

## APPENDIX C

*Deductions for spoilt material handed over to workers*

The Labour Office of the Government of Bombay at the instance of the Government of India conducted in the year 1926 an extensive enquiry into "Deductions from Wages or Payments in respect of Fines," and published the results in the form of a special Report in 1928. The Enquiry covered all the various industrial establishments, including cotton textile mills in Bombay City, Ahmedabad and other centres of the Presidency. One of the questions on which information was called for was in respect of the nature and extent of deductions for spoilt or damaged material handed over to workers. It was found that this practice was very rare in factories and establishments outside the Textile Industry. The system of handing over to workers articles spoilt or damaged through their negligence and of making deductions from their wages on account of such articles was reported to be prevalent in 31 out of 76 cotton mills in Bombay City, 40 out of 49 reporting mills in Ahmedabad and 13 out of 19 mills in the rest of the Presidency. In most cases, the deduction was made at the price at which the article would have been sold had it not been spoilt or damaged. This method of calculation of the deduction was reported to have been adopted in 22 mills in Bombay City, 33 in Ahmedabad and 8 in other centres of the Presidency. The statistics for the total amount of deductions made during the first ten months of the year 1926 and the number of instances in which the deductions were effected were furnished by 24 mills in Bombay City, 18 in Ahmedabad and 4 in other centres of the Presidency. Deductions amounting to Rs. 80,959-15-7 in 17,513 instances were reported by the 24 Bombay mills. In other words the average amount of deductions per month amounted to Rs. 8,096 and the incidence to Rs. 4-10-0 per instance. Similarly, the eighteen Ahmedabad mills employing an average of 4,986 weavers stated that the total amount of deductions was Rs. 74,800-9-10 and the number of instances 31,956. The average deduction per month was Rs. 7,480 and the incidence worked out at Rs. 2-5-5 per instance. Seven mills which gave only the amounts of these deductions and not the numbers of instances in which they were made, reported that for a total number of 2,626 weavers employed the deductions for spoilt cloth amounted to Rs. 47,674-2-0 or an average of Rs. 4,767 per month. If the two sets of figures are totalled it is found that an amount of Rs. 1,22,475 was deducted in ten months in respect of 7,612 workers or at an average of Rs. 1-9-9 per head per month. In the case of the four mills in the other centres of the Presidency a sum of Rs. 4,565-11-11 was recovered in 1,512 instances. The rate of the deductions was at Rs. 3-0-3 per instance and Rs. 456-9-0 per month. No figures were available with regard to the incidence of the deductions *per worker* for the workers on whom it was imposed.

With regard to the effects of this practice, it is urged that the employees who are given the spoilt material have no difficulty in selling it and that in cases where they are not able to sell it they use the cloth themselves. The evidence of the workers themselves goes to show that, in many cases, they experience the greatest difficulty in disposing of the material that has been thrust upon them and this is especially the case as regards the kinds of cloth for which there is no local demand. The weaver with limited resources is very often anxious to realise the value of the damaged cloth as soon as possible and is therefore forced to sell it for whatever price he can get. In most cases the price fetched is considerably less than the actual "cut" effected from the weaver's wages. In many cases the worker is forced to retain cloth for which he cannot obtain a satisfactory price, although he does not ordinarily require it for his own use. Sometimes, however, the worker is able to dispose of the damaged material at a price equal to or more than the amount deducted from his wages and thereby he escapes punishment altogether.

Referring to this question the Indian Tariff Board (Cotton Textile Industry Enquiry) in paragraph 64 of their Report (1927) stated as follows:—

"It is the practice in many mills to compel a weaver to take over cloth spoilt by defective workmanship the full value of such cloth being recovered from him and credited to the mill. The weaver has then to dispose of the cloth as best he can.

\* \* \* \* \*

This practice was justified by Managing Agents on the ground that disciplinary measures are necessary to maintain efficiency and quality. There are many mills which do not adopt the system but merely impose a fine for defective workmanship and we are convinced that it is desirable in the interests of the mills themselves that it should be abolished as the advantage which the mills derive from it is entirely incommensurate with the soreness it causes."