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Title: Report of the Minimum Wages  
Advisory Committee

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18/9/58

**Report of the Minimum Wages Advisory Committee  
for Public Motor Transport Industry.**

Government, by their Order No. D. Dis. 22429/54/DD. dated 30-5-1956, appointed an Advisory Committee for Public Motor Transport Industry under Sections 6 and 9 of the Minimum Wages Act (Central Act XI of 1948) in order to enquire into the conditions prevailing in the Public Motor Transport Industry and to advise Government in the matter of revising the minimum rates of wages fixed under Notification No. L1-16322/53/DD dated 9-10-1954. The Members of the Committee are as follows:—

**Employers' Representatives :**

1. Shri K. N. Sankunni Pillay, Managing Director Swaraj Motors Ltd., Kottayam.
2. Shri P. N. Krishna Iyer, Proprietor, P. S. N. Motor Ltd., Trichur.
3. Shri P. A. George, Managing Director, M/s. P. M. Abraham & Sons Boat Service Ltd., Alleppey.

**Employees' Representatives :**

1. Shri T. V. Thomas, President, All Travancore Moto Boat Crew Association, Alleppey (President Travancore-Cochin State Transport Employees Union, Trivandrum).
2. Shri G. Chandrasekhara Pillai, President, Travancore-Cochin State Transport Workers' Union Trivandrum.
3. Shri K. Karunakaran, President, P. S. N. Moto Workers' Congress, Trichur.

The Director of Transport was appointed as the Chairman of the Committee.

2. On 14th June 1957, the Government nominated to the Committee Shri Kallerkode Narayanan, Advocate and Vice President, the Steam and Motor Boat Crew Association Alleppey, vice Shri T. V. Thomas resigned.

3. The Committee held 7 meetings at the places noted below:—

1st meeting	—	14-7-1956	—	Trivandrum
2nd "	—	1-8-1956	—	Trivandrum
3rd "	—	9-10-1956	—	Trivandrum
4th "	—	22-10-1956	—	Kottayam
5th "	—	4-7-1957	—	Trivandrum
6th "	—	28-8-1957	—	Trivandrum
7th "	—	13-9-1957	—	Trivandrum

4. In the first meeting, the procedure for conducting the meetings was discussed and finalised. It was decided that there should be a minimum of 4 members for quorum in which there will be at least one Member from the Employers' Representative

and one from the Employees' Representatives. The question was raised whether the Committee should go in for an elaborate enquiry, such as taking evidence, sending out questionnaires, etc. Since the previous Committee had done all these things, it was agreed that these need not be repeated. Some Members pointed out that some categories of employees have been left out while fixing the minimum wages. But, since the constitution of the present Committee is only for a revision of the minimum wages already fixed, it was felt that fresh fixation of the minimum wages for categories left out was not within the purview of this Committee.

5. Government, in exercise of the powers conferred on them by clause (a) of sub-section (1) of Section 3 of the Minimum Wages Act, 1948 have fixed the minimum rates of wages for the employment in Public Motor Transport, vide their Notification No. L1-16322/53/DD, dated 9-10-1954. The minimum rates of wages payable to the employees in the Motor Transport Industry comprised of basic pay, dearness allowance and batta.

6. Certain employers in Motor Boat Industry filed a writ petition before the High Court of this State against the Government Notification on the ground that Government had no power to fix anything other than the minimum rates of wages payable to the employees who come within the purview of the Minimum Wages Act. The petitioners held that batta was not an integral part of minimum wages and hence the action of Government in having fixed batta for the employees in Public Motor Transport was not within their competence. The High Court after going through the case held that Government was not authorised to fix batta under the Minimum Wages Act. The relevant portion of the judgment is reproduced below:—

"We therefore quash the notification dated 9th October 1954, Exhibit A which is impugned by the petitioners in so far as the third column therein, namely batta is concerned and hold that batta does not and cannot form a component part of the minimum rate of wages which the Government is authorised and enjoined to fix by Section 5 of the Act. The petitions succeed and are allowed to this extent. Under the circumstances, we make no orders for costs. By way of abundant caution, we add a note that our observations in this judgment are confined to the powers of Government to include batta as a separate head in fixing the minimum rates of wages under Section 5 of the Minimum Wages Act as no other matter is within our purview in these cases".

Consequent on this Order of the High Court, the workers in Public Motor Transport were deprived of the batta portion of the minimum wages.

7. The Committee has felt that remuneration in the nature of batta has to be given to the workers because they have been getting it all along and because this constitutes special expenses

entailed on them by the nature of the employment. The Labour Representatives of the Committee suggested that a possible solution of the difficulty is to enhance the minimum wages of the workers to compensate the batta. The employer representatives were not amenable to this adjustment while agreeing to remunerate the workers in some other way to compensate the batta. The Committee took up the question in detail as to how the workers could be remunerated for what they were getting by way of batta without increasing the wages and without falling foul of the High Court judgment.

8. Batta constitutes special expenses which, according to the definition of 'wages' in the Minimum Wages Act does not come under 'wages'. It is because of this that the High Court has impugned the Government Notification fixing the minimum wages.

9. It is not possible to make provision for batta as an allowance coming within the definition of the 'wages' in the Minimum Wages Act and if it is not so made, such an allowance in the nature of batta may not be legally enforceable. As an alternative, it was suggested that different wages may be fixed for the workers, who get batta now on duty, by differentiating their work as that on monthly rate and that on daily rate when they are on duty under Section 3 (3) (a) (ii) which reads as follows :—

“for fixing or revising minimum rates of wages, different minimum rates of wages may be fixed for different classes of work in the same scheduled employment.”

According to this section, the Committee is competent to fix minimum rates of wages for different classes of work in the same scheduled employment. The Committee, therefore, recommend that in the case of workers who get batta on duty, a daily rate inclusive of batta, may be fixed and this may be considered a different category of work from the work they do without batta. Applying the above principle, the Committee recommend that the schedule fixed under Notification L. 1-16322/53/DD. dated 9th October 1954 may be revised as follows :—

### Road Transport.

*Daily rate.*

*Monthly rate.*

#### I. DRIVERS (BUS & LORRY)

For the days on duty in the line. Rs. 3.30 per day

For the days on duty not in the line.

At the rate of Rs. 40 (Basic pay) plus Rs. 25 (D. A.) per month.

## Road Transport—(contd.)

	<i>Daily rate.</i>	<i>Monthly rate.</i>
<b>2. CONDUCTORS</b>		
For the days on duty in the line.	Rs. 2.75 per day	
For the days on duty not in the line.		At the rate of Rs. 30 (Basic pay) plus Rs. 22 (D. A.) per month.
<b>3. CHECKERS/CHECKING INSPECTORS.</b>		
For the days on duty in the line.	Rs. 3 per day	
For the days on duty not in the line.		At the rate of Rs. 35 (Basic pay) plus Rs. 25 (D. A.) per month.

## Boat Transport.

<b>1. SYRANGS.</b>		
For the days on duty in the line.	Rs. 2.75 per day	
For the days on duty not in the line.		At the rate of Rs. 35 (Basic pay) plus Rs. 25 (D. A.) per month.
<b>2. DRIVERS.</b>		
For the days on duty in the line	Rs. 2.75 per day	
For the days on duty not in the line.		At the rate of Rs. 35 (Basic pay) plus Rs. 25 (D. A.) per month.
<b>3. BOATMASTERS.</b>		
For the days on duty in the line.	Rs. 2.75 per day	
For the days on duty not in the line.		At the rate of Rs. 35 (Basic pay) plus Rs. 25 (D. A.) per month.
<b>4. LASCARS.</b>		
For the days on duty in the line.	Rs. 2.15 per day	
For the days on duty not in the line.		At the rate of Rs. 20 (Basic pay) plus Rs. 22 (D. A.) per month.

If the above employees work for N days in a month of 30 days, their minimum wages for that month will be:—

In the case of a Driver :	Rs. N x 3.30 + (30-N) x $\frac{65}{30}$
do. Conductor :	Rs. N x 2.75 + (30-N) x $\frac{52}{30}$
do. Checker/Checking Inspector :	Rs. N x 3.00 + (30-N) x $\frac{60}{30}$
do. Syrang :	Rs. N x 2.75 + (30-N) x $\frac{60}{30}$
do. Driver(Boat) :	Rs. N x 2.75 + (30-N) x $\frac{60}{30}$
do. Boatmaster :	Rs. N x 2.75 + (30-N) x $\frac{60}{30}$
do. Lascar :	Rs. N x 2.15 + (30-N) x $\frac{42}{30}$

10. The Committee feel that the other categories of employees to whom batta is not payable need not require any revision.

13—9—1957

(Sd.) T. C. S. PILLAI,  
Chairman, Minimum Wages Advisory  
Committee for Public Motor  
Transport Industry.

(Sd.) KALLERKODE NARAYANAN  
Member, Minimum Wages Advisory  
Committee for Public Motor  
Transport Industry.

(Sd.) G. CHANDRASEKHARA PILLAI,  
Member, Minimum Wages Advisory  
Committee for Public Motor  
Transport Industry.

(Sd.) K. KARUNAKARAN,  
Member, Minimum Wages Advisory  
Committee for Public Motor  
Transport Industry.

**Dissenting note by Shri K. N. Sankunni Pillai.**

At the final meeting of the Minimum Wages Advisory Committee for Public Motor Transport Industry held on 13-9-1957, a draft report recommending that in the case of workers who get batta on duty, a daily rate inclusive of batta may be fixed and this may be considered as a different category of work from the work they do without batta. Three members of the Committee, Messrs. P.N. Krishna Iyer, P.A. George and myself expressed our disagreement with these recommendations and promised to send the dissenting note as early as possible. The draft report was presented only at the meeting and so, we wanted time to record our dissent, showing reasons.

The necessity for revision arose due to an order of the High Court that Government was not authorised to fix batta under the Minimum Wages Act. The Bus Transport Industry was not affected by this Order, and the workers of this section continue to draw batta as of old. In fact, they are getting more batta than that stipulated in the Act. So long as things are going on smoothly, there, the question of revision does not arise, and any attempt to circumvent the High Court Order will only add to the difficulties.

The recommendation to convert batta into wages may look harmless on the surface, but is really dangerous and will create unnecessary complications. It will affect the overtime, bonus and Provident Fund. The Industry will be heavily burdened by this "conversion trick". So, I treat the recommendation as the thin end of the wedge.

Concerning the Boat Services, the less said the better. We are running this business at a heavy loss even with the present wages. Due to various reasons, this industry is collapsing and has no prospects for the future also. We may totally discontinue this business within a month or two. The only way to save the industry is to form a Corporation with Government as major share-holders and the owners and workers holding the balance shares. When we have no means to pay even the salary &c., the question of batta and "conversion tricks" is a huge mockery.

For reasons stated above, I record my dissenting note on the recommendation relating to conversion of batta into wages. With regard to the second recommendation that the other categories of employees to whom batta is not payable does not require revision, I am in complete agreement.

(Sd.) K. N. SANKUNNI PILLAI,  
Member, Minimum Wages Advisory Committee  
for Public Motor Transport Industry.

**Dissenting note by Shri P. N. Krishna Iyer.**

The Minimum Wages Advisory Committee was constituted for revising the minimum rates of wages fixed by the Notification No. L1-16322/53/DD, dated 9-10-54. This revision was necessitated on account of the decision of the T. C. High Court to the effect that batta fixed by the earlier notification does not and cannot form a component part of the minimum rate of wages and as such to that extent *ultra vires*. In order to circumvent the above decision the present recommendation is to add the batta to the wages and also to fix different wages for days they are on duty and off duty. In most of the concerns, especially in road transport, the drivers are being paid batta apart from the salary and D. A. and in every respect much more than what is fixed by the Minimum Wages Notification. The total earnings is much more than what is fixed by the Notification even though under some heads it may be less than what is fixed by the Minimum Wages Notification. Though the recommendation to add the batta also to the wages will not affect the total emoluments now being paid by the industry, it is likely to have far-reaching consequences. For the purpose of calculating overtime wages, as also for payment of provident fund contributions and also in the matter of payment of bonus, there will be disproportionate increase in the basic wages so far as the running staff is concerned. This undue preference, apart from heavy financial commitments, will create bickerings amongst the other workers. On the basis of the Notification of the Government fixing the minimum wages, most of the industrial concerns are paying batta to its workers and now to adopt a different system will create complications. I would suggest that the revised wages may not be made applicable to concerns, which have adopted a different system on the basis of the original Notification.

With the above suggestions I record my dissenting note on the recommendation relating to addition of batta to wages. I am in full agreement with regard to the other recommendations.

(Sd.)

P. N. KRISHNA IYER,

*Member, Minimum Wages Advisory Committee  
for Public Motor Transport Industry.*

**Dissenting note by Shri P. A. George.**

I do not agree with the recommendations made in the report on the following grounds:—

- (1) Last para on page 5 of the report reads as:

“The Committee feel that the other categories of employees to whom batta is not payable need not require any revision”.



**Dissenting note by Shri P. N. Krishna Iyer.**

The Minimum Wages Advisory Committee was constituted for revising the minimum rates of wages fixed by the Notification No. L1-16322/53/DD, dated 9-10-54. This revision was necessitated on account of the decision of the T. C. High Court to the effect that batta fixed by the earlier notification does not and cannot form a component part of the minimum rate of wages and as such to that extent *ultra vires*. In order to circumvent the above decision the present recommendation is to add the batta to the wages and also to fix different wages for days they are on duty and off duty. In most of the concerns, especially in road transport, the drivers are being paid batta apart from the salary and D. A. and in every respect much more than what is fixed by the Minimum Wages Notification. The total earnings is much more than what is fixed by the Notification even though under some heads it may be less than what is fixed by the Minimum Wages Notification. Though the recommendation to add the batta also to the wages will not affect the total emoluments now being paid by the industry, it is likely to have far-reaching consequences. For the purpose of calculating overtime wages, as also for payment of provident fund contributions and also in the matter of payment of bonus, there will be disproportionate increase in the basic wages so far as the running staff is concerned. This undue preference, apart from heavy financial commitments, will create bickerings amongst the other workers. On the basis of the Notification of the Government fixing the minimum wages, most of the industrial concerns are paying batta to its workers and now to adopt a different system will create complications. I would suggest that the revised wages may not be made applicable to concerns, which have adopted a different system on the basis of the original Notification.

With the above suggestions I record my dissenting note on the recommendation relating to addition of batta to wages. I am in full agreement with regard to the other recommendations.

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P. N. KRISHNA IYER,

*Member, Minimum Wages Advisory Committee  
for Public Motor Transport Industry.*

**Dissenting note by Shri P. A. George.**

I do not agree with the recommendations made in the report on the following grounds:—

- (1) Last para on page 5 of the report reads as:

“The Committee feel that the other categories of employees to whom batta is not payable need not require any revision”.

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So it is clear that except for batta, no revision of minimum wages is necessary. Fixation of batta is not within the purview of the Act and so the Committee is not competent to fix same. Hence the Committee need not labour to fix batta under some other cloak and thus go beyond the scope and intention of the Act.

(2) The economic position of the Boat Transport Industry is so bad that it cannot afford to pay the rates recommended, nor anything more than what is being paid now. The present average rate of batta paid in the Boat Industry for a to and fro trip in the Alleppey—Quilon line is Re. 1-0-0 per head for Masters, Syrang and Drivers and 0-8-0 per head for Lascars. This works out to about one anna per hour for Masters, Syrang and Drivers and six pies per hour for Lascars. Neither this Committee nor the previous Committee made any enquiry to fix the quantum of batta and in the absence of such figures, the Committee cannot fix the extra expenses entailed on the employees while going on line and so the enhanced rates recommended for days on duty in the line are not based on facts and figures.

(3) Since the rates fixed for days on duty in the line are meant to include basic wages, dearness allowance and batta, but not so specifically stated, there is a chance of these rates being claimed as basic wages for computation of allowances for overtime work, bonus, provident fund, gratuity and other such items. So, different rates for days on duty in the line and for days on duty not in the line cannot be recommended.

(Sd.)

P. A. GEORGE,

*Member, Minimum Wages Advisory Committee  
for Public Motor Transport Industry.*