturity, and now I am nearing the age when vitality begins to be on the wane. The bitter years behind the bars have robbed you of your precious joys, of your youth, whereas the years of my youth were great and free, but at the same time they were the beginning of my difficult prison life of today".

"Remember that life makes people fight not to be vanquished but to master it to understand

its harsh but unavoidable language, and then becoming young again to rise from the abyss to a new life”.

“Revolutionary activity demands great sacrifices. That applies to us and to others too. But for what, for the sake of what? That question interests millions of people who are now conducting a fierce and ruthless struggle—this historic question, to one degree or another, now agitates practically all of toiling humanity. In the field of vision of these historic questions lies my face too. I am not a man without kith or kin. I am a German with great national and international experience. My people, the people to whom I belong and whom I love, are the German people, and my nation, of which I am proud—the German nation—is a bold, proud and staunch nation. I am of one blood and one flesh with the German working class. And that is why, as a son of the revolutionary class, I later became its revolutionary leader. My life and labours were dedicated only to the good of the toiling German people; my knowledge, strength and experience, my entire being—was devoted to the struggle for Germany’s future, for the victory of Socialism, for freedom, for a new flowering of the German nation.”

“When we speak of personality we have in mind a person possessing something big and significant. Some day the word “personality” will come to mean

approximately the following: character plus the totality of spiritual qualities. A person who devotes himself utterly to serve the people should be described by that term. This fullness of character is an abiding quality of a progressive personality, for the worth and stature of a personality are determined by character. What is it that is most distinctive in personality? That an individual at all times subordinates his entire being to an idea striving to attain something higher. The history of our life is stern and therefore demands all of the individual, his every fibre. You and I, and all our comrades-in-arms in the struggle for our great cause, all of us must be strong, staunch, militant and confident in the future; for to be a soldier of the revolution means to give unswerving loyalty to the cause, a loyalty tested in life and death; it means that one must display utter devotion, confidence, will to fight and energy in any situation. The flame which lights up our hearts and fills our spirit guides us like a bright luminary over the battle fields of our life. Firm and loyal by nature and confident in victory, only as such will we be able to change our destiny and perform our revolutionary duty in the great historic mission we are entrusted with, and win the final victory of true Socialism.”

[ Source : “Ernst Thaelmann”—  
a booklet on the life of Ernst  
Thaelmann published by the  
Indo-GDR Friendship Society,  
Calcutta-12 ]

## To The Readers

Despite repeated pressure of rising paper costs, printing bills, stationery etc we refrained from increasing the price of the The Working Class all these days. With great difficulty we have been managing our budget so long.

We deeply regret to inform our readers that we are unable to carry on with the existing price of the Journal any more. We are therefore left with no alternative but to increase the price per copy from 40 paise to 50 paise from September 1975. The annual subscription will be raised accordingly from Rs. 5 to Rs. 6.

Readers who have already paid annual subscription of the journal will have to pay at the new rate from September 1975. Their subscription will be adjusted accordingly from September onwards.

We earnestly request our readers to co-operate with us in this difficult situation and help us in bringing out the journal regularly.

**Editorial Board**

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## TRANSPORT EMPLOYEES

(Malayalam)

Monthly Journal of Kerala State  
Road Transport Employees  
Association (GITU)

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## BCMU Protests Against Anti-worker Practices Of Jute Mills

In separate letters addressed to Shri Gopal Das Nag, Labour Minister, Govt. of West Bengal, Com. Kamal Sarkar, General Secretary of the Bengal Chatkal Mazdoor Union (CITU) has protested against the anti-worker practices being adopted unilaterally by some Jute Mill managements, utilising the "Emergency" as a garb. He has sought the immediate intervention of the State Labour Minister to put a stop to their practices.

### Change in system of payment of wages

The system of weekly pay-

ment of workers has been in vogue for the last 120 years, since the inception of jute mills in 1854. The jute workers with meagre wages are habituated with this system and any change will undoubtedly affect them adversely. But the managements of a number of Jute Mills are trying to introduce the system of fortnightly payment of wages taking advantage of the Emergency. Recently, the management of Northbrook Jute Mills of Champdani have, by a notice, converted the system into fortnightly payment with effect from July 15, 1975. They

have done it unilaterally, despite the fact that all the workers' representatives in the Works Committee rejected the proposal unequivocally. Moreover, the management has made acceptance of this system a condition for their acceptance of the system of "Wage bill" being demanded by the Trade Unions. Representatives of all Trade Unions in the Mill have protested against this.

Besides, many other anti-worker practices like increase in work-load, stoppage of double wage for holidays and 6th night, forcing of workers to run multiple machines without enhanced pay etc., are also being resorted to. This has led to retrench-

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## Kerala's Cashew Industry In Crisis

FROM PAGE NINE

157,550 tonnes in 1973-74. Although rising prices and growing demand for raw nuts in the newly developed processing factories in the exporting countries and China are some of the reasons for the decline in our imports of raw nuts, one of the major reasons seems to be the lack of planning and short-sighted policy of the Cashew Corporation of India (a subsidiary of State Trading Corporation) which is authorised to import raw cashew nuts.

Another reason for shortage of raw nuts, is the lack of adequate measures for preservation of the cashew plantations and for extension of the cultivated area under cultivation to increase

indigenous production of raw nuts. The Kerala Plantation Act protects plantations from sub-division and fragmentation. But since cashew estates are not brought under the category of plantations, this has led to undesirable sub-division and fragmentation of the estates resulting in low rate of growth of indigenous production. Moreover effective measures for the preservation of plantations, incentives for higher production etc. have also been lacking until recently. The State Government had initiated some half hearted measures during the second and third five year plans to increase cultivation of Cashew nuts. The Cashew Corporation was set up during the fourth plan and

during the fifth plan an outlay of Rs. 2.11 crores has been earmarked for extension of cultivation in 85,000 acres in Cannanore, Malapuram, Palghat and Quilon districts.

The crisis in the cashew industry has aggravated the unemployment problem in the State and has ushered in poverty and untold hardships to thousands of Cashew workers. Unless effective steps are taken immediately to ensure regular supply of sufficient quantities of raw nuts to the factories, through regular imports as well as increased indigenous production, the condition of this crisis-ridden industry is likely to be much bleaker leading to a further rise in the growing unemployment problem in the State.

# Safety In Textile Industry

## Major Cause of Accidents

Textile industry is one of the oldest industries in India and employs about 9 lakh workers. But this industry accounts for the largest number of accidents every year. The statistics reveal that the industrial accidents are rising every year and, therefore, it poses a serious problem not only to those employed but to the entire nation. India was one of the foremost textile producers in the world and the industry possessed the best technology, sophisticated machinery and talent, and though the Factories Act is in operation for many years past, it is, therefore, a matter of great concern and shame that upward trend in accidents is still plaguing the industry.

A detailed study of accidents in this industry was undertaken by the Directorate General, Factory Advice Service and Labour Institutes, Bombay as a research project during 1970-72. In a recent Seminar, revealing facts were placed by different spokesmen on the subject. We are reproducing below some of the facts as placed before the Seminar.

The first point that is to be noted is that, while worker population in textile mills has gone down during the last two decades due to rationalisation and introduction of modern machinery the rate of accidents per thousand workers has always been showing an upward trend.

The following table which gives a survey of the conditions prevailing in Cotton Textile Industry in Tamilnadu, will show the correctness of the fact.

Cause of Accident	Number	Percentage
1. Unsafe Conditions	532	63.1
2. Unsafe Actions	306	26.9
Total	838	100%

## Total Number of Workers Employed and accident rate per 1000 workers in Textile industry

Year	Total No. of Workers Employed	Total Number of Accidents	Accident rate per 1000 Workers
1955	117,917	1,828	15.5
1956	115,810	2,387	20.6
1957	110,008	2,882	26.2
1958	115,977	2,903	25.1
1959	119,828	3,758	31.3
1960	106,715	3,755	35.0
1961	116,693	3,914	33.5
1962	112,494	3,507	31.1
1963	114,147	3,162	27.7
1967	115,296	3,377	29.29
1968	113,207	4,163	36.72
1969	113,810	6,255	55.05
1970	119,993	7,475	62.29
1971	128,001	8,105	63.33
1972	133,040	8,177	61.41
1973	111,377	7,856	70.36

It will be seen from the table that during a period of less than two decades, the rate of accidents increased by more than four times. This reveals a most disturbing and discouraging situation.

The study on accidents as referred to above, was conducted in textile mills of Madras and Coimbatore regions; 838 reportable accidents were investigated in detail. The causes of accident have been broadly classified under terms of unsafe conditions and unsafe actions. The following table gives this distribution.

It is seen that 63% of the accidents are due to unsafe conditions. This simply means that workers concerned are not at all responsible for the accidents but they have occurred for want of proper safety precautions and maintenance of machinery and equipment. Therefore, the responsibility or main cause of accident rests with the employers. It is worth-while to mention that when distribution of unsafe conditions were investigated and analysed, it was found that 53.6 per cent of the accidents due to unsafe condi-

tions were caused by "defective conditions in agency". This means that majority of the accidents occurred due to defective machinery and working conditions. 833 accidents accounted for 10381 man-days lost. When no opportunity is lost for blaming the workers if man-days are lost due to agitations launched by them, little attention is often paid to man-days lost due to negligence of the employers. In analysing

## BCMU Protests

FROM PAGE FOURTEEN

ment of non-permanent staff and harassment of workers.

### Voluntary resignation Scheme and mass retrenchment

By a recent notice the American management of the Ludlow Jute Co. Ltd., of Chaugail has unilaterally introduced a "Voluntary Resignation Scheme" with effect from 1st August, 1975. This is an indirect device to effect mass retrenchment as, it is understood, the management expects to reduce the number of workers by about 1000 by this process. Between January and July, 1975 the management of this Mill has already retrenched 225 workers on various pretexts and in June, 1975 alone 750 workers were laid off.

It may be noted that the Voluntary Resignation Scheme has been introduced despite unanimous rejection of the scheme by all the workers' representatives on the Works Committee.

accidents under working conditions, it was found that out of 81 accidents under this heading, 77 accidents were caused due to unsafe conditions and only four due to unsafe actions. This reveals clearly the utter negligence of the employers; because while workers may be made responsible for unsafe actions, the employers are wholly responsible for unsafe conditions.

In another study in respect of one mill with advanced spinning machinery including super high draft system and five mills where the conventional methods were undergoing a change-over semi-super high draft system. It is seen that between the period of 1st January 1970 to 30th June, 1970, i. e. during six months, 436 accidents occurred. The study says, we are all conversant with the dangerous parts of the blow room and mechaneries and even though interlock guards are mandatory and a ban on cleaning of machinery in motion is imposed, it has been noticed that the interlock guards have been tampered with which end could have been eradicated by the supervisory staff if only a few minutes had been devoted every day on the check up of the guards. The worker's propensity to clean the cylinders, beaters etc., before they come to a dead stop cannot be curtailed by mere display of notices, "do not clean machinery while it is in motion." Further, the statistics given by the study reveal that the biggest toll of

accidents is through the medium of "bobbins", which account for 191 accidents out of total 436 accidents. The study further says that in "A" mill, on a single day there were 50 accidents, 40 on the bobbins.

In another study it has been shown that 85% of the accidents are due to unsafe conditions, 15% to unsafe acts. The study says that "unsafe conditions may refer to the conditions of the floors, of the ladder, of a machine of a shuttle, of a bobbin or of a mechanical character of a machine which could lead to an accident" And "all unsafe act is something that some one does either intentionally which may culminate in accident". The study further says that "85% to 90% of the accidents are preventable if proper investigation is made". When such is the case, is it not criminal that accidents always have been showing an upward trend.

The studies have made certain suggestions for remedial measures; it is not known how far they have been implemented.

The Indian Labour Organisation report reads as follows: "There is no honour or profit in industrial accidents, but there is only incredible suffering and loss".

It is, therefore, incumbent upon the Government and the employers to take proper steps so that human suffering and social economic waste every year caused through accidents are minimised, if not stopped altogether.

# Ruthless Exploitation By Money Lenders In The Dhanbad Coalfields

The colliery workers suffer from a large number of problems like lack of housing, medical facilities, drinking water etc., but none of these has caused so much misery and suffering to the average mine worker as the ruthless exploitation of the money lenders. A recent study conducted into the problem of money lending in the Dhanbad Coalfields has revealed the depth and extent of this pernicious practice.

## Money Lending—how it grew

The practice of money lending in the coalfields perhaps owes its origin to the particular manner in which workers were recruited and the type of life they had to face in the earlier years of coal mining. Workers were recruited from far away places by recruiting agents and brought to the coal mines for specified periods, to be replaced periodically by others recruited in the same way. Since the workers sent most of their meagre wages home they needed cash loans to meet their daily needs. Separated from their families and the hard life of coal mining also made the workers take to drinking as an escape from the drudgery, and they were forced to take loan for this. As there were no facilities for financial help from the management or other institutions, the workers naturally turned to the recruiting agents

and supervisors for cash loans at exorbitant rates of interest. In course of time it became a flourishing business for the recruiting agents and other unscrupulous people and the workers became helpless prey to their exploitation.

In more recent years, the major causes which have led to the perpetuation of this pernicious practice have been the needs of the workers for cash loans for sudden heavy expenditures for meeting social commitments like marriage, sradh etc., periodical unemployment, medical expenses and extra expenditure incurred on account of visits of dependents and relations.

Once the worker gets into the clutches of the money lender, he is seldom allowed to escape. The high rate of interest charged and the criminal power wielded by the money lenders ensures that the worker remains indebted all along. The collusion of a section of corrupt employees of the coal mines and the apathy of the mine management and local administration also enable the money lenders to carry on with their deprivations with impunity.

In recent years, particularly after nationalisation, the rise in earnings of workers has made money lending a far more lucrative business. Their extortions have increased to such an extent that the extra earnings, instead of benefitting the workers, go to

the pockets of the money lenders. Since the money lenders have musclemen at their command, they can dictate their own terms and the helpless workers dare not oppose.

In the earlier days there were practically no welfare or protective laws to save the coal mine worker from the clutches of the money lenders. Even the passing of the Workmens Protection Act of 1948 has not brought about much change, since the law remains mostly on paper and is seldom applied in practice.

## The Modus Operandi

The modus operandi of the money lenders has changed with time. In earlier days, the workers used to be maintained in bustees or "dhowras" under the charge of musclemen known as Sardars, who were actually the recruiting agents. The workers were provided food and shelter in the dhowra for which charges were deducted by the Sardar from their wages. The Sardar also advanced loans to the workers to be recovered with interest from their wages. The meagre wages of the workers, after deduction of the charges for food and shelter, were deposited with the Sardar. When a particular worker was going home, the Sardar would recover the loan and interest from the accumulated deposits lying with him and pay the balance to the worker. Frequently, the entire wages of the worker lying with the Sardar would be adjusted against arrear loans and interest, leaving no balance. The worker would then be forced to take a

fresh loan from the Sardar to meet the expenses of his journey and other essential purchases for home to be recovered from future wages. In this way, the worker remained in perpetual indebtedness. The Sardar had no fear of losing his money, since the worker was socially and economically dependent on his continued patronage.

In more recent times, the methods adopted by the money lenders to extort fantastic rates of interest from the workers and to stifle all resistance became more direct and violent. Till recently, the money lenders used to come in large number along with their musclemen fully armed to the payment counters and used to snatch away the centre pay packets from their victims at the point of gun or lathi or threat of assault. If the workers tried to resist or protest, they were physically assaulted, sometimes brutally. Their task was facilitated by the connivance with the coal mine employees who are either money lenders themselves or are in league with the money lenders. As a result, the workers affected had no money to buy food even on the payment day. The workers had no remedy, as the Welfare Officers in the collieries remained silent spectators either out of fear or because of their involvement with the money lenders. Even the civil or police machinery afforded no relief to the victims.

### A Growing Menace

Of late the criminal power of the money lenders have grown so much and their penetration

in the coalfields has become so widespread as to constitute a real menace. The money lenders generally take the thumb impression of the loanee on a blank piece of paper, on which they record whatever amount they wish to. They also snatch away the identity card and bonus card of the worker with a view to collect payments directly at the counter. This is possible because of the connivance of the payment clerk, who makes false record that the payment has been made to the worker and returns the identity card to the money lender. If the money lender fails to realise his dues at the payment counter, their musclemen raid the "dhowras" of the workers and snatch away the money from their houses. If the workers resist, they are brutally assaulted and sometimes their womenfolk are molested. However, the mere threat of assault or physical liquidation is enough to intimidate the workers into submission. The workers are so terrified of the criminal power of the money lenders and the anticipated consequences of non-compliance, that they very often voluntarily go to the residence of the money lender and pay whatever is demanded of them.

The money lenders are so powerful and well-organised that they have penetrated almost all fields of business, legal or illegal, in the coalfield areas. From fair price shops to illegal distilleries and gambling dens, their tentacles reach far and wide. It is almost impossible for the workers

to get out of their clutches. Even the good looking girls or women of the workers are not safe from this menace. Sometimes the money lenders take the garb of self-styled "Trade Union leaders" to continue their deprivations. Many big money lenders and self-styled Trade Union leaders maintain separate offices and employ collecting agents on fixed salary or commission to go to the payment counters to collect loans and interest.

There are three types of Money Lenders to be found in the coalfield areas: the traditional Kabuliwalas; Punjabis and Sikhs, who have entered the field comparatively recently; and the Pahalwans or Musclemen. The first two categories carry on traditional pattern of money lending and by and large do not take recourse to violent methods or torture to extort money.

But the worst and the most dangerous category of money-lenders are the Pahalwans and Musclemen who originally came from the up-country and settled down in the coalfield areas. They were originally brought by the ex-colliery owners as musclemen to keep the workers under control and managed to get entrenched in the area as recruiting agents of the mine-owners and money lenders. They use all types of methods, including physical force and criminal intimidation to extort exorbitant rates of interest from the workers who have the misfortune to fall into their clutches. They freely

use lathis and fire arms to realise their objective. By various devious means they manage to get small and big contracts in the coalfields and have controlling interest in many business like fair price shops, illicit distilleries etc. They also run gambling houses and even brothels. To realise their objective they can perpetrate all sorts of crimes including murder. Over a period of time they have amassed huge wealth and own palatial buildings and fleets of vehicles. Through the use of their monetary and criminal powers they exercise enormous influence in the area, including various levels of administrative machinery. They have close links with various levels of political authorities and are patronised by big men in their own interest. After nationalisation many of them have begun operating as self-styled Trade Union leaders.

### **Ruthless Exploitation**

No reliable figures are available as to the exact extent of money lending in the coalfields. However, it is estimated that 40% to 50% of the coal mine workers are in the clutches of the money lenders. The rates of interest charged by money lenders vary from person to person and colliery to colliery. The weaker the loanee, the higher is the rate of interest since he can not put up any resistance. In general the rates vary from Rs. 10 to Rs. 50 per hundred per month, and in special cases even higher. The general practice is to go on realising the interest and allow the principal to stand. As a

result the worker who has once taken a loan is so inescapably trapped that he is never able to get out of the clutches of the money lender.

In one colliery a worker who had taken a loan of Rs. 600 as far back as 1960 was paying a monthly interest of Rs. 60 until recently. A sweeper and his wife in a coke plant has to pay Rs. 140 out of their total earning of Rs. 160 in repayment of a loan they had taken. A colliery worker in another colliery, a harijan woman, had to pay the entire amount of her Provident Fund amounting to Rs. 10,000 to the same money lender. In the same colliery some workers, who had taken loans of Rs. 300 to 400 were paying interest at the rate of Rs. 30 to 40 per week. Most of the loans are 12 to 15 years old and the weekly rate of interest is Rs. 10 per hundred.

The ruthless exploitation of the workers by the money lenders has reduced their victims to the lowest depth of poverty and destitution. Since whatever they earn is forcibly taken away by the money lenders, most of the workers have practically to starve. They have very little clothing and they lead a miserable existence. Most of them are not even aware of the depth of the exploitation and have no idea how long it will continue.

The people most affected by money lending are the local harijans, adivasis and people of backward classes who are economically weak and unorganised to offer any effective resistance. The up-country workers from Bihar

and U.P. being more sturdy and organised, are less affected. In certain places, many of these up-country workers have themselves left their jobs and turned into money lenders. Because of the deprivations of the money lenders many of the local harijans and adivasis are leaving their jobs and going back to their villages and their places are being fast filled up by outsiders. Even after nationalisation, the process continues unabated.

It is imperative that this pernicious practice must be eradicated as early as possible, if the colliery workers are to be saved from utter destitution and ruin. Lack of facilities for cheap credit, administrative apathy and corruption at all levels in the coalfields are the bases on which this exploitation has flourished so long. It is evident that more legislation and legal action will not be enough, in the ultimate analysis, it is the organised unity and consciousness of the workers which can effectively resist and put an end to this form of exploitation.

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### **Lockout in Mercury Travels Lifted**

After long one year of closure, a tripartite settlement was arrived at between the Mercury Travels (India) Ltd. Employees Union and the management and the office was opened from July 1, 1975. As per the terms of settlement, the retrenchment notice on 23 employees were withdrawn and all workmen resumed their duties.

## LEGAL NOTES

(Contd. from page 4)

challenged first before the Tribunal itself and then, on failing there, in a writ petition before the High Court. That writ petition also was dismissed and then the Society came in appeal under Letters Patent which was heard by a Division Bench consisting of b. C. Mitra and A. K. Sinha, Jj.

Justice Sinha, who delivered the judgement, held, after considering all the preceding judgements of the Calcutta High Court and relying on certain decisions of the Supreme Court, "Applying the principles indicated in the above decisions of the Supreme Court, we do not think, it is possible to construe section 86 read with section 2 (j) of the Bengal Co-operative Societies Act in any other manner. Although the Supreme Court was considering the question in the background of two different enactments of two other States there is no material difference between the wordings as regards disputes touching the business of society of these two sections of the two different Acts and section 86 of the Bengal Co-operative Societies Act. It seems to us clear that the word 'business' occurring in section 86 must be understood as limited to *the actual trading or commercial or other similar business activities* consistent with the object of the society. In our opinion the dispute between the Bank and its employees under reference cannot be held to be a dispute

touching the business of the Bank". (emphasis ours).

The latest judgement of the Calcutta High Court seems to be affirmed by the West Bengal Legislature when they enacted the 1973 Act and the present section 86 (already quoted above) excludes "dispute between a society or its managing committee and its paid employees" from the jurisdiction of the Registrar.

In those States, however, where such amendment has not been made in the statute relating to cooperative societies, we submit that the ratio of the decision

in the latest Calcutta High Court decision should apply and disputes between a Society and its employees, nay, even its member-employees may be adjudicated by an Industrial Tribunal with competence.

1. 1975 Lab I. C. 1008
2. AIR 1964 Mad 103 : (1964) 1 LLJ 280
3. 1961 A. C. 12 L (1960) 3 All E. R. 420
4. 1968 Lab I. C. 144 : AIR 1968 Mad 67
5. AIR 1958 Cal 373=1958 (2) LLJ 61
6. 72 CWN 562 : 18 FIR 34
7. 76 CWN 562

—Arun Prokas Chatterjee

## Share Of Wages In Production

(Contd. from page 6)

that during the two decades 1951-73 there has been a drastic change in the pattern of industrial set up and operation. The traditional labour-intensive industrial economy, financed, nurtured and managed by business houses and groups, largely on the basis of family expertise has now been replaced by a highly diversified, capital intensive and sophisticated industrial set up, financed by institutional credit and managed by trained professional experts.

The steady rise in the share of interest and depreciation in the gross value added to production, and the steady decline in the share of labour, is a fair indication of the gradual replacement of labour intensive practices by the introduction of sophisticated machinery in production. The same trend is

substantiated by the rising productivity of labour revealed by the above study. How otherwise, can we explain the fact that whereas the labour force employed in manufacture rose by barely 41 per cent during 1960-69, there has been a 300 per cent rise in value added to manufacture and a 102 per cent rise in per capita value added to manufacture during the same period? The rise in labour productivity reflects the growing use of capital intensive methods, sophisticated machinery and increased work-load on workers. Although per capita wages and salaries during 1960-69 also registered a rise of about 100 per cent, it will be fair to assume that the lions' share of the rise represents the share of the non-workers. The rising productivity of labour, in that case, reflects nothing but intensification of the process of exploitation of labour.