

CHAPTER—XVII

OTHER SOCIAL SERVICES

I. Labour Welfare

Before merger:

The factory type of industries, both large and small, came to be started in Pondicherry only after the establishments were reoccupied by the French in 1816, providing more and more employment opportunities for the large number of weavers who led a precarious life with the decline of the export trade of cloth. The local working population which consisted mostly of weavers, dyers and artisans enlisted themselves as factory hands. As most of the industrial units were started in the vicinity of Pondicherry town, large scale migration of rural people to the town followed. They were not only uneducated and unorganised but were not also conscious of their own rights. Every kind of trade unionism was strictly prohibited by law. The workers were therefore left with little bargaining power. However from time to time they resorted to some militant forms of agitation whenever they felt aggrieved by managerial action. As early as in May 1908, some workers in one section of Rodier Mill struck work demanding an increase of half an anna in their daily wages. The mill which had to be closed down for ten or eleven days was reopened only after the management agreed to the demands of the workers.¹ This must have been a very rare event in those days.

As an aftermath of World War I and the drought of 1916 the people had to face severe famine conditions. Rodier Mill arranged to sell rice at eight measures per rupee to its employees, while only five litres were available in the open market. Workers were also supplied free cloth. The demand for an increase in wages was not however accepted by the management on the plea that even if prices fell in future the workers would still claim the same level of wages.² In 1910, Rodier Mill agreed to a 20 per cent. increase in wages. The demands of workers of Savana were met only partly leading to a mild stir, followed by the arrest of some workers.³ Loyal workers reported for work under police protection. About the same time ⁴ Soudjanarandjani', a local journal carried a letter to the editor calling upon

workers to organise themselves into trade unions, and demanding a reduction in working hours besides other facilities enjoyed by their counterparts in France. The letter drew pointed attention to the fact that workers in Bombay and Madras were working only for 10 hours, while those in Pondicherry had to work for as many as eleven hours a day and 67 1/2 hours a week. This letter was a pointer to a new awakening among the public.⁴

A few months later, the workers of Rodier Mill put forward a demand for increased wages—at least on par with those paid to workers in Madras and Madurai. As the management refused to accede to the workers' demand they resorted to a strike. After three days the strike fizzled out. The attitude of the administration and Mayor Nandagobalou Chettiar was characterised as unsympathetic towards the working class.⁵

The years 1924–25 were very bad years. In February 1924 Rodier Mill declared a lock-out, throwing hundreds out of job. After a few months the lock-out was lifted and the management agreed to take in only those who were prepared to submit to the new regulations of the mill. Although all workers reported for duty, the management is understood to have refused to take back a few workers. The workers expressed their solidarity for those victimised by contributing some money for their maintenance. In August the management declared another lock-out and shortly after announced the dismissal of a large number of workers. Mudaliyarpettai Mill (Gaebelé Mill) also seems to have followed suit. In the meanwhile the distribution of rice was also abruptly stopped. The workers therefore clamoured for the intervention of the government. Shortly after, Rodiers agreed to arrange for fortnightly distribution of rice but Gaebelé Mill did not, leaving hundreds of its workers in the lurch. In Savana, work was carried on with frequent interruptions. The lock-out in Rodier was lifted on 2 March 1925. The Mudaliyarpettai Mill seems to have resumed work only in April 1926.

From now on till about the year 1931 there prevailed a simmering current of discontent underneath the apparent calmness. As workers were unorganised and most of them uneducated, they had to submit meekly to their miserable condition. They worked for 12 hours or more for wages ranging from 12 annas to 14 annas per day. They lived under constant threat of dismissal for any action not to the liking of the management. Surprisingly the lot of the working class had not till then attracted the attention or sympathy

of political factions, as politicians themselves were often in sympathy with the mill management. But the victories won by workers in France and Italy spurred the workers in Pondicherry to clamour for similar rights. There was a growing realisation of the disadvantage of disunity amongst them. A new cadre of labour leaders was slowly in the making. They came forward to champion the cause of the working class. Altogether this was a period of great ferment.

Following the growing economic crisis throughout the world in the thirties, and the resultant imposition of customs barriers, cut-throat competition, decline of overseas market for textile products, and the devaluation of the franc, the demand for cotton piece goods of Pondicherry origin dwindled and the manufacturing units had perforce to cut down their production. This led to large scale retrenchment of workers.⁶ From now on, one witnesses sporadic incidents of workers resorting to stay-ins and tools-down strikes to press their demands for increased wages, etc. In March 1931, workers in the Weaving Department of Savana went on strike in protest against a reduction in their wages.

A new turn in the working class movement was evident from now on. At the initiative of Selvaradjalu Chettiar and his followers a labour conference was held at Odiansalai maidan. The Conference was addressed, among others, by Dr. P. Subbarayan and Kanaga Sankara Kannappan. About the same time the people of Pondicherry came under the impact of the Civil Disobedience Movement launched by Mahatma Gandhi in 1930. The very next year a group of youngsters joined together and held a Youth Conference. The French India Youth Association came to be formed and a Second Conference was held the next year. As part of their other activities, they organised libraries and night schools.

The members of the Harijana Seva Sangham which was organised in 1933 went and worked among factory workers - mostly harijans. Those prominent among them were S.R. Subramanian, R.L. Purushothama Reddiar, Ansari Doraisamy, Ku. Sivapragasam, Annoussamy, K. Sundararaj and V. Subbiah. Through their speeches and writings they created an awareness of the miserable conditions of the working class and urged upon the administration to intervene on behalf of the workers and redeem them from their sad plight. The managements argued that because of the world-wide depression there was little demand

for their products and hence they had been forced to cut down production. In that process, they said, they were left with no other alternative than to retrench surplus labourers. Statements and counter statements followed. Workers soon realised that their strength lay in their unity. The managements showed scant respect to the various suggestions of the labour leaders touching on labour welfare. The administration also failed to take serious notice of the condition of workers in the three mills.⁷

The workers met secretly and decided to organise a labour union and accordingly set up various committees. These committees functioned secretly and took important decisions. In January 1935, the workers went on strike demanding a reduction of working hours and the right of collective bargaining. The management yielded to the demands of the labourers but suspended 100 workers. The workers went on strike again protesting against the action of the management. This strike was also a success.

In June 1936 the workers declared a general strike and put forward a charter of five demands—viz. eight hours work, right of collective bargaining, increase in wages, holidays and the right to form labour unions. The government agreed to bring forward legislation stipulating the hours of work, ensuring the right of collective bargaining* and providing for increase in wages and holidays. The administration however refused to accede to the demand of the workers to form trade unions.⁸ In June the same year **Front Populaire** consisting of Socialists and Radical Socialists and the Communists formed a coalition government in France. This gave rise to great expectations among the working class in Pondicherry. They believed that the coalition government

* A collective agreement is an agreement between a single employer or an association of employers on the one hand and a labour union or labour unions on the other. "Foreign treatment of the collective bargaining agreement varies in the extent of recognition, but with the exception of England, where the agreement is not given legal effect at all, the law intervenes in some way or other to enforce the terms of the agreement. In Denmark, Finland, Italy and Queensland, violation of the terms of a collective bargaining agreement is declared to constitute a crime, and in some countries individual agreements contrary to the terms of a collective bargaining agreement are void. Likewise, in France and Sweden, collective bargaining agreements are given legal effect." (Teller: 'On Labour Disputes and Collective Bargaining')

in France run by leaders who championed the cause of the workers would fulfil all their demands and aspirations. The labourers went on strike again in the last week of July 1936 to achieve their right to form trade unions. The atmosphere around the mills grew very tense. Governor Solomiac took hasty action and gave shooting orders to the French police. The police carried out the Governor's order and twelve labourers lost their lives in the tragedy of 30 July 1936.

Reverberations of this tragedy were heard in the **Chambre de Députés** in Paris. The Minister for Colonies speaking in the **Chambre** on 15 December 1936 confessed: "I saw in the Office of the Council of Ministers a two-year old document on labour legislation. The word 'premature' was superscribed on it. If only these measures had been brought forward earlier, these unhappy events might not have occurred." The coalition government in France ordered an immediate enquiry and took action against the Governor of French India. **Sénateur** Justin Godart came to Pondicherry as a special delegate of the President of the Republic of France to study the problems of workers in French India. He addressed the **Conseil Général** on 21 November 1936 and assured them that he would complete his task very soon and submit a report to the French Government. He acknowledged that the working conditions of Indian workers were far from satisfactory and assured that justice would be rendered to them.

On his recommendation the **décret** of 6 April 1937 was passed. The measure brought about many sweeping changes in the labour law. Prohibition of child labour, restriction of working hours, recognition of labour unions, maternity benefits for women labour and weekly paid holiday were some of the progressive features of this law. The Rodier Mill Workers' Union (**Syndicat des Ouvriers de l'Usine Rodier**) was formed on 23 June 1937 in accordance with the above **décret** under the leadership of K. Sundararaj. A. Antoine was its General Secretary and M. Nandagopal its treasurer. Vallabadas Leheru became the leader of the workers in Savana Mill. A. Rayappan became the leader of the Enni Mill workers. All of them acknowledged the services rendered by V. Subbiah and Doraisamy for the working class movement. This **décret**, hailed as the Workers' Charter, regulated the mode of payment of wages, prohibited the employment of children below 14 years in mills and workshops and stipulated that boys below 18 years old should be employed only on production of a fitness certificate. The number of working hours was reduced to nine per day

till the end of the year and reduced further to eight hours per day with effect from 1 January 1938. Night shift work between 9 p.m. and 5 a.m. was prohibited in factories and workshops. The new law further stipulated that women and boys below 18 years should not be employed in any kind of work between 6 p.m. and 6 a.m. The workers came to enjoy a weekly holiday. This *décret* also contained special provisions regarding maternity benefits.

The *décret* of 6 April 1937 laid down various rules relating to hygiene, lighting, ventilation and safety measures to be observed in industrial establishments. Above all this law recognised for the first time the registration of labour unions and provided for a system of conciliation and arbitration based on French law. Whenever conciliation did not succeed, parties to the dispute were called upon to name an arbitrator each. If the arbitrators so chosen failed to reach any agreement, new arbitrators could be chosen and the arbitration proceedings to be recorded in writing were to be countersigned by the parties. The measure was far more progressive in character than analogous measures in other countries in the East and had a salutary effect on the working class. Although the decree of 1937 was progressive enough, the workers were by and large in straightened circumstances. They lived in a state of uncertainty because of the indifference shown by the administration which often acted in complicity with the management.

The management of Enni Mill in Mudaliyarpettai in the meanwhile refused to recognise the Union founded by its workers who resorted to a stay-in-strike which continued for nearly five months. The workers of the Savana and Rodier Mills expressed their solidarity with the striking workers by going to their aid. In December 1937, Harold Butler of the International Labour Organisation came to Pondicherry. He was received at Pondicherry by a surging mass of workers waving the red flag. The workers dispute with the Enni Mill was resolved through Butler's intervention and the mill resumed work.

The arrival of Bonvin as Governor in September 1938 was well received by the working classes. He brought to an end the political gangsterism and paved the way for the return of those who had fled the region for fear of attack. Peace returned to Pondicherry. But soon after came the news of World War II and the fall of France. Till now goods manufactured in the

mills were exported to the French colonies like Indo-China, Madagascar, Réunion etc., where the goods were exempted from the levy of customs duty. The products could not be marketed anywhere in India because of the heavy customs duties levied on them. With the outbreak of World War II, the lines of communication with the outside world were cut off and export of cloth and yarn came to a halt. However, an agreement was reached between the French and the British Governments on customs regulations. The French territory was thus brought within the control of the British Customs Regulations. As a result, the products of Pondicherry mills found a vast market at their disposal. The textile industry of Pondicherry gathered a lot of strength. The mills were asked to supply kits for the military and other cotton made items required for war. These factors helped to increase production.

In the meanwhile the provisions of the *décret* of 1937 came to be modified to meet war-time exigencies. The *décret* of 12 September 1939 authorised the increase in the working hours from 48 to 54 per week presumably to meet the increased demands of war. The Collective Agreement entered into in 1943 provided for burial and funeral expenses of workers.

Soon after World War II, the interim government in France withdrew all emergency measures imposed during the war. In Pondicherry, the National Democratic Front which represented various shades of political views was formed. In the municipal elections held on 23 June 1946 the National Democratic Front was returned with an overwhelming majority. The National Democratic Front captured the Representative Assembly in the elections held on 15 December 1946.

The *décret* of 23 August 1946 regarding fixation of salaries was promulgated in Pondicherry the same day by an *arrêté* of 23 August 1946. The order stipulated that wages of workers in industrial establishments, both private as well as public, should not be less than the minimum fixed by the administration in consultation with the **Commission paritaire des salaires**. **Commission paritaire des salaires** headed by the Chief of the establishments consisted of the Labour Inspector and an equal number of members representing the management and the workers. Following its promulgation, the then administration in consultation with the **Commission paritaire des salaires** constituted under the provisions of the above said *décret*, fixed the minimum wages for

various categories of skilled workers, coolies, etc. working in the textile mills in Pondicherry. Apart from this, the workers were also entitled to dearness allowance to be calculated at the following rates with the base fixed at 100 points:

3 paise per point from 101 to 200.

12 paise per point from 201 to 225.

11 paise per point above 226.9

On 9 September 1946 the labour unions and the managements gave their consent to a new Collective Agreement reached through the good offices of Governor Baron. Article 12 of the agreement confirmed the system of pension and provided for the payment of pension at a higher rate. As per clause 2 of the agreement it was to remain in force for a period of one year in the first instance but could be renewed thereafter from year to year by tacit consent, subject however to renunciation thereof by either of the party to the agreement by issuing a notice in the prescribed manner. This notice of renunciation had to be given three months before the expiry of the original period or the period of renewal as the case may be, and must specify the points in regard to which the renunciation is effected. Pension payments continued to be made under the new agreement with a slight modification.

Coming down to the post-war period, except during 1951-1953 when due to several causes mills could not make much profit, all of them functioned throughout. There was a stoppage of work at the end of September 1952. The workers gained one month's bonus pay payable at the end of April 1953. All the three mills paid the bonus. There was another work stoppage in Rodier Mill from 2 December 1952 on the issue of bonus. This lasted till 12 February 1953. Savana and Bharathi Mills, resorted to retrenchments, first in April 1953 and again in July and August 1953. Rodier first attempted to increase the work load of workers and then effected retrenchments in April 1954.

In the meanwhile independent India had introduced a series of measures to improve the conditions of workers in India. This gave rise to a clamour for similar measures in French-India as well. The administration therefore came up with a series of measures. The *arrêté* of 24 September 1952 provided for the creation of a fund for the workers of the textile mills in Pondicherry (subsequently modified by the *arrêté* of 18 April 1953) and the *arrêté* of 26 September sought to regulate the use of the relief funds during lock-outs

(subsequently modified by the *arrêté* of 11 May 1964). The Labour Code of 15 December 1952, was yet another landmark in the history of labour legislation. This was a very comprehensive measure which in India was sought to be covered by several Acts of Parliament. Article 91 of the Labour Code stipulated that under similar conditions, as regards works, skill and output, the same wage shall be payable to all workers, irrespective of their origin, sex, age and status. The provision of 40-hour work per week contained in article 112 remained a dead letter. The object of article 113 was to exclude women workers from night shifts. But the situation in Pondicherry was peculiar. Nearly 50 per cent. of the workers were women and they had been working in the mills for several years. Hence in actual practice article 113 also remained a dead letter. The Code gave statutory sanction to articles 68-72 and validity to collective conventions of the type entered into in 1946.

The *décret* of 28 January 1954 extended to the French overseas territories the provisions of the International Convention, regarding employment of women before and after confinement (article 3), weekly holidays in industrial establishments (article 14), age of children for admission into non-industrial establishments (article 33), the procedure for fixing minimum wages (article 26), trade union rights (article 27) and the minimum wage for engagement of children in industrial establishments (article 5) 10

The *arrêté* of 1 May 1954 provided for the setting up of a Consultative Committee on Labour in Pondicherry. The *arrêté* of 20 May 1954 provided for the creation of Labour Courts in Pondicherry and Karaikal regions. The *arrêté* of 13 June 1954 provided for the fixation of dearness allowance for the workers in the textile mills, Pondicherry. The *arrêté* of 17 June 1954 determined the functions of the Labour Court and provided for avoiding delay in the disposal of cases before the Labour Court. The *arrêté* of 13 July 1954 prescribed the rules for the grant of allowance on 1 May. Thus, a spate of measures was introduced in the territory in quick succession. But even before many of these measures could be brought into force, French rule came to an end in Pondicherry.

After merger :

The principal type of cloth manufactured by these mills was called shandorah— a heavily indigo-dyed cloth which had a preferential and protected market in the French overseas territories. With such a protected market, all the three mills were doing flourishing business. But, *de facto* merger brought this state of affairs to an end. The French Government was not prepared to allow the textile industry of Pondicherry to have the benefit of a

protected market in their overseas colonies for an indefinite period of time.¹¹ As per article 18 of the Indo-French Agreement leading to the transfer of power, the French Government agreed to maintain to the benefit of these mills, for a period of six months with allocation of foreign currency and under the same conditions as existed prior to *de facto* transfer, entry into the French Union of the goods produced by the said mills. Under this clause, the mills enjoyed this benefit only upto 3 April 1955. Efforts to get the period of concession extended for another six months did not succeed. However in order to check the closure of mills and ensure maintenance of production as well as employment, the Government of India came up with several measures to help the industry. The managements sought to tide over the crisis by increasing the work load of workers on the one hand and by resorting to drastic retrenchment on the other. The labour unions opposed these measures, leading ultimately to the closure of all mills on 1 May 1955.

While the mills, especially Savana and Bharathi, were considerably agitated over their future, the workers demanded immediate relief and improvement in their working conditions. The workers put forth their demands, first through a Memorandum dated 27 November 1954 and later repeated them in subsequent memoranda.¹² The mills which contended that work loads were too low insisted that unless there was a revision of these work loads they would not be in a position to compete with the mills in the rest of India. On the other hand, the labour asked for a reduction of the work loads saying that they were too heavy. Among other points of differences, the question of bonus for the year 1953 and 1954 and the scheme of pension for workers defied solution. It may be recalled here that in September 1954, the management of the Rodier Mill had given notice to its labour union renouncing, among other things, the pension scheme set out in article 12 of the Collective Agreement. The administration made several attempts to bring about reconciliation between the managements and the workers but without success.¹³ The dispute was finally referred to an Arbitration Committee headed by B.R. Chakravarthi, a retired District and Sessions Judge of Madras on 24 August 1955 with the stipulation to give its award on the points of dispute. These issues related to wages, dearness allowance, classification of workers, standardisation of occupations, work loads, leave and holidays with pay, maternity benefit, recruitment, promotion, confirmation, introduction of standing orders, shift working, overtime, retrenchment and involuntary unemployment compensation, incentive allowance, bonus, welfare activities, reinstatement of discharged employees, exclusion of women

from night shifts, clerical workers' classification etc., pension and provident fund, rationalisation and examination of the existing collective agreements and the provisions of the Labour Code of 1952. In the meanwhile the Savana Mill and the Bharathi Mill had practically closed down and only the Rodier Mill continued to work. The Tribunal gave its interim award which facilitated the re-opening of mills on 20 September, 1955. Nearly 4,000 workers who were rendered idle by the closure of these two mills were benefited by this award. Pending final adjudication, the management of the Bharathi Mill was required to pay the workers at the rate of Rs. 3 per weaver on two looms on average efficiency and at the rate of one weaver for six automatic looms. ¹⁴

The Committee, having dealt with all outstanding disputes, gave its final award on 24 November 1955 announcing a new wage structure for the textile workers. The minimum basic wages of unskilled, semi-skilled, skilled and special grade workers were raised. The Tribunal further awarded that for every 10 per cent. dividend or part thereof declared by a mill on paid-up capital, one month's basic wages should be given as bonus for each worker and clerk. If however, in any year no dividend was declared, the employees would have a claim for 25 per cent. of the net profit to be distributed as bonus. The Tribunal felt that it would not be feasible to continue the system of pension in regard to persons who were to retire in future. But as an alternative the Tribunal directed that from 1 November 1956, all the three mills ought to bring into force a scheme of Contributory Provident Fund. The services of those who worked between 1936 and 1950 were to be recognised by a form of gratuity, the minimum of which was fixed at Rs. 500. In the matter of welfare and safety measures the managements were directed to follow the provisions of the Indian Factories Act. The Tribunal also gave its award on the question of leave and holidays. Pregnant women were conferred the benefit of seven weeks of maternity leave to be availed of by them according to their convenience partly before and partly after delivery with one rupee per day during the period of leave as maternity allowance. The Tribunal's award also provided for compensation to be paid to workers during lay-offs. ¹⁵ The Committee could not, however, deal with the case of pension of those who had already retired as they were not duly represented before the Committee.

On 23 November 1955 about 400 retired pensioners started a peaceful agitation before the mills keeping the question of pension open. It must be noted that the pension scheme for mill workers was in force since 1936.

The press note issued by the administration on the occasion stated that although the question of pension was one of the issues referred to the Arbitration Committee it could not be taken up by the Committee as representatives of the workers who appeared before the Committee said that they did not represent the pensioners but only those actually working in the mills. The managements did not appear to have raised any objection.

The press note continued as follows : "The three-day talks held at the instance of the State Government followed the refusal of the managements to pay pensions which fell due this month. The managements put up notices announcing that no pensions would be paid in November 1955. This was strongly protested against by the pensioners who threatened to resort to hunger strike on the issue."

"At the talks held with the Government during November 18,19, 20 the pensioners insisted that immediate payment should be made of the pensions which fell due in November as that would also create the necessary atmosphere for a settlement. On the other hand the managements maintained that they had already denounced last year itself the pensions clause in the Collective Convention entered into between the managements and the workers in the past. Even after that the managements said, they were continuing payment of pensions only as a matter of grace in the hope that the Arbitration Committee would give its award on the issue. They also stated categorically at the talks that no payment of pension would be made in future unless a satisfactory solution of the question was first arrived at."

"The Government of Pondicherry suggested at the talks—that the pensions due in November 1955 be paid immediately; that the two parties to the dispute hold talks immediately thereafter with a view to arriving at a settlement; within seven days the parties might decide upon a machinery to settle the issue or failing that to approach the Government for the appointment of a tribunal to decide the issue; and that such a tribunal be constituted and asked to give its decision within six weeks."

"While the pensioners agreed to these suggestions, the managements insisted that a settlement should be arrived at before any payments could be made."

“The Government regret that in these circumstances the conciliatory talks had to be temporarily suspended without any settlement being reached.”¹⁶ The managements finally relented and agreed to pay pensions due for the month of October and the first half of November.

A new Arbitration Committee consisting of the Chairman of the 1955 Committee, N.M. Mukkerji and André Carnot as members was constituted in January 1956 to decide the question of pension to retired mill workers.¹⁷ This question was discussed threadbare by the Committee in consultation with the representatives both of the labour and the managements. Having considered the miserable condition to which the retired workers would be subjected to if the pension were stopped by the managements and also taking into consideration the heavy financial liability of the managements, the Committee in their award (21 February 1956) recommended pension for 1,200 workers of three textile mills at reduced rates.¹⁸ The award came into force with effect from 1 December 1955 from which date, payments at reduced rates were made. According to the award, payments made prior to December 1955, were not to be disturbed.

The Fourth Labour Conference held in Pondicherry under the auspices of the Pondicherry State Trade Union Council on 5 February 1956 called for the extension of some of the Indian labour laws such as the Shop Assistants Act and the Employees' State Insurance Scheme to Pondicherry 'without prejudice to the existing rights and privileges of workers'.¹⁹ In another dispute between the management and the workers of Sri Aurobindo Ashram, A. Thamby, Judge of the Pondicherry Superior Tribunal of Appeals, submitted an award in September 1956. According to his award all labourers whose service was equal to or more than three years were to be confirmed.²⁰ Personnel taken on trial and who had worked for more than six months were also to be confirmed. Workers were to be given increments once in three years and this rate was fixed by the management in consultation with the Labour Inspector and in conformity with the social laws.²¹

The Labour Consultative Committee which met on 18 October 1956 to consider the dispute of Rodier Mill where 4,000 workers had been on strike since 8 October in protest against the introduction of the four looms system, decided to leave the four looms issue to an expert committee.²² By an order issued on 7 November 1956 the administration fixed the working hours for workers in all the textile mills in the Territory at 48 hours per week.²³ The next four years were relatively calm and passed off peacefully.

In July 1961, a single-member Tribunal with Ramassamy Gounder was set up to resolve the problems relating to the implementation of the recommendations of the Central Wage Board for Cotton Textile Industry.²⁴ The Tribunal was required to grant wage increases in accordance with the recommendations of the Central Wage Board for the Cotton Textile Industry, to detail the process by which the increase should be given; to make suitable amendments to the existing standing orders including the fixation of the superannuation age for workers; to settle matters relating to the Provident Fund accounts of the workers who would be retired on superannuation and to award a new bonus formula.

The Tribunal's Award was announced on 3 November 1961. Nearly 8,000 workers of the three Pondicherry textile mills benefited by this award. Each worker got Rs. 6 more in his basic wages with retrospective effect from January 1960 and a further increase of Rs. 2 from January 1962. In addition to wage increase, it was recommended that a fixed dearness allowance of Rs. 45 up to 340 points and 23 np. per point thereafter as per the Madras cost of living index should be paid to the workers with effect from November 1, 1961. The Tribunal fixed the age of superannuation as sixty. The management and workers accepted the Tribunal's suggestions to arrive at a mutual agreement on some other points of dispute, including the fixation of pay for the clerical staff as per the Wage Board recommendations, with an additional benefit of one increment.²⁵

The New Horizon Sugar Mills voluntarily applied to their employees with effect from July 1961 the scales of pay as recommended by the Central Wage Board for Sugar Industry.

The Working Committee of the Indian National Trade Union Congress passed a resolution in September 1962 calling for the extension of the Central Labour Laws to the Territory. In December the Working Committee of the Tamil Nadu I.N.T.U.C. renewed the appeal at its Madurai Session. A delegation of the Pondicherry Textile Trade Unions met Prime Minister Nehru at Raj Nivas on 17 June 1963 and requested the extension of the Industrial Disputes Act and other Labour Acts to the Union Territory. Soon after i.e. with effect from 1 October 1963, most of the Indian labour laws were extended to this Territory under the Pondicherry (Laws) Regulation, 1963 together with other Indian laws. With this, the Territory came to be governed almost entirely by Indian labour laws.

There was a major strike in the Engineering Sections of the Rodier and Bharathi Mills in the first week of June 1963. It was however withdrawn and the dispute was referred to a one-man Labour Tribunal whose awards of 26 January and 19 February 1964 brought the matter to a settlement.

The very placid industrial atmosphere came to be disturbed once again with the closure of Bharathi Mill on 20 November 1965. This sudden closure spelt great hardship to its workers. Subsequently a committee was appointed by the Government of India under the Industries (Development and Regulation) Act to study the situation created by the closure of the mill. On the recommendations of the Investigation Committee headed by T.S. Pattabiraman, the Government of India took over the management of Bharathi Mill under the Industrial Development Regulations Act with effect from 5 May 1966. An Authorised Controller was appointed and the mill was re-started on 14 January 1967.

The Pondicherry Catering Establishments Bill, 1964 and the Pondicherry Industrial Establishments (National and Festival Holidays) Bill, 1964 were passed by the Legislative Assembly on 21 March 1964 granting the workers four optional and four non-optional holidays. The former bill received the assent of the President on 23 April 1964. The Government of India also gave their approval to the introduction of the Pondicherry Shops and Establishments Act, 1964 covering the workers and employees of shops and establishments in the Territory.

The extension of the Employees' State Insurance Scheme to the three communes of Pondicherry, Mudaliyarpettai and Ozhukarai on 2 October marked the most significant event of 1966. The families of all insured persons became entitled to medical care with effect from 1 January 1967. A separate office of the Employees' State Insurance Corporation started functioning from 2 October 1966 at Pondicherry.

The Indian Fatal Accidents Act, 1855 and the Indian Boilers Act, 1923 were extended to this Territory with effect from 24 May 1968. The Beedi and Cigar Workers (Conditions of Employment) Act, 1966 (except Section 3) was brought into force on 1 September 1968. 26

The Pondicherry Industrial Establishments (National and Festival Holidays) Act, 1964 was amended in 1970 with a view to enabling the employees to avail of any additional holiday or leave with wages on any day whenever the four national holidays or the four festival holidays fell on weekly holidays. The same year, the Pondicherry Assembly also passed the Payment of Wages (Pondicherry Amendment) Act, 1970 which amended the Payment of Wages Act, 1936 (Central Act) in order to make provision for the deduction of current consumption charges from the wages. The Pondicherry Industrial Establishments (National and Festival Holidays) Act, 1964, was again amended in 1971 to include May Day as a national holiday thereby reducing the number of optional holidays from four to three.

Labour Court : Under the provisions of the French Labour Code, a labour court was set up in Pondicherry in 1954. This court dealt with individual disputes arising in connection with a contract of employment between workers and their employers. It also decided all individual disputes relating to collective agreements or orders which took their place. Its jurisdiction also extended to disputes between workers arising out of employment*. Appeals from the court were heard by the Tribunal of First Instance.

Following the extension to this Territory of the Indian labour laws on 1 October 1963, this court ceased to exist. On 9 December, the same year, a new Labour Court with a full-time Presiding Officer was constituted to hear all disputes arising under the Industrial Disputes Act. Appeals from the court are heard by the High Court of Madras.

A brief account of the operation of the various Indian labour laws in the Territory is furnished hereunder :

The Workmen's Compensation Act, 1923 : This Act, extended to this Territory on 1 October 1963, ensured the payment of monetary compensation for workers or dependents of deceased workers for injury or death sustained by workmen due to accident arising out of or in the course of their employment. The Workmen's Compensation (Pondicherry) Rules, framed under the above Act were notified on 27 May 1965. The Labour Commissioner who functions as Commissioner for Workmen's Compensation and the Deputy

* Under article 180 of the Labour Code.

Labour Commissioner who functions as the Additional Commissioner for Workmen's Compensation under the Act, hear and dispose of claims arising under this Act. The details of compensation deposited by the employers under this Act between 1966 and 1974 are furnished below:

(In Rupees)

Year	Pondicherry	Karaikal	Mahe	Yanam
1966	12,266.29	Nil	Nil	Nil
1967	4,200.00	"	"	"
1968	8,232.00	"	"	"
1969	5,003.00	"	"	"
1970	9,600.00	2,500	"	"
1971	Nil	Nil	"	"
1972	15,390.00	7,000	"	"
1973	7,000.00	7,000	2	2
1974	7,000.00	Nil	Nil	Nil

The Indian Boilers Act, 1923 : This Act was extended to this Territory with effect from 1 October 1963. The Commissioner of Labour performs the functions of the Chief Inspector of Boilers and the Inspector of Factories those of the Deputy Chief Inspector of Boilers under the Act. The Pondicherry Economiser Rules, 1971 framed as per this Act were notified in the Gazette on 26 February 1971 and came into force with effect from 26 February 1971. As on 31 December 1975, 32 boilers installed in this Territory were covered by the provisions of this Act.

The Trade Unions Act, 1926 : This Act, extended to this Territory along with the other labour laws in 1963, provided for the registration of trade unions and laid down the rights and obligations of registered trade unions. The Pondicherry Trade Union Regulations, 1964 were notified on 27 May the same

year. The Labour Commissioner was declared as the Registrar of Trade Unions in this Territory. As on 31 December 1975 there were 63 registered trade unions of which the Pondicherry Textile Mills Labour Union was the largest. The Pondicherry Electricity Employees' Union, the Ariyur Sugar Mill Employees' Union, the Ariyur Sakkarai Alai Thozhilalar Munnetra Sangam, the Pudukkottai Mill Thozhilalar Sangam, Anna Thozhilalar Union were some of the popular trade unions in Pondicherry. The Cannanore Spinning and Weaving Mill (Mahe Unit) Workers' Union was the largest in Mahe. There was only one registered trade union in Yanam formed by the motor transport workers. Besides these, the workers of the P.W.D., Co-operative Institutions, Sri Aurobindo Ashram, clerks employed in the Mills and transport workers have also formed trade unions to protect their rights. Most of these unions were affiliated to the I.N.T.U.C., A.I.T.U.C., C.I.T.U., the D.M.K. and the A.D.M.K. Federations.

The Payment of Wages Act, 1936 : Also extended to the Territory on 1 October 1963, this Act was meant to ensure prompt and regular payment of wages to workers drawing less than Rs. 400 per month in factories, industrial and catering establishments and motor transport undertakings. It also provided for the appointment of 'authorities' to enquire into and pass orders in cases arising out of delayed payment or non-payment of wages and wrongful deduction from the wages and to award compensation. The wage limit was raised to Rs. 1,000 per month with effect from 12 November 1975. With effect from the same date the Act provided facilities, upon the consent of the individual worker, for payment of his wages by the employer either by cheque or by crediting the wages in his bank account. The amounts so awarded were recoverable as though they were fines imposed by the Magistrate. The Pondicherry Payment of Wages Rules, 1964 seeking to enforce the provisions of the Act in the Territory were notified in the Gazette on 14 May 1965. The Labour Commissioner and the Deputy Labour Commissioner were the prescribed 'Authority' and 'Additional Authority' respectively empowered to enforce the provisions of the rules in the Territory.

The Industrial Employment (Standing Orders) Act, 1946 : The Standing Orders framed by the 1955 Arbitration Committee and brought into effect on 24 November 1955, remained in force until they were replaced by this Act which was extended to this Territory on 1 October 1963. This Act required the employer of every industrial establishment in which 100 or more workmen were employed to submit to the certifying officer for certification, draft standing orders proposed for adoption in the establishments. It required the draft standing orders to contain provisions on matters relating to terms of service specified in it. Such provisions were required, as far as practicable, to be in conformity with the model standing orders prescribed by the government. The Labour Commissioner who was the Certifying Officer under the Act verified whether the draft complied with the above requirements and before certifying the fact, he gave the employers and the representatives of workers an opportunity to be heard. Apart from all the Textile Mills in the Territory, the Sugar Mill, the Directorate of Electricity, the Pondicherry Distilleries Ltd., the Co-operative Dairy, Sri Aurobindo Ashram, the Handmade Paper Unit and the Pondicherry Cycle Parts Manufacturing Company got their Standing Orders certified by the Certifying Officer.

The Industrial Disputes Act, 1947 : This Act was extended to this Territory on 1 October 1963. It provided for the investigation and settlement of industrial disputes and specified the machinery for the purpose. The Labour Commissioner and the Labour Officer were the Chief Conciliation Officer and the Conciliation Officer respectively for the purposes of this Act and its rules. Industrial disputes were first heard by the Conciliation Officer. Where no settlement was reached, the government was empowered to refer the dispute to the Labour Court for adjudication. The awards passed by the Labour Court and the settlements brought about by the Conciliation Officer were binding on both the parties.

The Act imposed certain restrictions on strikes and lock-outs being declared either during the pendency of conciliation proceedings before the Labour Court or during the period of operation of settlement and awards. The Act also prohibited strikes and lock-outs in public utility services without due notice. The management of industrial establishments employing 100 or more workmen were required to constitute Works Committees consisting of representatives of employees and workmen with a view to promoting measures for securing and preserving good relations between the employers and workers.

The Act further provided for payment of compensation for involuntary unemployment besides requiring the employers to give a month's notice or wages in lieu thereof and compensation of 15 days wages for each year of service in cases of retrenchment. The statement below shows the number of cases referred to and disposed of under the Industrial Disputes Act between 1965 and 1975.

Year	No. of disputes pending at the beginning of the year	No. of disputes received during the year			Complaints under section 33 A of the I.D. Act.	Total	No. of disputes disposed of during the year	No. of cases pending at the end of the year
		Referred by 10(1)(c)	Govt. under section 10(1)(d)	10 A				
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1965-66 ..	Nil	10	2	—	—	12	6	6
1966-67 ..	6	4	3	—	—	13	7	6
1967-68 ..	6	10	—	—	—	16	12	4
1968-69 ..	4	25	6	—	—	35	14	21
1969-70 ..	21	17	3	—	—	41	32	9
1970-71 ..	9	17	5	—	—	31	16	15
1971-72 ..	15	20	5	—	—	40	35	5
1972-73 ..	5	13	4	—	—	22	14	8
1973-74 ..	8	16	1	—	—	25	12	13
1974-75 ..	13	13	1	—	—	27	2	25

The Factories Act, 1948 : This was one of the Central Acts extended to this Territory on 1 October 1963. The Pondicherry Factory Rules, 1964 came into force with effect from 29 November 1965. This Act provided for the registration of all factories including those notified under section 85. The following statement furnishes the total number of factories in each region and the total number of workers in position since 1967*.

Year	Pondicherry		Karaikal		Mahe		Yanam	
	A	B	A	B	A	B	A	B
1967 ..	52	9,095	14	491	2	663	1	24
1968 ..	76	8,653	13	602	2	708	1	12
1969 ..	151	9,960	52	410	1	416	1	12
1970 ..	222	10,839	68	487	12	524	7	15
1971 ..	244	10,491	62	464	12	533	7	8
1972 ..	261	10,495	68	495	10	542	7	11
1973 ..	269	11,494	68	500	10	607	7	22
1974 ..	304	11,734	73	543	10	587	6	21

* 1967 is the earliest year for which the figures are available.

A = No. of applications received.

B = No. of applications disposed of.

Under the Act it was obligatory to obtain the prior approval of the Chief Inspector of Factories for plans for the construction of new factories and extension of existing factories so as to ensure higher standards of safety based on modern industrial practices relating to working conditions. The

number of applications received and disposed of by the Chief Inspector of Factories for approval of plans under the Factories Act since 1966* are furnished below :

Year	Pondicherry		Karaikal		Mahe		Yanam	
	A	B	A	B	A	B	A	B
1966	.. (16)1	16	4(1)	4	—	—	—	—
1967	.. 43(5)	43	6(—)	6	—	—	—	—
1968	.. 32(4)	32	2(—)	2	—	—	1(—)	1
1969	.. 50(11)	48	4(—)	4	—	—	—	—
1970	.. 41(14)	41	1(—)	1	—(1)	1	—	—
1971	.. 64(25)	63	6(1)	6	—	—	—	—
1972	.. 60(25)	58	5(—)	4	1(—)	1	1(—)	1
1973	.. 74(35)	74	1(—)	1	1(—)	1	—	—
1974	.. 96(28)	96	6(1)	6	2(1)	2	1(—)	1
1975	.. 62(28)	62	2(—)	2	2(—)	2	2(2)	2

* 1966 is the earliest year for which the figures are available.

A= No. of applications received.

B= No. of applications disposed of.

Figures within brackets denote the number of applications for the construction of new factories.

The Act further prescribed the standards of comfortable working conditions such as adequate ventilation, lighting and prevention of over-crowding, dust, nuisance, etc. It also provided for the payment of overtime wages for the workers at double the ordinary rate of wages including all allowances and insisted upon the provision of sitting facilities, spittoons, latrines, good drinking water, first-aid facilities, canteen, rest sheds, creches, etc., within the factory premises. The Commissioner of Labour was vested with the powers of the Chief Inspector of Factories under this Act. The Inspector of Factories was primarily responsible for the enforcement of the provisions of this Act in the Territory.

The Employees' State Insurance Act, 1948 : The *décret* of 6 April 1937 may be said to be the earliest liberal measure of labour welfare in the Territory. Article 36 provided for some kind of medical attention to workers. Although the law provided for the medical care of workers to be met by the management, this was seldom the practice. Social security measures were practically absent. The workers were not entitled to any kind of relief, either when the mills declared a lay-off or whenever the workers fell sick. Articles 63-64 and 65 of the above *décret* which related to accidents, stipulated the enforcement of these provisions through an *arrêté*. But this condition was not fulfilled for long. Four years later i.e. on 26 November 1941, an *arrêté* was issued, but even this was introduced only as a war-time measure.

The provisions of the Labour Code of 1952 were undoubtedly more progressive than the decree of 1937. There was a dispensary attached to each of the three mills. In the dispensary attached to the Rodier Mill there was a senior part-time doctor and a junior whole-time doctor. There were besides, two male compounders and one trained ayah. In the Savana Mill, there were a male and a lady doctor, two male compounders, one female nurse per shift besides one ayah and a nurse in the creche. In the dispensary attached to the Bharathi Mill, there was a whole-time doctor. There were three male compounders on the whole, one for each shift and when there was no third shift, the third compounder was also available during day time. There was one trained ayah besides a trained cooly in the creche. The accommodation in the dispensaries was very limited and wholly insufficient in the Rodier and Bharathi Mills. The dispensary in the Savana Mill was more attractive and better equipped. The Chakravarthi Arbitration Committee which went into the question of medical aid which was the fourteenth point of reference, directed the two mills to improve their dispensaries to meet the needs of the large number of workers. Calling for additional facilities to be extended to the workers, the Committee stated in its report, "Not only the actual workers but members of their family may be allowed to have the benefit of these dispensaries. Where the workers are unable to come to the dispensary, the mill doctor concerned may be asked to attend to the patient in his house whenever possible. There can be no hard and fast rule on this matter. The managements say that they are prepared to treat the workers and their families free of cost for minor ailments. The workers and their families will also have the benefit of medical consultation in any case. But the difference between the managements and the workers has arisen in regard to the treatment

involving costly medicines and patent drugs. The managements say that though at one time they were making even costly medicines and patent drugs available to the workers, they can no more afford to do it after the wage structure has been raised. We do not consider that it is possible to direct the management to bear the cost of costly medicines in all cases. Where a worker is injured in an accident in the mill or he gets an occupational disease, naturally the burden falls upon the management to get him admitted into a suitable hospital and secure him the necessary treatment. But where a worker or a member of his family falls ill in the ordinary course, the same burden cannot be imposed on the management. But, if the management feels that in a particular case having regard to the length of service and the loyalty of the worker concerned they can do something more than what they are bound to do, they may well do it".²⁷ The Committee however expressed the hope that the State Insurance Scheme would be introduced in this Territory very soon. As expected, the benefit of the E.S.I. Scheme* was extended to this Territory with effect from 1 October 1966 as a result of a tripartite agreement reached between the E.S.I. Corporation, the employees and the administration. The Pondicherry State Insurance Court Rules, 1965 and the Pondicherry Employees' State Insurance Court Rules, 1965 and the Pondicherry Employees' State Insurance (Medical Benefit) Rules, 1966 framed by this administration were also notified on 29 September 1966.

As power operated factories employing 20 or more workers came under the purview of the Act, workers of all the mills and other factories derived the benefit of the scheme. As a first step, the scheme was extended to Pondicherry, Mudaliyarpettai and Ozhukarai Communes with a full-time Dispensary at Mudaliyarpettai and part-time dispensaries at Reddiyarpalayam, Ariyankuppam and Pondicherry. The New Horizon Sugar Mills at Ariyur was not however covered as it was said to be a seasonal factory. The E.S.I. Scheme was extended to Mahe region in August 1970, benefiting about 900 workers in the region. The families of insured workers became entitled to medical benefit since November 1970. Under the extension programme of the E.S.I.

* First introduced in India in the year 1948.

Act, establishments such as small factories using power and factories working without power, shops, catering establishments, theatres, newspaper establishments, etc., were brought within the purview of this Act with effect from 29 February 1976, extending thereby the benefit to nearly one thousand more workers in the areas where the E.S.I. Act was already in force. On the same date the benefits under the Act were extended to Karaikal region also. There were no such establishments in Yanam.

For more details on medical facilities for workers, see Chapter XVI under "Employees' State Insurance Scheme".

The Minimum Wages Act, 1948 : The Minimum Wages Act, 1948 was extended to this Territory on 1 October 1963. The Minimum Wages (Pondicherry) Rules, 1964 was notified on 19 May 1965. As the number of workers employed in agriculture, handloom and commercial establishments exceeded more than thousand, they attracted the provisions of the Act. The minimum wages for agricultural workers were brought into force with effect from 1 May 1976. Steps were under way to fix the minimum wages for the other two categories of workers.

The Employees' Provident Funds Act, 1952 28: The Pondicherry State Representative Assembly decided on 18 September 1962 to extend the Employees' Provident Fund Act, 1952 to this Territory. Following its extension on 1 October 1963, the scheme was launched on 5 March 1964. To begin with, over 10,000 employees in 37 industrial establishments in the Territory were benefited. 29 Workers covered by this scheme contribute 6½ per cent. or 8 per cent. of their wages towards Provident Fund and the Act made it obligatory on the part of the employers also to make a matching contribution.

The operation of the Employees' Provident Fund and the Family Pension Scheme in the Territory is the responsibility of the Regional Provident Fund Commissioner, Madras. The whole of Pondicherry was placed under the care of a Grade-I Provident Fund Inspector whose office was at Pondicherry. As on June 1971, 105 establishments with an employment strength of about 15,200 workers were covered by the Employees' Provident Fund Act in the Territory. Of these, about 12,230 workers were contributing to the Employees' Provident Fund.

An industry-wise break up of establishments and employees and subscribers is given below :

Sl. No.	Name of the industry	No. of establishments	No. of employees	No. of subscribers
(1)	(2)	(3)	(4)	(5)
1.	Trading and commercial	23	593	503
2.	Mechanical and electrical engineering	13	316	159
3.	Foundry	1	4	4
4.	Canteen	1	17	17
5.	Printing Press	4	82	62
6.	Restaurant	2	172	149
7.	Hotels	4	52	13
8.	Distilling	1	12	6
9.	Iron and steel	1	56	53
10.	Wood works	4	100	77
11.	Automobile repairing	5	51	38
12.	Miscellaneous clubs	1	39	15
13.	Matches	1	50	37
14.	Road Motor Transport	8	78	54
15.	Heavy and fine chemicals	2	18	16
16.	Textiles	15	11,122	9,691
17.	Leather and leather products	1	28	28
18.	Laundry and laundry service	1	28	24
19.	Rice mills	2	1	1
20.	Explosives	1	32	32

(1)	(2)	(3)	(4)	(5)
21.	Building and construction ..	1	20	6
22.	Cinema	4	74	46
23.	Milk and milk products	2	40	30
24.	Sugar	1	841	740
25.	Paper	1	163	135
26.	Electricity	2	1,177	252
27.	Bank	1	55	40
28.	Establishments not implementing the provisions of the scheme ..	2	—	—
	Total	105	15,221	12,228

The very next year i.e., as on 30 September 1972 the total number of establishments in the Territory decreased to 103 covering however, 13,650 employees of whom 11,929 fell under the category of subscribers. A sum of Rs. 21,27,817.99 in Employees Provident Fund Account No. 1 and Rs. 36,525.58 in account No. 2 and Rs. 8,71,862.11 as previous accumulations were due as on 30 September 1972, from some of the major textile mills in the Territory.

The Employment Exchange (Compulsory Notification of Vacancies) Act, 1959:
This Act, extended to this Territory on 1 October 1963, provided for the compulsory notification of vacancies to the employment exchange. Under the Act, the Commissioner of Labour was the Director of Employment.

The statement below shows the quarterly growth of employment in public

Period of notification		No. of establishments		Employment	
		Public (2)	Private (3)	Public (4)	Private (5)
(1)					
70/1	Quarter	90	179	14,632	14,633
2	„	90	180	14,542	14,125
3	„	91	182	14,512	14,347
4	„	95	176	14,893	14,848
71/1	„	95	179	15,180	14,997
2	„	98	234	18,555	15,482
3	„	101	238	17,471*	15,269
4	„	104	235	18,336*	16,166
72/1	„	103	234	19,188*	16,438
2	„	103	228	20,407*	16,131**
3	„	103	240	20,429*	16,359
4	„	105	241	20,599*	16,854
73/1	„	105	240	19,620*	16,868
2	„	107	245	19,977*	16,361
3	„	108	246	19,409*	16,447
4	„	99	244	18,071*	17,235
74/1	„	100	242	21,924*	17,206
2	„	100	245	21,715*	17,265
3	„	102	228	20,985*	16,846
4	„	103	232	21,180*	17,210

* Included the number employed under the Crash Programme.

and private sector institutions along with details of vacancies notified:

Base 100 as on 31st March 1968		Combined index (8)	Vacancies notified		Remarks (11)
Public (6)	Private (7)		Public (9)	Private (10)	
110.6	93.3	101.2	162	1	
109.8	90.1	94.8	169	30	
109.7	91.6	99.8	201	14	
Base 100 as on 31 March 1969					
112.5	94.7	102.8	157	13	
111.5	102.69	106.8	98	6	
132.2	105.2	120.2	149	20	
120.9	104.5	115.9	268	58	*2,000 crash programme
134.6	103.8	122.2	144	24	*2,569 ..
140.9	112.4	126.2	157	12	*3,290 ..
149.8	113.8	129.2	254	41	*4,300 ..
150.1	111.9	130.3	253	21	*4,300 ..
150.1	115.8	132.6	141	20	*2,729 ..
Base 100 as on 31 March 1970					
134.9	115.2	124.6	127	10	*2,799 ..
136.6	111.8	127.6	382	36	*2,938 ..
132.6	112.3	122.4	129	39	*2,067 ..
120.1	110.9	122.4	315	24	*1,125 ..
149.8	115.7	134.1	235	26	*1,125 ..
121.4	117.9	133.1	441	3	*1,125 ..
146.4	115.1	129.2	251	4	*97 ..
144.7	111.6	131.2	290	9	*97 ..

** Decrease due to close of crushing season in the sugar mill.

Most of the private sector institutions in the Territory were not so prompt in notifying their vacancies to the employment exchange.

The Apprentices Act, 1961 : This Act which provided for the regulation and control of training of apprentices in trades was extended to this Territory on 1 October 1963 and the Commissioner of Labour was declared as the State Apprenticeship Adviser. A State Apprenticeship Council was formed on 19 July 1967. The Labour Commissioner in his capacity as State Apprenticeship Adviser was the Secretary of the Council.

The statement below shows the progress in the implementation of the apprenticeship training programme in the Territory since 1968:

Year	No. of establishments engaging apprentices	No. of apprentices recruited for training
1968	3	14
1969	5	70
1970	10	71
1971	14	99
1972	15	120
1973	13	179
1974	41	237
1975	43	283

The Technical Officer (Apprenticeship Training Wing) was the officer directly responsible for the enforcement of the provisions of the Act. He alongwith the Principal, Junior Technical School, the Employment Officer and the Inspector, Karaikal were all Assistant State Apprenticeship Advisers.

As suggested by the I.L.O. a modern Audio-Visual type class-room was set up in the Junior Technical School, Laspettai. This was meant to serve as a multi-purpose class-room so as to improve the standard of Related Instruction among apprentices in the Territory.

The Motor Transport Workers Act, 1961: This Act was extended to this Territory on 1 October 1963. It dealt with matters like medical facilities, welfare facilities, hours of work, spread-over, rest periods, overtime, annual leave, etc. of motor transport workers. The Pondicherry Motor Transport Workers Rules, 1965 were notified on 30 December 1965. All rules except 16, 23 and 25 relating to canteen and medical facilities were brought into force on 18 January 1966 in the Territory.

As on 31 December 1974, 35 establishments employing 283 workers stood covered by this Act.

The statement below furnishes details of transport companies registered under the Act in the Territory:

Description	Pondicherry region	Karaikal region	Mahe region	Yanam region
No. of companies employing less than five workers	—	—	—	—
No. of companies employing less than 10 workers	18	—	—	1
No. of companies employing between 10 and 20 workers	12	4	—	—
No. of companies employing between 20-50 workers	—	—	—	—
No. of companies employing between 50-100 workers	—	—	—	—
No. of companies employing more than 100 workers	—	—	—	—

The Pondicherry Shops and Establishments Act, 1964: The provisions of this Act which were applicable to all shops, theatres and commercial establishments in the Territory, provided several benefits to the employees more or less similar to those assured to workers under the Factories Act, 1948. It provided for the grant of weekly holidays with wages, grant of 12 days annual leave, 12 days casual leave and 12 days sick leave with pay every year and the prompt payment of wages without deductions other than those authorised. It conferred on any dismissed employee a right to appeal against his dismissal to an appellate authority.

The relevant rules under the Act were notified on 24 November 1964. The Deputy Labour Commissioner was the 'Authority' empowered to hear applications from affected persons against dismissals. The Inspector of Factories functioned as an Inspector for the purposes of this Act.

The Pondicherry Catering Establishments Act, 1964 : This Act which came into effect on 3 April 1964 provided for the regulation of conditions of work in catering establishments and for certain other purposes. The Pondicherry Catering Establishments Rules, 1964 were notified on 26 October 1964. Employees in catering establishments enjoyed several benefits more or less similar to those provided to workers under the Pondicherry Shops and Establishments Act, 1964. The Labour Officer was responsible to enforce the provisions of the Act in the Territory with the help of Inspectors appointed for the purpose.

The Pondicherry Industrial Establishments (National and Festival Holidays) Act, 1964 : This Act passed by the Pondicherry Legislative Assembly came into force with effect from 30 April 1964. It provided for the grant of four national holidays (26 January, 15 August, 16 August, 2 October) and four festival holidays to persons employed in shops and industrial establishments in this Territory. The Act however provided that if a majority of the employees so desired, they could avail of May Day as one of the four festival holidays. The 1971 amendment to this Act brought May Day under the category of 'national holidays' and reduced the number of festival holidays from four to three. May Day is observed as a public holiday in Pondicherry since 1971.

The Payment of Bonus Act, 1965 : This was extended to this Territory on 14 June 1965. This Act provided for a minimum bonus of 4 per cent. of the salary or wages earned by the employees during the accounting year or Rs. 40 whichever was higher. This applied even if the concern earned a profit or not. The amendment of 11 February 1976, introduced some important changes in the Act. Under the provisions of the amended Act, bonus became payable only on the basis of profits or on the basis of production or productivity. However, a minimum bonus of 4 per cent. and a maximum bonus of 20 per cent was payable depending on the rate of profit. The minimum bonus was raised (in absolute terms) from Rs. 25 to Rs. 60 in the case of persons below 15 years and from Rs. 40 to Rs. 100 in the case of others.

The Beedi and Cigar Workers (Conditions of Employment) Act, 1966 : This Act provided for the welfare of the workers in beedi and cigar establishments and regulated the conditions of their work and matters connected therewith. This Central Act was extended to this Territory with effect from 1 September 1968. The Pondicherry Beedi and Cigar Workers (Conditions of Employment) Rules, 1968 framed by the administration were notified in the Gazette dated 20 September 1968. As on April 1976 a total number of eight establishments, employing about 40 workers were covered by this Act in the Territory.

The Contract Labour (Regulations and Abolition) Act, 1970 : This Act was extended to this Territory on 10 February 1971. The Deputy Labour Commissioner was declared as the 'Registering Officer' under the Act. The Inspector of Factories was the Licensing Officer with responsibility to enforce the provisions of the Act and the rules.

The following were the other Central Acts extended to this Territory in October 1963 :

- (i) The Indian Fatal Accidents Act, 1855.
- (ii) The Tea Districts Emigrant Labour Act, 1932.
- (iii) The Children (Pledging of Labour) Act, 1933.
- (iv) The Indian Dock Labourers Act, 1934.
- (v) The Employers' Liability Act, 1938.
- (vi) The Employment of Children Act, 1938.
- (vii) The Weekly Holidays Act, 1942.
- (viii) The Dock Workers (Regulation of Employment) Act, 1948.
- (ix) The Plantations Labour Act, 1951.
- (x) The Maternity Benefit Act, 1961.

Again in 1968 the following Central Acts were extended to this Territory under the Pondicherry (Extension of Laws) Act, 1968 :

- (i) The Mines Act, 1952.
- (ii) The Working Journalists (Conditions of Service) and Miscellaneous Provisions Act, 1965 and
- (iii) The Working Journalists (Fixation of Rates of Wages) Act, 1958.

Apart from these, the Contract Labour (Regulation and Abolition) Act, 1970 and the Payment of Gratuity Act, 1972—all passed by the Indian Parliament—were applicable to this Territory.

Wage Boards : The Government of India have set up Wage Boards for different industries to evolve a wage structure based on the principles of fair wages taking into account the needs of industries, requirements of social justice and incentives to workers for advancing their skill. This administration was required to implement the recommendations of the following Wage Boards :

1. Second Wage Board for Cotton Textile Industry.
2. Second Central Wage Board for Sugar Industry.
3. Central Wage Board for Road Transport Industries.
4. Central Wage Board for Engineering Industries.

The recommendations of the Second Wage Board for Cotton Textile Industry covered all the five textile mills in the Territory. The Anglo-French Textiles, the Swadeshi Cotton Mill, Pondicherry and the Soundararaja Mill, Karaikal reached agreement with their workers on implementing the Wage Board recommendations benefiting in all about 9,000 workers. Sri Bharathi Mill, Pondicherry and the Cannanore Spinning and Weaving Mill which were declared as sick mills have not implemented the recommendations.

The recommendations of the Second Central Wage Board for Sugar Industry covered only the New Horizon Sugar Mills. The management reached an agreement with its workers numbering about 650 on the implementation of the Wage Board recommendations.

With regard to the recommendations of the Central Wage Board for Motor Transport Workers, a four-year settlement was arrived at between the management of motor transport undertakings and its workers effective from 1 December 1970. Although the recommendations covered 38 units only, 31 units accepted the recommendations benefiting in all 388 workers. The remaining seven units did not implement the recommendations pleading financial strain. According to the settlement, the workers will receive pay and allowances and house rent allowance as recommended by the Board. The Central Wage Board for Engineering Industries covered four units in this Territory employing about 135 workers. As on 31 December 1973 none of the engineering units had implemented the recommendations of the Wage Board.

Housing : The problem of industrial housing received some attention soon after *de facto* merger especially under the II Plan. Under the Subsidised Industrial Housing Scheme, 234 tenements were built at Kavundanpalaiyam and named as Gandhinagar. The colony was made more attractive to the workers with the addition of a Child Welfare Centre, a Sports and Games Centre and a Crafts Centre, all of which were established during the II Plan period. Under the Integrated Subsidised Housing Scheme, a housing colony had sprung up at Subbiah Nagar under the auspices of the Pondicherry Industrial Workers Cooperative Housing Society, Ltd.

Labour Welfare Centres : There were four Labour Welfare Centres, one each at Mudaliyarpettai, Gandhinagar and Ariyankuppam in Pondicherry region and one at Karaikal, each of which functioned under the care of a Women's Labour Welfare Officer assisted by a Sewing Mistress and a Handicrafts Teacher (or Instructor). The centres were equipped with a library, a sewing section, an indoor games section, a handicraft section and a radio set. The womenfolk belonging to the working class families were taught tailoring and various handicrafts as a means to utilise their spare time to supplement their family income.

Child Welfare Centres : All the four Child Welfare Centres at Gandhinagar, Mudaliyarpettai and Ariyankuppam in Pondicherry region and at Karaikal came to be established in the Territory under the Plan Scheme. Each Centre was looked after by a lady teacher while a nursing orderly took care of about sixty children in the 1-4 age group left by their working parents. The health of the children was also looked after by the nursing orderlies. The children were supplied mid-day meal with the foodstuff supplied by relief organisation like 'CARE'.

Craftsman Training Scheme : The Industrial Training Institute at Tirumalarajanpattinam which started functioning since August 1968 provided training in several trades. Although the Institute started functioning in a rented building and later on moved to the Industrial Estate at Kottuchcheri, it finally moved into its own premises at T.R. Pattinam in August 1973. The Institute had a total strength of 220 trainees.

Distribution of sewing machines : The scheme for free distribution of sewing machines to women faring well in the training programme organised by the Department was introduced in 1961. All such trainees admitted to the course were paid a stipend of Rs. 25 per mensem. Until the scheme was wound up in 1974, about 470 women had undergone training in the centres and as many as 318 sewing machines were distributed free of cost. The centres trained the candidates in needle work, dress-making and embroidery and prepared them for the technical examinations conducted by the Board of Technical Education, Tamil Nadu.

II. Prohibition

Prohibition had never been in force in the Territory. In the days of Anandarangapillai, no doubt, some sort of restriction was imposed, during certain periods every year, when drinking as well as the manufacture and sale of alcoholic drinks were prohibited. During elections, the sale of liquor in public used to be prohibited for one or two days. But otherwise the manufacture and sale of alcoholic drinks had not come under any ban. The administration itself established a distillery more than 100 years ago in Ariyankuppam, which was subsequently shifted to Pondicherry. A few other small sized distilleries were also in operation. All kinds of spirits whether manufactured from palm-juice, sugar-cane or rice were the monopoly of the administration. The wholesale and retail sale of these items was permitted only under licence. The manufacture and sale of toddy and sweet toddy and the import and sale of tobacco were also government monopolies.³⁰ The Territory's economy depended to a large extent on the income accruing from excise duties on alcoholic beverages (for more details on 'Excise' please see Chapter XI, pp. 990-992). Nevertheless, with the announcement of a 12-point minimum programme on prohibition, the administration decided to implement it with vigour in the Territory. The Pondicherry Prohibition Regulation, 1979 was introduced in Pondicherry and Karaikal regions of this Union Territory with effect from 1 June 1979, to the exclusion of Mahe and Yanam. Following the resolution passed unanimously on 30 January 1980 by the Pondicherry Legislative Assembly to the effect that steps should be taken for lifting prohibition in Pondicherry and Karaikal regions, the Pondicherry Excise (Extension) Act, 1980 was passed by the Legislative Assembly and assented to by the President on 3 April 1980. The provisions of the said Act came into force on 25 April, 1980.